

**CIRCULAR DATED 13 June 2024**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

This Circular is issued by Charisma Energy Services Limited (the “Company”). If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

**Capitalised terms used but not defined on the cover of this Circular bear the same meanings as ascribed to them in the section entitled “Definitions” of this Circular.**

If you have sold or transferred all your shares in the capital of the Company held through CDP, you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your shares represented by physical share certificate(s), you should at once hand this Circular to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

This Circular 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 “SGX-ST”) and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular. If a Shareholder is in any doubt as to the course of action that he/she/it should take, he/she/it should consult his/her/its stockbroker, bank manager, solicitor, accountant or other professional adviser immediately. The contact person for the Sponsor is Mr Shervyn Essex, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, [sponsorship@ppcf.com.sg](mailto:sponsorship@ppcf.com.sg).

This Circular (including the Notice of EGM and the Proxy Form) may be accessed on SGXNet at the URL: <https://www.sgx.com/securities/company-announcements>. A printed copy of this Circular will NOT be despatched to Shareholders unless requested by the Shareholders via the submission of the request form to request for printed copies of the Circular (“Request Form”). The printed copies of the Notice of EGM, Proxy Form and Request Form have been despatched to Shareholders and are also available on SGXNET.

**The EGM will be held by way of physical means only at 51 Cuppage Road, #03-03, Singapore 229469. Accordingly, Shareholders and their duly appointed proxy (proxies) will not be able to attend the EGM by way of electronic means.** Please refer to section 13 of this Circular for further details, including the steps to be taken by Shareholders and their duly appointed proxy (or proxies) to participate at the EGM.

This Circular does not constitute an offer to sell or a solicitation of an offer to buy shares nor shall there be any sale of any shares in any jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under any securities laws of such jurisdiction. This Circular is issued to Shareholders solely for the purpose of providing Shareholders with the information pertaining to, and seeking Shareholders’ approval for the resolution to be proposed at the EGM. Shareholders are authorised to use this Circular solely for the purpose of considering the approvals sought. Persons to whom a copy of this Circular has been issued shall not circulate to any other person, reproduce or otherwise distribute this Circular or any information herein for any purpose whatsoever nor permit or cause the same to occur.



**CHARISMA ENERGY SERVICES LIMITED**

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 199706776D)

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED DISPOSAL OF THE COMPANY’S 80.0% EQUITY INTERESTS IN YICHANG SMARTPOWER GREEN ELECTRICITY CO., LTD. AS A MAJOR TRANSACTION UNDER CHAPTER 10 OF THE CATALIST RULES**

**IMPORTANT DATES AND TIMES:**

|                                                |                                             |
|------------------------------------------------|---------------------------------------------|
| Last date and time for lodgement of Proxy Form | : 25 June 2024 at 3.30 p.m.                 |
| Date and time of Extraordinary General Meeting | : 28 June 2024 at 3.30 p.m.                 |
| Place of Extraordinary General Meeting         | : 51 Cuppage Road, #03-03, Singapore 229469 |

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## DEFINITIONS

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In this Circular, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

- “Agreement”** : The equity transfer agreement dated 7 April 2024 entered between the Company, the Purchaser and Yichang in relation to the Proposed Disposal
- “Associate”** : (a) in relation to any individual, including a director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his / her immediate family;
  - (ii) the trustees of any trust of which he / she or his / her immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
  - (iii) any company in which he / she and his / her immediate family together (directly or indirectly) have an interest of 30.0% or more; and
- (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30.0% or more
- “Board”** : The board of Directors of the Company as at the Latest Practicable Date
- “Business Day”** : Any day (other than a Saturday, Sunday or a gazetted public holiday) on which commercial banks are generally open for business in Singapore and the SGX-ST is open for trading
- “Catalist”** : The Catalist board of the SGX-ST
- “Catalist Rules”** : Section B: Rules of Catalist of the SGX-ST Listing Manual, as amended, modified or supplemented from time to time
- “CDP”** : The Central Depository (Pte) Limited
- “Circular”** : This circular to Shareholders dated 13 June 2024
- “Closing”** : The change of the designation of a shareholder and its capital contribution in the shareholder register by the Company and the Purchaser, completion of the registration of change in Yichang with respect to the Purchaser as the shareholder thereof and the completion of other closing actions set out in the Agreement so that the Purchaser is able to successfully exercise shareholder rights attached to the Equity Interest
- “Companies Act”** : The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time
- “Company”** : Charisma Energy Services Limited (Unique Entity Number: 199706776D) a company incorporated in Singapore with its

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## DEFINITIONS

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|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                       | registered address at 8 Wilkie Road, #03-01, Wilkie Edge, Singapore 228095                                                                                                                                                                                                       |
| <b>“Company’s Corporate Guarantee”</b>                | : Has the meaning ascribed to it in Section 3.1 of this Circular                                                                                                                                                                                                                 |
| <b>“Controlling Shareholder”</b>                      | : A person who (a) holds directly or indirectly 15.0% or more of the nominal amount of all voting Shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or (b) in fact exercises control over the Company |
| <b>“Court”</b>                                        | : The General Division of the High Court of the Republic of Singapore or, where applicable on appeal, the Appellate Division of the High Court of the Republic of Singapore                                                                                                      |
| <b>“CPF”</b>                                          | : The Central Provident Fund                                                                                                                                                                                                                                                     |
| <b>“CPF Agent Banks”</b>                              | : Banks approved by CPF to be the agent banks for CPF investors                                                                                                                                                                                                                  |
| <b>“CPF Funds”</b>                                    | : CPF investible savings                                                                                                                                                                                                                                                         |
| <b>“CPF Investment Account”</b>                       | : The investment account maintained with an approved CPF agent bank for the purpose of investment of CPF Funds under the CPFIS – Ordinary Account                                                                                                                                |
| <b>“CPFIS”</b>                                        | : CPF Investment Scheme                                                                                                                                                                                                                                                          |
| <b>“CPFIS Members”</b>                                | : Shareholders who have previously purchased Shares using their CPF Funds under their CPF Investment Accounts                                                                                                                                                                    |
| <b>“Deed”</b>                                         | : Has the meaning ascribed to it in Section 1.1 of this Circular                                                                                                                                                                                                                 |
| <b>“Director”</b>                                     | : A director of the Company as at the Latest Practicable Date                                                                                                                                                                                                                    |
| <b>“EGM”</b>                                          | : The extraordinary general meeting of the Company to be held at 51 Cuppage Road, #03-03, Singapore 229469 on 28 June 2024 at 3.30 p.m. to seek the approval of Shareholders for the Proposed Disposal, notice of which is set out on pages N-1 to N-4 of this Circular          |
| <b>“Equity Interest”</b>                              | : Has the meaning ascribed to it in Section 1.1 of this Circular                                                                                                                                                                                                                 |
| <b>“Equity Interest Purchase Consideration”</b>       | : Has the meaning ascribed to it in Section 5 of this Circular                                                                                                                                                                                                                   |
| <b>“Equity Pledge”</b>                                | : Has the meaning ascribed to it in Section 5 of this Circular                                                                                                                                                                                                                   |
| <b>“First Transfer Price”</b>                         | : Has the meaning ascribed to it in Section 5 of this Circular                                                                                                                                                                                                                   |
| <b>“FY”</b>                                           | : Financial year ended or ending on 31 December, as the case may be                                                                                                                                                                                                              |
| <b>“Group”</b>                                        | : The Company and its subsidiaries                                                                                                                                                                                                                                               |
| <b>“Group’s 1Q 2024 Interim Financial Statements”</b> | : Has the meaning ascribed to it in Section 6.1 of this Circular                                                                                                                                                                                                                 |

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## DEFINITIONS

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| <b>“Group’s FY2023 Audited Financial Statements”</b>     | : | Has the meaning ascribed to it in Section 2.1 of this Circular                                                                                                                                                                                                                                                                                     |
| <b>“Huaneng Tiancheng”</b>                               | : | Huaneng Tiancheng Finance Lease Co., Ltd.                                                                                                                                                                                                                                                                                                          |
| <b>“Huaneng Tiancheng Financial Leasing Contract”</b>    | : | Has the meaning ascribed to it in Section 3.1 of this Circular                                                                                                                                                                                                                                                                                     |
| <b>“Huaneng Tiancheng Financial Leasing Liabilities”</b> | : | Has the meaning ascribed to it in Section 3.1 of this Circular                                                                                                                                                                                                                                                                                     |
| <b>“Independent Valuer”</b>                              | : | Cushman & Wakefield VHS Pte Ltd                                                                                                                                                                                                                                                                                                                    |
| <b>“Latest Practicable Date”</b>                         | : | 11 June 2024, being the latest practicable date prior to the issue of this Circular                                                                                                                                                                                                                                                                |
| <b>“LPS”</b>                                             | : | Loss per Share                                                                                                                                                                                                                                                                                                                                     |
| <b>“MAS”</b>                                             | : | The Monetary Authority of Singapore                                                                                                                                                                                                                                                                                                                |
| <b>“Non-conflicted Director”</b>                         | : | The Director who is considered independent for the purposes of making the recommendation to Shareholders in respect of the Proposed Disposal, being Mr. Owyong Thian Soo, who is an Independent and Non-Executive Director of the Company. For more information on the recommendation to Shareholders, please refer to Section 11 of this Circular |
| <b>“Notice of EGM”</b>                                   | : | The notice of the EGM which is set out on pages N-1 to N-4 of this Circular                                                                                                                                                                                                                                                                        |
| <b>“Ordinary Resolution”</b>                             | : | The ordinary resolution to be tabled at the EGM to seek the approval of Shareholders for the Proposed Disposal as a major transaction under Chapter 10 of the Catalist Rules                                                                                                                                                                       |
| <b>“PRC”</b>                                             | : | The People’s Republic of China                                                                                                                                                                                                                                                                                                                     |
| <b>“PRC Law”</b>                                         | : | All Mainland China’s laws (not including Hong Kong S.A.R., Macau S.A.R. and Taiwan District), administrative regulations, rules, provisions, policy documents, local government and local governmental authority’s regulations, decisions, policy documents, securities trading listing rules, trading rules and other business rules.             |
| <b>“Pre-EGM Reply”</b>                                   | : | Has the meaning ascribed to it in Section 13.1 of this Circular                                                                                                                                                                                                                                                                                    |
| <b>“Proposed Disposal”</b>                               | : | Has the meaning ascribed to it in Section 1.1 of this Circular                                                                                                                                                                                                                                                                                     |
| <b>“Proxy Form”</b>                                      | : | The proxy form in respect of the EGM as set out on pages P-1 to P-3 of this Circular                                                                                                                                                                                                                                                               |
| <b>“Purchase Consideration”</b>                          | : | Has the meaning ascribed to it in Section 5 of this Circular                                                                                                                                                                                                                                                                                       |
| <b>“Purchaser”</b>                                       | : | Smartpower Technology (Shanghai) Co., Ltd., further details of which are set out in Section 2.2 of this Circular                                                                                                                                                                                                                                   |
| <b>“Recorded Shareholder’s Loan”</b>                     | : | Has the meaning ascribed to it in Section 5 of this Circular                                                                                                                                                                                                                                                                                       |
| <b>“Relevant Period”</b>                                 | : | Has the meaning ascribed to it in Section 5 of this Circular                                                                                                                                                                                                                                                                                       |

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## DEFINITIONS

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| <b>“REPS”</b>                                      | : | Has the meaning ascribed to it in Section 1.1 of this Circular                                                                                                                                                                                                                                                                                                     |
| <b>“REPS Holders”</b>                              | : | Has the meaning ascribed to it in Section 1.1 of this Circular                                                                                                                                                                                                                                                                                                     |
| <b>“Scheme Creditors”</b>                          | : | Has the meaning ascribed to it in Section 1.1 of the Circular                                                                                                                                                                                                                                                                                                      |
| <b>“Scheme of Arrangement”</b>                     | : | Has the meaning ascribed to it in Section 1.1 of the Circular                                                                                                                                                                                                                                                                                                      |
| <b>“Securities Accounts”</b>                       | : | Securities accounts maintained by Depositors with CDP but not including securities sub-accounts maintained with a Depository Agent                                                                                                                                                                                                                                 |
| <b>“SFA”</b>                                       | : | The Securities and Futures Act 2001 of Singapore as amended, modified or supplemented from time to time                                                                                                                                                                                                                                                            |
| <b>“SGXNet”</b>                                    | : | A broadcast network utilised by companies listed on the SGX-ST for the purposes of sending information (including announcements) to the SGX-ST accessible at the URL: <a href="https://www.sgx.com/securities/company-announcements">https://www.sgx.com/securities/company-announcements</a> (or any other broadcast or system networks prescribed by the SGX-ST) |
| <b>“SGX-ST”</b>                                    | : | Singapore Exchange Securities Trading Limited                                                                                                                                                                                                                                                                                                                      |
| <b>“Share Registrar”</b>                           | : | Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.), the registered office of which is at 9 Raffles Place, Republic Plaza, Tower 1, #26-01, Singapore 048619                                                                                                                                                                   |
| <b>“Shareholder’s Loan”</b>                        | : | Has the meaning ascribed to it in Section 5 of this Circular                                                                                                                                                                                                                                                                                                       |
| <b>“Shareholder’s Loan Purchase Consideration”</b> | : | Has the meaning ascribed to it in Section 5 of this Circular                                                                                                                                                                                                                                                                                                       |
| <b>“Shareholders”</b>                              | : | The registered holders of Shares, except where the registered holder is CDP, the term <b>“Shareholders”</b> shall, in relation to such Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with those Shares                                                                                                        |
| <b>“Shares”</b>                                    | : | Ordinary shares in the capital of the Company                                                                                                                                                                                                                                                                                                                      |
| <b>“Solar PV”</b>                                  | : | Has the meaning ascribed to it in Section 2.1 of this Circular                                                                                                                                                                                                                                                                                                     |
| <b>“Sponsor”</b>                                   | : | PrimePartners Corporate Finance Pte. Ltd.                                                                                                                                                                                                                                                                                                                          |
| <b>“SRS”</b>                                       | : | Supplementary Retirement Scheme                                                                                                                                                                                                                                                                                                                                    |
| <b>“SRS Investors”</b>                             | : | Investors who have previously purchased Shares under the SRS                                                                                                                                                                                                                                                                                                       |
| <b>“SRS Operators”</b>                             | : | Agent banks approved by CPF under the SRS                                                                                                                                                                                                                                                                                                                          |
| <b>“Substantial Shareholder”</b>                   | : | A person who has an interest or interests in one or more voting shares of the Company (excluding treasury shares) and the total votes attached to that share, or those shares, is not less than 5.0% of the total votes attached to all the voting shares of the Company (excluding treasury shares)                                                               |
| <b>“Valuation Report”</b>                          | : | Independent valuation report dated 13 June 2024 issued by the Independent Valuer in relation to the independent valuation of the 80.0% equity interest in the capital of Yichang                                                                                                                                                                                   |

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## DEFINITIONS

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| <b>“Valuation Summary”</b> | : Valuation summary letter dated 13 June 2024 summarising the Valuation Report issued by the Independent Valuer as set out in the <b>Appendix</b> to this Circular |
| <b>“Working Days”</b>      | : Any day other than Saturdays, Sundays and official holidays of the PRC                                                                                           |
| <b>“Write-Off”</b>         | : Has the meaning ascribed to it in Section 6 of this Circular                                                                                                     |
| <b>“Yichang”</b>           | : Yichang Smartpower Green Electricity Co., Ltd., a subsidiary of the Company, further details of which are set out in Section 2.1 of this Circular                |

### Currencies, Units and Others

|                              |                                                                                                      |
|------------------------------|------------------------------------------------------------------------------------------------------|
| <b>“%” or “per cent.”</b>    | : Per centum or percentage                                                                           |
| <b>“RMB”</b>                 | : Renminbi, the lawful currency of the PRC                                                           |
| <b>“S\$” and “cents”</b>     | : Singapore dollars and cents, respectively, the lawful currency of the Republic of Singapore        |
| <b>“US\$” and “US cents”</b> | : United States dollars and cents, respectively, the lawful currency of the United States of America |

The terms **“Depositor”**, **“Depository”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The terms **“subsidiaries”** and **“relevant intermediary”** shall have the meanings ascribed to them respectively in the Companies Act.

Any reference to a time of day in this Circular shall be a reference to Singapore time, unless otherwise stated.

Any reference in this Circular to any enactment is a reference to that enactment for the time being amended or re-enacted. Any term defined under the Companies Act, the SFA, the Catalist Rules or such statutory modification thereof and used in this Circular shall, where applicable, have the meaning ascribed to it under the Companies Act, the SFA, the Catalist Rules or such statutory modification thereof, as the case may be, unless otherwise provided.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any discrepancies in figures included in this Circular between the amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables in this Circular may not be an arithmetic aggregation of the figures that precede them.

Unless otherwise specified, the exchange rates of S\$1.00: RMB5.3591 as at 5 April 2024 as published by the MAS have been used for the purposes of this Circular. The above exchange rates are used for illustration purposes only and should not be construed as a representation that relevant amounts have been or could be converted at the rate above or at any other rate or at all.

The advisers appointed by the Company in relation to Singapore law for the purpose of this Circular is Morgan Lewis Stamford LLC (**“MLS”**).

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## CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

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Certain statements contained in this Circular, which are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by forward-looking terms such as “expect”, “believe”, “plan”, “intend”, “estimate”, “anticipate”, “may”, “will”, “would”, “could” or similar words. However, these words are not the exclusive means of identifying forward-looking statements. These statements reflect the Company’s current expectations, beliefs, hopes, plans, prospects, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders should not place undue reliance on such forward-looking statements. The actual future results may differ materially from those anticipated in these forward-looking statements as a result of the risks faced by the Group.

No person has been authorised to give any information or to make any representation other than those contained in this Circular and, if given or made, such information or representation must not be relied upon as having been authorised by the Company. Nothing contained in this Circular is, or may be relied upon as, a promise or representation as to the future performance, financial position or policies of the Company and/or the Group. The delivery of this Circular shall not, under any circumstance, constitute a continuing representation, or give rise to any implication or suggestion, that there has not been or there will not be any change in the affairs of the Company and/or the Group or in the information herein since the Latest Practicable Date. Where any such changes occur after the Latest Practicable Date, the Company may make an announcement of the same on the SGXNet. Shareholders should take note of any such announcement and shall, upon the release of such an announcement, be deemed to have notice of such changes.

The distribution of this, and other relevant documents, may be prohibited or restricted by law in certain jurisdictions. Shareholders are required to inform themselves of and to observe any such prohibitions and restrictions. It is the responsibility of the Shareholders in such jurisdictions to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any government, exchange control or other consents which may be required, the compliance with all necessary formalities which are required to be observed and/or payment of any issue, transfer or other taxes due in such jurisdiction.

Where the Company is of the view that the distribution of this Circular and/or any other relevant document to any Shareholder in any jurisdiction(s) may infringe any relevant foreign law or necessitate compliance with conditions or requirements which the Company regards as onerous or impracticable by reason of costs, delay or otherwise, the Company will not distribute this Circular and other relevant documents to Shareholders with registered addresses in such jurisdiction(s).

This Circular and/or any other related documents may not be used for the purposes of, and does not constitute, an offer, invitation or solicitation in any jurisdiction or in any circumstances in which such offer, invitation or solicitation is not authorised or to any person to whom it is unlawful to make such offer, invitation or solicitation.

Shareholders are advised to consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately if they are in any doubt as to any aspect of the transactions contemplated under this Circular. It is emphasised that none of the Company or any other persons involved in the transactions contemplated under this Circular accepts responsibility for any tax effects of, or such liabilities resulting therefrom.

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## LETTER TO SHAREHOLDERS

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### CHARISMA ENERGY SERVICES LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 1999706776D)

#### Directors:

**Mr. Chew Thiam Keng**  
(Non-Executive Chairman and Non-Executive Director)  
**Mr. Owyong Thian Soo**  
(Independent and Non-Executive Director)

#### Registered Office:

8 Wilkie Road  
#03-01 Wilkie Edge  
Singapore 228095

13 June 2024

To: The Shareholders of Charisma Energy Services Limited

Dear Sir / Madam

### THE PROPOSED DISPOSAL OF THE COMPANY'S 80.0% EQUITY INTERESTS IN YICHANG SMARTPOWER GREEN ELECTRICITY CO., LTD. AS A MAJOR TRANSACTION UNDER CHAPTER 10 OF THE CATALIST RULES

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#### 1. INTRODUCTION

##### 1.1 Overview

On 19 April 2024, the Company announced that it had on 7 April 2024 entered into the Agreement with the Purchaser and Yichang pursuant to which the Purchaser shall acquire from the Company (a) 80.0% of the equity interests (the "**Equity Interest**") in Yichang, being the entire equity interests held by the Company in Yichang, for an aggregate consideration of RMB23,079,260 (equivalent to S\$4,306,590); and (b) the Recorded Shareholder's Loan (defined below) of RMB23,588,869.34<sup>1</sup> (as at 23 February 2024) (equivalent to S\$4,401,650) for RMB1 (equivalent to S\$0.19), on and subject to the terms and conditions of the Agreement (collectively, the "**Proposed Disposal**").

Following the disposal of the Equity Interest pursuant to the Proposed Disposal, Yichang will cease to be a subsidiary of the Company. The Purchaser, who currently holds the remaining 20.0% of the equity interests in Yichang, will become the sole shareholder of Yichang holding 100.0% of the equity interests in Yichang.

The Company had entered into a scheme of arrangement with certain of its unsecured creditors (the "**Scheme Creditors**") in accordance with Section 210 of the Companies Act to compromise certain of the Company's debt with such settlement being a combination of cash and issue of new ordinary shares of the Company (the "**Scheme of Arrangement**"). Pursuant to the terms of the Scheme of Arrangement, certain Scheme Creditors shall be distributed 85.0% of the net proceeds of the Proposed Disposal. Please refer to the Company's announcements dated 12 April 2023, 19 June 2023 and 7 July 2023 for further details relating to the Scheme of Arrangement. The Company will seek the relevant creditors' approval for certain

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<sup>1</sup> This is the shareholder's loan amount recorded in the Company's books. Please note that for the purposes of the Agreement, the amount of the shareholder's loan as commercially agreed between the Company and the Purchaser to be reflected in the Agreement (being RMB23,079,260.33) is based on the loan amount recorded in the books of Yichang. The difference between the loan amount recorded in the Company's books and Yichang's books (being, RMB509,609) is due to certain expenses paid on behalf by the Company which were not recognised in Yichang's book. For the purposes of this Circular (save for Section 5 of this Circular which sets out the principal terms of the Agreement based on the Agreement), including the computation of the relative figures under Rule 1006 of the Catalist Rules set out in Section 6 of this Circular, the Company has used the loan amount recorded in the Company's books (being RMB23,588,868.34).

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## LETTER TO SHAREHOLDERS

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supplementation to the Scheme of Arrangement arising from the terms of the Proposed Disposal, which is subject to sanction by the Court. The terms and conditions of the supplementation to the Scheme of Arrangement are being finalized. The Company will make further announcements to update Shareholders on the supplementation to the Scheme of Arrangement in due course.

The Company had entered into a deed of settlement (the “**Deed**”) with holders of certain outstanding redeemable exchangeable preference shares (“**REPS**”, and holders of the REPS, the “**REPS Holders**”) issued by CES Hydro Power Group Pte. Ltd., a wholly-owned subsidiary of the Company, in relation to the settlement of the outstanding arrangements under the REPS subscription agreement and termination of a deed of charge. Pursuant to the Deed, the REPS Holders shall be distributed 15.0% of the net proceeds of the Proposed Disposal. Please refer to the Company’s announcement dated 9 June 2023 for further details relating to the Deed. The Company will obtain the support of the REPS Holders for certain amendments to be made to the Deed arising from the terms of the Proposed Disposal. The Company will make further announcements to update Shareholders on the developments in due course.

The Proposed Disposal is considered a “major transaction” as defined under Chapter 10 of the Catalist Rules. Accordingly, the Proposed Disposal is conditional on approval by Shareholders.

### 1.2 **Extraordinary General Meeting**

The Company is convening an EGM to be held in wholly physical format at 51 Cuppage Road, #03-03, Singapore 229469 on 28 June 2024 at 3.30 p.m. to seek Shareholders’ approval for the Proposed Disposal.

### 1.3 **Purpose of this Circular**

The purpose of this Circular is to provide Shareholders with information relating to the Proposed Disposal, and to seek Shareholders’ approval in relation thereto at the EGM. The Notice of EGM is set out on pages N-1 to N-4 of this Circular.

### 1.4 **Disclaimers**

This Circular has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any of the statements made, opinions expressed or reports contained in this Circular.

## 2. **INFORMATION ON YICHANG AND THE PURCHASER**

### 2.1 **Yichang**

Yichang is a limited liability company established in the PRC on 16 September 2015. As at the Latest Practicable Date, Yichang has a registered capital of RMB60,000,000. Each of the Company and the Purchaser holds 80.0% and 20.0% equity interests in Yichang, respectively.

The principal activities of Yichang are that of construction, ownership, operation and maintenance of the 20-megawatt Solar Photovoltaic (“**Solar PV**”) power plant in Yichang City, Hubei Province in the PRC. Yichang currently has the regulatory approval to develop the Solar PV power plant and to supply electricity to the National Grid in Central China for 20 years commencing from June 2017.

Based on the Group’s audited financial statements for the financial year ended 31 December 2023 (the “**Group’s FY2023 Audited Financial Statements**”), the net loss attributable to the

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Equity Interest is approximately US\$6,798,000 (equivalent to RMB48,210,000<sup>2</sup>). As at 31 December 2023, the net liabilities value attributable to the Equity Interest is approximately US\$1,009,000 (equivalent to RMB7,161,000<sup>3</sup>).

Based on the Group's FY2023 Audited Financial Statements, the book value of the Equity Interest is approximately US\$2,315,000 (equivalent to RMB16,428,000<sup>3</sup>).

The Company commissioned the Independent Valuer to undertake an independent valuation of the Equity Interest. Based on the Valuation Report, the Market Value (as defined in the Valuation Summary) of the Equity Interest is in the range of RMB22.2 million to RMB25.9 million as at 31 March 2024. For more information (including the basis of the independent valuation) and the Valuation Summary, please refer to Section 4 and the **Appendix** to this Circular.

### 2.2 The Purchaser

*Shareholders should note that information relating to the Purchaser in this Section and elsewhere in this Circular has been provided by the Purchaser. The Company and the Directors have not independently verified the accuracy and correctness of such information herein. The sole responsibility of the Directors and the Company for the purpose of such information has been to ensure that such information has been accurately and correctly extracted and reproduced in this Circular in its proper form and context.*

The Purchaser is a limited liability company incorporated in the PRC and having its registered office address at Room 1701 and Room 1702, No. 1062 Yangshupu Road, Yangpu District, Shanghai. The principal activities of the Purchaser are development, construction, and investment of photovoltaic power plants and wind power plants. As mentioned in Section 2.1 of this Circular, the Purchaser holds 20.0% equity interests in Yichang.

The Purchaser is an independent third party who is not related to any of the Directors and/or Controlling Shareholders of the Company, or their respective Associates.

## 3. RATIONALE FOR THE PROPOSED DISPOSAL AND USE OF PROCEEDS

### 3.1 Rationale of the Proposed Disposal

Since the suspension of trading of the Shares on a voluntary basis on 4 February 2019 and subsequent suspension of trading of the Shares under Catalist Rule 1303(3)(c) due to uncertainties as to the Company's ability to continue as a going concern, the Company has been actively taking steps to restructure its debts as well as to divest its existing assets which include a divestment of the Equity Interest. Over the past four (4) years, the Company has taken efforts to source for a buyer for the Equity Interest. Due to the delayed receipt of the national subsidy, coupled with the weak economic outlook of the PRC, the Company has not been able to divest the Equity Interest despite all the efforts made.

Due to the weak cashflow position of Yichang caused by the delay in the payment of the tariff subsidies by the relevant authorities in PRC to Yichang dating back to 2018, the Purchaser has been providing financial support to Yichang over the past six (6) financial quarters, which amounted to approximately RMB8,800,000 as at 31 March 2024, to partially fulfill Yichang's obligations under the financing leasing contract dated September 2017 entered between Yichang and Huaneng Tiancheng (as amended and/or supplemented from time to time) (the "**Huaneng Tiancheng Financial Leasing Contract**"). The financial liabilities of Yichang was RMB125,000,000 at the inception of the Huaneng Tiancheng Financial Leasing Contract. As at 23 February 2024, Yichang has outstanding liabilities amounting to RMB103,088,313.61 owed to Huaneng Tiancheng pursuant to the Huaneng Tiancheng Financial Leasing Contract (the

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<sup>2</sup> Based on the exchange rate of US\$ 1.00 : RMB7.0918, in respect of the financial year 2023, as published by the MAS.

<sup>3</sup> Based on the exchange rate of US\$ 1.00 : RMB7.0969, as at 31 December 2023, as published by MAS.

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**“Huaneng Tiancheng Financial Leasing Liabilities”**). In the event the Purchaser decides to cease its financial support to Yichang, Yichang will be in default of the Huaneng Tiancheng Financial Leasing Liabilities.

The Purchase Consideration takes into account the financial liabilities of Yichang. Following the completion of the Proposed Disposal, the financial liabilities of Yichang will be assumed by the Purchaser, please refer to *“Assumption of responsibility of external debt”* in Section 5 of this Circular, and accordingly, the outstanding financial liabilities of Yichang are not expected to have a financial impact on the Company following the completion of the Proposed Disposal.

The Company has pledged the Equity Interest to secure the Huaneng Tiancheng Financial Leasing Liabilities, and also provided a corporate guarantee issued by the Company in favour of Huaneng Tiancheng (the **“Company’s Corporate Guarantee”**). In the event Yichang defaults on the Huaneng Tiancheng Financial Leasing Liabilities, Huaneng Tiancheng has the right to call on the Company’s Corporate Guarantee and this will have a material adverse impact on the Company’s current restructuring efforts and the Company may not be able to continue as a going concern. The Proposed Disposal, if completed, will enable the release of the pledge of the Equity Interest and the Company’s Corporate Guarantee provided by the Company to secure the Huaneng Tiancheng Financial Leasing Liabilities. For more information on the principal terms of the Agreement, please refer to Section 5 of this Circular.

Accordingly, the Proposed Disposal, if completed, will result in a discharge of the Company’s outstanding liabilities in respect of Yichang and the release of the pledge of Equity Interest and the Company’s Corporate Guarantee mentioned above, which in turn, is expected to facilitate the Company’s resumption of trading of the Shares on the SGX-ST.

### 3.2 Use of Proceeds

As mentioned in Section 1.1 of this Circular, 85.0% of the net proceeds of the Proposed Disposal is to be distributed to certain Scheme Creditors and the remaining 15.0% of the net proceeds of the Proposed Disposal will be distributed to the REPS Holders.

It should be noted that Mr. Chew Thiam Keng (the Non-Executive Chairman and Non-Executive Director of the Company and a director of Ezion Holdings Limited (in liquidation)), Ezion Holdings Limited (In liquidation) (a Substantial Shareholder of the Company) and Mr. Patrick Tan Choon Hock (a Substantial Shareholder of the Company) are amongst the Scheme Creditors who shall receive the distributions mentioned above.

## 4. INDEPENDENT VALUATION

Pursuant to Rule 1014(5) of the Catalist Rules, the Company has commissioned Cushman & Wakefield VHS Pte Ltd as the Independent Valuer to undertake an independent valuation of the Equity Interest, and the Valuation Summary is set out in the **Appendix** to this Circular. The Valuation Report and the Valuation Summary are available as documents for inspection, please refer to Section 15 of this Circular for more information.

To select the most appropriate approach, the Independent Valuer has considered the purpose of the valuation, the basis of value as well as the availability and reliability of information related to Yichang. The Independent Valuer has also considered the relative advantages and disadvantages of each approach having regard to the nature and circumstances of Yichang.

In the Independent Valuer’s opinion, the cost approach is inappropriate for valuing the Equity Interest, as it does not directly incorporate information about the economic benefits contributed by Yichang. The market approach is inappropriate as it requires market transactions comparable to Yichang as an indication of value. The Independent Valuer has not identified any current market transactions which are comparable to Yichang. Given that Yichang has recurring and stable income under the 20-year power purchase agreement entered with State Grid Hubei Electric Power Co. Ltd., a state-owned utility company in China, the Independent

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Valuer is of the opinion that the income approach would be deemed as the most appropriate approach.

Based on the Valuation Report, the Market Value (as defined in the Valuation Summary) of the Equity Interest is in the range of RMB22.2 million to RMB25.9 million as at 31 March 2024 (the “**Valuation Date**”) and the basis of the valuation is by adopting the income approach using discounted cashflow method as the primary approach as at 31 March 2024, which has taken into consideration all financial liabilities of Yichang. In determining the market value of 100% equity interest in Yichang, net debt is deducted from the enterprise value to derive the equity value. For the avoidance of doubt, net debt is the difference between (1) cash and non-operating assets and (2) debt and non-operating liabilities, which in the valuation includes the Shareholder’s Loan of RMB23.1 million (being the loan amount recorded in the books of Yichang as defined below in Section 5 of this Circular) and the advance of RMB8.8 million from the Purchaser to Yichang as noted in Section 3.1 of this Circular as at the Valuation Date. After taking into consideration an appropriate discount for lack of marketability, the Independent Valuer applied 80% on the equity value to arrive at the Market Value of the Equity Interest as at the Valuation Date as noted above.

The Equity Interest Purchase Consideration of RMB23,079,260 is within the range of RMB22.2 million to RMB25.9 million as per indicated in the Valuation Report, and accordingly, the Company is of the view that no adjustments would be required to the Purchase Consideration based on the outcome of the valuation conducted by the Independent Valuer.

**Shareholders are advised to read and consider the Valuation Summary set out in the Appendix to this Circular carefully, and in particular, the terms of reference, basis of valuation, approach and methodology, key valuation assumptions and other assumptions and reservations taken into account by the Independent Valuer.**

### 5. PRINCIPAL TERMS OF THE AGREEMENT

The Agreement is executed in Chinese. The following principal terms of the Agreement are based on the authenticated English translations of the Agreement.

As mentioned in Section 1.1 of this Circular, the amount of the shareholder’s loan extended by the Company to Yichang as commercially agreed between the Company and the Purchaser to be reflected in the Agreement, being RMB23,079,260.33, is based on the loan amount recorded in the books of Yichang (the “**Shareholder’s Loan**”). The shareholder’s loan amount as recorded in the Company’s books is RMB23,588,869.34 (the “**Recorded Shareholder’s Loan**”). The difference between the loan amount recorded in the Company’s books and Yichang’s books (being, RMB509,609) is due to certain expenses paid on behalf by the Company which were not recognised in Yichang’s book. The term “**Shareholder’s Loan**” as used in this Section 5 of this Circular refers to the shareholder’s loan amount as set out in the Agreement. For the avoidance of doubt, the Proposed Disposal, if completed, will from the Company’s perspective result in a disposal of the entire amount of the shareholder’s loan as recorded in the Company’s books (being RMB23,588,869.34) by the Company to the Purchaser.

**Acquisition of Equity Interest**

The Company agrees and acknowledges that it will transfer the Equity Interest to the Purchaser, and the Purchaser agrees and acknowledges that it will acquire the Equity Interest from the Company, in accordance with the terms and conditions of the Agreement.

**Acquisition of Shareholder’s Loan**

The Purchaser agrees and acknowledges that the Purchaser will acquire the Shareholder’s Loan in accordance with the terms and conditions of the Agreement.

**Assumption of responsibility of**

The Purchaser agrees and acknowledges that in addition to the acquisition of the Equity Interest, the Purchaser shall assume

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|-----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>external debt</b>                                                                                            | responsibility of all the external debts of Yichang.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Huaneng Tiancheng's written consent for the transfer of Equity Interest and release of security</b>          | <p>Within five (5) Working Days from the date of the Agreement, the Purchaser shall submit to Huaneng Tiancheng to obtain its written consent to:</p> <p>(a) the Company's transfer of all its Equity Interest to the Purchaser; and</p> <p>(b) release all the security provided by the Company under the Huaneng Tiancheng Financial Leasing Liabilities (including but not limited to the release of the pledge of the Equity Interest by the Company in favour of Huaneng Tiancheng (the "<b>Equity Pledge</b>"), the cancellation of the Company's corporate guarantee and other matters) and the application for the registration of the transfer of the Equity Interest be submitted to the competent authority in the PRC.</p> <p>The Company and the Purchaser agree that the above written consent from Huaneng Tiancheng shall be obtained prior to Closing.</p> |
| <b>Consideration for the acquisition of Equity Interest and Shareholder's Loan</b>                              | <p>The Company and the Purchaser agree and acknowledge that the Purchaser shall acquire (a) the Equity Interest at the consideration of RMB23,079,260 (the "<b>Equity Interest Purchase Consideration</b>"); and (b) the Shareholder's Loan at the consideration of RMB1 (the "<b>Shareholder's Loan Purchase Consideration</b>", together with the Equity Interest Purchase Consideration, the "<b>Purchase Consideration</b>").</p> <p>The Purchase Consideration for the Proposed Disposal was arrived at after arm's length negotiations and on a willing-buyer and willing-seller basis, after taking into consideration the expected future cashflows of Yichang and the rationale for the Proposed Disposal as set out in Section 3.1 of this Circular.</p>                                                                                                          |
| <b>Bonus payment</b>                                                                                            | <p>Before the Purchaser has fully paid the entire Equity Interest Purchase Consideration (the "<b>Relevant Period</b>"), in the event that Yichang is relisted as a recipient of the national subsidy, the Purchaser agrees to pay an additional RMB4,000,000 bonus payment with the fifth (last) installment of the Purchase Consideration.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Release of security provided by the Company for the Huaneng Tiancheng Financial Leasing Liabilities, etc</b> | <p>Within three (3) Working Days after the First Transfer Price (as defined below) is remitted, the Company and the Purchaser shall coordinate with Huaneng Tiancheng to proceed with the discharge of all the security provided by the Company to Huaneng Tiancheng under the Huaneng Tiancheng Financial Leasing Liabilities (including but not limited to the discharge of the Equity Pledge and the cancellation of the Company's corporate guarantees), and shall apply to the competent authority in the PRC for the registration of the transfer of the Equity Interest.</p>                                                                                                                                                                                                                                                                                         |
| <b>Payment Schedule</b>                                                                                         | <p>The payment of the Purchase Consideration shall be paid in five (5) installments within 24 months from the signing of the Agreement.</p> <p>The Purchaser shall pay:</p> <p>(a) within five (5) Working Days after the transfer of the Equity</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

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Interest is approved at the shareholders' general meeting and creditors' meeting of the Company, to the Company RMB3,079,261 (inclusive of the Shareholder's Loan Purchase Consideration of RMB1) (the "**First Transfer Price**").

- (b) the second installment of the Purchase Consideration of RMB5,000,000 in cash no later than 1 September 2024;
- (c) the third installment of the Purchase Consideration of RMB5,000,000 in cash no later than 1 March 2025;
- (d) the fourth installment of the Purchase Consideration of RMB5,000,000 in cash no later than 1 September 2025; and
- (e) the fifth installment of the Purchase Consideration of RMB5,000,000 in cash no later than 1 March 2026.

If the effective date of the Agreement is later than 30 June 2024, the above payment dates will be postponed accordingly.

If the Purchaser transfers the Equity Interest at any time during the period when any of the Purchase Consideration remains outstanding, the Purchaser shall fully pay to the Company all the outstanding Purchase Consideration in one lump-sum within 10 Working Days from the date on which the equity transfer agreement or other legal documents for the equity transfer are executed.

### **Corporate Guarantee from the Purchaser**

The Purchaser acknowledges and agrees that it shall issue a corporate guarantee to the Company within 10 Working Days from the date of the Agreement. Such guarantee shall be valid until the date on which the Purchaser fully pays the Equity Interest Purchase Consideration and the guaranteed amount is RMB20,000,000.

### **Governmental examinations, approvals and filings**

The Company shall be responsible for completing all the necessary governmental examination, approval and filing procedures and formalities of foreign exchange payment with the State Administration of Foreign Exchange for the Purchaser's payment of the Equity Interest Purchase Consideration, and the Purchaser shall actively cooperate with the Company.

### **Closing action items**

Within three (3) Working Days of the First Transfer Price being remitted, certain action items need to be completed by the Company, the Purchaser and Yichang, including but not limited to:

- (a) the Purchaser and the Company submitting the application for the release of the security provided by the Company to secure the Huaneng Tiancheng Financial Leasing Liabilities to the relevant authority which accepts the release of the security and obtaining the notice (or other legal documents) for release of the security;
- (b) the Purchaser shall require Huaneng Tiancheng to cooperate with the Company to terminate the Company's corporate guarantee in favour of Huaneng Tiancheng;
- (c) the Company and the Purchaser shall obtain the relevant approvals for the transfer of the Equity Interest in

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accordance with the applicable laws of the jurisdictions in which they are registered, their internal decision making processes and articles of association, including but not limited to directors' resolutions, shareholders' resolutions and creditors' meeting of the Company;

- (d) rescission of the counter-guarantee contract between the Company and the Purchaser;
- (e) the Purchaser shall be registered as a shareholder in the shareholders' register of Yichang and the relevant registration with the administration for industry and commerce shall have been completed. The Purchaser shall contribute RMB48 million, accounting for 80.0% of the registered capital of Yichang;
- (f) the candidates for legal representative, executive director, supervisor and senior management appointed by the Purchaser shall have been duly appointed as the legal representative, executive director, supervisor and senior management of Yichang in the manner determined by the shareholders and/or the executive director, and the Purchaser shall have been provided with the supporting documents in accordance with laws; and
- (g) the registration procedures for all of the following items shall be completed, and the relevant certificate shall be submitted to the Purchaser: (i) the registration of the amendment of the articles of association of Yichang being completed and acknowledged by the Purchaser; (ii) the Purchaser shall be registered as the shareholder with its subscribed capital of RMB60,000,000, accounting for 100.0% of the registered capital of Yichang; (iii) the registered legal representative shall be changed to the person appointed by the Purchaser; and (iv) the registered executive director, supervisor and senior management personnel shall be changed to the person appointed by the Purchaser.

In the event that the Company or the Purchaser fails to obtain the approvals mentioned in (c) above, Closing shall be deemed to have not taken place and such party shall endeavour to obtain the relevant approvals within 90 days from the date on which the relevant approvals first failed to be obtained; if such relevant party fails to obtain the relevant approvals within such 90-days period, the Agreement shall automatically terminate and the Company and the Purchaser shall bear no liability for the breach of the Agreement.

For the avoidance of doubt, Closing is subject to the completion of the closing items including the relevant approvals from shareholders and creditors of the Company as noted (c) above.

### **Termination**

The Agreement may be terminated (a) with the written consent of the Company and the Purchaser; or (b) if any circumstances for termination as set out in the Agreement occurs.

### **Governing Law**

The execution, validity, interpretation, implementation of the Agreement and settlement of disputes in respect of the Agreement shall be governed by and construed in accordance with PRC Law. However, if the published PRC Laws do not prescribe specific

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matters related to the Agreement, the general international commercial practices to the extent permitted by PRC Law shall be referred to.

### 6. RELATIVE FIGURES UNDER RULE 1006 OF THE CATALIST RULES

- 6.1 The relative figures in relation to the Proposed Disposal are computed on the applicable bases set out under Rule 1006 of the Catalist Rules based on the Group's FY2023 Audited Financial Statements (being the latest announced consolidated accounts of the Group at the time of the signing of the Agreement which is in line with the announcement made by the Company in relation to the Proposed Disposal on 19 April 2024) as set out below. For completeness, the computation of the relative figures in relation to the Proposed Disposal on the applicable bases set out under Rule 1006 of the Catalist Rules based on the Group's unaudited condensed interim financial statements for the three months ended 31 March 2024 have also been included below:

| Catalist Rule 1006 | Bases                                                                                                                                                                                              | Relative Figures (%)          |
|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| (a)                | The net asset <sup>(1)</sup> value of the assets to be disposed of, compared with the Group's net asset value.                                                                                     | 2.0% <sup>(2)</sup>           |
| (b)                | The net profits/loss <sup>(3)</sup> attributable to the assets acquired or disposed of, compared with the Group's net profits.                                                                     | 118.3% <sup>(4)</sup>         |
| (c)                | The aggregate value of the consideration <sup>(5)</sup> given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares. | 35.1% <sup>(6)</sup>          |
| (d)                | The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.                                      | Not applicable <sup>(7)</sup> |
| (e)                | The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves.                                         | Not applicable <sup>(8)</sup> |

#### Notes:

- (1) Under Catalist Rule 1002(3)(a), "net assets" means total assets less total liabilities.
- (2) Based on the Group's FY2023 Audited Financial Statements, the net liability value attributable to the Equity Interest was US\$1.01 million (equivalent to RMB7.16 million<sup>3</sup>). The net liability value attributable to the Equity Interest is based on the book value of the Equity Interest. Based on the Group's FY2023 Audited Financial Statements, the net liabilities value of the Group for FY2023 was US\$49.78 million (equivalent to RMB353.27 million<sup>3</sup>). Following the completion of the Proposed Disposal, the Shareholder's Loan continues to subsist and remains payable by Yichang to the Purchaser. For completeness, based on the Group's unaudited condensed interim financial statements for the three months ended 31 March 2024 (the "**Group's 1Q 2024 Interim Financial Statements**"), the relative figure was 2.6%, computed based on the net liability value attributable to the Equity Interest for 1Q 2024 of US\$1.31 million

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(equivalent to RMB9.45 million<sup>4</sup>) and the net liabilities value of the Group for 1Q 2024 of US\$50.21 million (equivalent to RMB362.80 million<sup>4</sup>).

- (3) Under Catalist Rule 1002(3)(b), “net profits” means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.
- (4) Based on the Group’s FY2023 Audited Financial Statements, the net loss attributable to the Equity Interest was US\$6.76 million before income tax and non-controlling interests (equivalent to RMB47.97 million<sup>2</sup>). Based on the Group’s FY2023 Audited Financial Statements, the Group’s net loss for FY2023 was US\$5.72 million (equivalent to RMB40.54 million<sup>2</sup>). For completeness, based on the Group’s 1Q 2024 Interim Financial Statements, the net loss attributable to the Equity Interest and the Group’s net loss incurred respectively for three months period ended 31 March 2024 (“**3M2024**”) have been extrapolated to compute the net loss attributable to the Equity Interest, compared with the Group’s net loss for twelve months period (“**12M Period**”). Accordingly, the relative figure was 62.2%, computed based on the net loss attributable to the Equity Interest for the 12M Period of US\$1.27 million before income tax and non-controlling interests (equivalent to RMB9.14 million<sup>5</sup>) and the Group’s net loss for the 12M Period of US\$2.04 million (equivalent to RMB14.70 million<sup>5</sup>).
- (5) Paragraph 3.2(b)(i) of Practice Note 10A of the Catalist Rules provides that, in computing the aggregate value of consideration given or received under Catalist Rule 1006(c), any deferred consideration that may be receivable by the issuer in the future shall be included in the aggregate value of consideration. Accordingly, the amount of RMB4.0 million, being the additional bonus payment that the Company may potentially receive from the Purchaser during the Relevant Period is included in computing the aggregate value of consideration received under Catalist Rule 1006(c). For more information on the bonus payment, please refer to Section 5 of this Circular.

Paragraph 3.2(b)(iii) of Practice Note 10A of the Catalist Rules provides that, in computing the aggregate value of consideration given or received under Catalist Rules 1006(c), any additional liabilities (whether actual or contingent) to be assumed by the purchaser or waived by the seller under the terms of the transaction shall be included in computing the aggregate value of consideration. For the purposes of computing the amount of write-off by the Company when disposing the Shareholder’s Loan, the Company has used the loan amount recorded by the Company on its books (being RMB23,588,869). On this basis, the Company will write-off RMB23,588,868 of the shareholder’s loan amount (being the shareholder’s loan amount as recorded in the Company’s books noted above minus the Shareholder’s Loan Purchase Consideration of RMB1) (the “**Write-Off**”). Accordingly, the Write-Off of RMB23,588,868 is added to the aggregate value of consideration received under Catalist Rule 1006(c).

Taking the above into account, the aggregate value of consideration received for the purposes of computing the relative figure under Catalist Rule 1006(c) is RMB50,668,129.

- (6) The Company’s market capitalisation of approximately S\$27,318,657 (equivalent to RMB147,032,600<sup>6</sup>) is determined by multiplying the issued share capital of 13,659,328,535 Shares (excluding treasury shares) and the volume weighted average price of S\$0.002 for each Share based on the trades done on 31 January 2019, being

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<sup>4</sup> Based on the exchange rate of US\$ 1.00 : RMB7.2257, as at 31 March 2024, as published by the MAS.

<sup>5</sup> Based on the exchange rate of US\$ 1.00 : RMB7.2001, in respect of the financial period 2024, as published by the MAS.

<sup>6</sup> Based on the exchange rate of S\$ 1.00 : RMB5.3821, as at 31 December 2023, as published by the MAS.

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the last full market day when the Shares were traded prior to the Shares being suspended from trading on 4 February 2019.

- (7) Catalyst Rule 1006(d) is not applicable as the Proposed Disposal is not an acquisition.
  - (8) Catalyst Rule 1006(e) is not applicable as the Proposed Disposal is not a disposal of a mineral, oil or gas asset and the Company is not a mineral, oil and gas company.
- 6.2 Under Catalyst Rule 1007(1), if any of the relative figures computed pursuant to Rule 1006 involves a negative figure, Chapter 10 of the Catalyst Rules may still be applicable to the transaction in accordance with the applicable circumstances in Practice Note 10A of the Catalyst Rules.
- 6.3 As the relative figure computed under Catalyst Rules 1006(a) and 1006(b) involve a negative figure and the Proposed Disposal does not fall within the circumstances provided for in paragraphs 4.3 and 4.4 of Practice Note 10A of the Catalyst Rules, pursuant to paragraph 4.6 of Practice Note 10A of the Catalyst Rules, the Proposed Disposal constitutes a “major transaction” under Rule 1014 of the Catalyst Rules and is accordingly subject to the approval of the Shareholders at the EGM. For completeness, based on the Group’s 1Q 2024 Interim Financial Statements, the relative figure computed under Catalyst Rules 1006(a) and 1006(b) would similarly result in a negative figure hence the Proposed Disposal would still constitute a “major transaction” under Rule 1014 of the Catalyst Rules.
- 6.4 In addition, pursuant to Catalyst Rule 1014(5), as the relative figure computed on the bases set out in Rule 1006(b) of the Catalyst Rules exceeds 75%, the Company has commissioned an independent valuer to carry out an independent valuation of the Equity Interest for the purpose of the Proposed Disposal. For more information on the independent valuation, please refer to Section 4 of this Circular.

## 7. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

### 7.1 Assumptions

The *pro forma* financial effects have been prepared based on the Group’s FY2023 Audited Financial Statements (being the most recently completed financial year for which financial statements of the Group are available as at the Latest Practicable Date), and are subject to the following key assumptions:

- (a) for the purposes of illustrating the financial effects of the Proposed Disposal on the net tangible liabilities per Share of the Group, it is assumed that the Proposed Disposal was completed on 31 December 2023;
- (b) for the purposes of illustrating the financial effects of the loss per Share of the Group, it is assumed that the Proposed Disposal was completed on 1 January 2023; and
- (c) the costs and expenses incurred or to be incurred in connection with the Proposed Disposal are expected to be approximately US\$0.72 million.

The *pro forma* financial effects below are purely for illustrative purposes only and are therefore not necessarily indicative of the actual financial position of the Group following the completion of the Proposed Disposal. No representation is made as to the actual financial position and/or results of the Company or the Group after completion of the Proposed Disposal.

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## LETTER TO SHAREHOLDERS

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### 7.2 Net Liabilities per Share

|                                                     | Before completion of the Proposed Disposal | After completion of the Proposed Disposal |
|-----------------------------------------------------|--------------------------------------------|-------------------------------------------|
| Net liabilities as at 31 December 2023 (US\$'000)   | 49,777                                     | 49,557 <sup>7</sup>                       |
| Number of issued Shares (excluding treasury shares) | 13,659,328,535                             | 13,659,328,535                            |
| Net liabilities per Share (US cents)                | (0.36)                                     | (0.36)                                    |

### 7.3 LPS

|                                                               | Before completion of the Proposed Disposal | After completion of the Proposed Disposal |
|---------------------------------------------------------------|--------------------------------------------|-------------------------------------------|
| Net Loss for FY2022 (US\$'000)                                | 8,425 <sup>8</sup>                         | 10,739 <sup>9</sup>                       |
| Weighted average number of Shares (excluding treasury shares) | 13,659,328,535                             | 13,659,328,535                            |
| LPS (US cents)                                                | (0.06)                                     | (0.08)                                    |

### 7.4 Gain on Disposal

Based on the Group's FY2023 Audited Financial Statements, the net surplus of the proceeds over the net book value of the Equity Interest is approximately US\$220,000 which is based on the book value of Yichang of US\$2.31 million compared against the estimated net proceeds of the Proposed Disposal of US\$2.53 million<sup>10</sup>. Accordingly, the gain on disposal of Equity Interest in Yichang is expected to be approximately US\$220,000.

Based on the Group's FY2023 Audited Financial Statements, the net surplus of the proceeds over the net book value of the Recorded Shareholder's Loan is approximately US\$0.14 which is based on the book value of the Company of US\$Nil compared against the proceeds of the Proposed Disposal of US\$0.14. Accordingly, the gain on disposal of the Recorded Shareholder's Loan is expected to be approximately US\$0.14.

## 8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and Substantial Shareholders in the Shares as at the Latest Practicable Date, based on the Company's register of Directors' shareholdings and the register of interests of Substantial Shareholders, respectively, are as follows:

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<sup>7</sup> This is derived based on (i) current book value of Yichang being US\$2.31 million versus (ii) estimated net proceeds of the Proposed Disposal of US\$2.53 million, being the gross proceeds of the Proposed Disposal of US\$3.25 million less estimated cost of transaction of US\$0.72 million.

<sup>8</sup> This is derived based on re-presented values set out in the Group's FY2023 Audited Financial Statements.

<sup>9</sup> This excludes Yichang's gain in FY2022, being US\$1.08 million and has taken into consideration the inclusion of the (i) gain on disposal of Equity Interest in Yichang of US\$0.22 million; (ii) gain on disposal of the Recorded Shareholder's Loan of US\$0.14; and (iii) provision for impairment on the Recorded Shareholder's Loan in FY2023, which amounted to US\$1.45 million. If Yichang's gain in FY2022 were to be included in computing the LPS, the Net Loss for FY2022 after the completion of the Proposed Disposal would be US\$9,656,000 and the LPS after the completion of the Proposed Disposal would be US\$0.07.

<sup>10</sup> This is derived based on the gross proceeds of the Proposed Disposal of US\$3.25 million less estimated transaction costs of US\$0.72 million.

## LETTER TO SHAREHOLDERS

|                                                        | <u>Direct Interest</u> |                     | <u>Deemed Interest</u> |                     |
|--------------------------------------------------------|------------------------|---------------------|------------------------|---------------------|
|                                                        | No. of Shares          | (%)( <sup>1</sup> ) | No. of Shares          | (%)( <sup>1</sup> ) |
| <b>Directors</b>                                       |                        |                     |                        |                     |
| Mr. Chew Thiam Keng                                    | -                      | -                   | -                      | -                   |
| Mr. Owyong Thian Soo                                   | -                      | -                   | -                      | -                   |
| <b>Substantial Shareholders (other than Directors)</b> |                        |                     |                        |                     |
| Ezion Holdings Limited (In Liquidation) <sup>(2)</sup> | 5,461,932,000          | 39.9%               | -                      | -                   |
| Mr. Patrick Tan Choon Hock <sup>(3)</sup>              | 1,003,083,100          | 7.34%               | 493,186,000            | 3.61%               |

**Notes:**

- (1) Based on the issued and paid-up share capital of the Company, comprising 13,659,328,535 Shares as at the Latest Practicable Date.
- (2) Ezion Holdings Limited (In Liquidation) was wound up pursuant to an Order of Court dated 18 February 2022. As part of the liquidation process, the Shares held by Ezion Holdings Limited (In Liquidation) are to be disposed pursuant to its liquidation process to public shareholders, upon resumption of trading. Thereafter, Ezion Holdings Limited (In Liquidation) shall cease to be a Substantial Shareholder.
- (3) Mr. Patrick Tan Choon Hock is able to exercise control over the voting rights of (a) 339,000,000 Shares owned by his spouse, Mdm Serene Lee Siew Kin; and (b) 154,186,000 Shares held on his behalf through nominees.

As mentioned in Section 3.2 of this Circular, one of the Directors (being Mr. Chew Thiam Keng) has certain outstanding past directors' fees owed to him and he is amongst the Scheme Creditors who shall receive the distributions of the net proceeds of the Proposed Disposal, and accordingly, has an interest in the Proposed Disposal.

As at the Latest Practicable Date, save as disclosed in this Circular (in particular, Sections 3.2 and 8 of this Circular), none of the Directors and their respective Associates, and to the best of the Directors' knowledge, none of the Controlling Shareholders of the Company, as well as their respective Associates, has any interest, direct or indirect, in the Proposed Disposal (other than arising from their shareholdings (if any) and/or directorships in the Company).

### 9. DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Disposal. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

### 10. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-4 of this Circular, will be held physically at 51 Cuppage Road, #03-03, Singapore 229469 on 28 June 2024 at 3.30 p.m. for the purpose of considering and, if thought fit, passing with or without modifications, the Ordinary Resolution relating to the Proposed Disposal as set out in the Notice of EGM. **There will be no option for Shareholders to participate virtually.**

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## LETTER TO SHAREHOLDERS

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### 11. DIRECTORS' RECOMMENDATION

#### 11.1 The Proposed Disposal

As mentioned in Sections 3.2 and 8 of this Circular, Mr. Chew Thiam Keng (the Non-Executive Chairman and Non-Executive Director of the Company and a director of Ezion Holdings Limited (in liquidation)) has certain outstanding past directors' fees owed to him and he is amongst the Scheme Creditors who shall receive the distributions of the net proceeds of the Proposed Disposal. Accordingly, Mr. Chew Thiam Keng has an interest in the Proposed Disposal and has abstained from making a recommendation in respect of the Ordinary Resolution relating to the Proposed Disposal as set out in the Notice of EGM.

The Non-conflicted Director having considered and reviewed, *inter alia*, the recommendations of the management, the rationale for the Proposed Disposal, the terms of the Agreement and the Valuation Report, is of the opinion that the Proposed Disposal is in the best interests of the Company and the Shareholders, and accordingly, recommends that Shareholders vote in favour of the Ordinary Resolution relating to the Proposed Disposal as set out in the Notice of EGM.

#### 11.2 No Regard to Specific Objectives

In giving the above recommendations, the Non-conflicted Director has not had regard to the specific investment objectives, financial situation, tax position or unique needs or constraints of any individual Shareholder. As Shareholders would have different investment objectives, the Non-conflicted Director recommends that any Shareholder who may require specific advice in relation to his/her/its specific investment objectives or portfolio should consult his/her/its stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

### 12. CONSENTS

#### 12.1 Independent Valuer

The Independent Valuer has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name, the Valuation Summary as set out in the **Appendix** to this Circular and all references to the Valuation Report, in the form and context in which it appears in the Circular, and all references thereto in the form and context in which each appears in this Circular, and to act in such capacity in relation to this Circular.

#### 12.2 Legal advisers to the Company in relation to this Circular

MLS, as legal advisers appointed by the Company in relation to Singapore law for the purpose of this Circular, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and all references thereto in the form and context in which they appear in this Circular and to act in such capacity in relation to this Circular.

### 13. ACTION TO BE TAKEN BY SHAREHOLDERS

#### 13.1 Questions

**Submission of substantial and relevant questions in advance of the EGM.** Shareholders (including CPFIS Members and SRS Investors) may submit substantial and relevant questions related to the resolution to be tabled for approval at the EGM to the Chairman of the EGM, in advance of the EGM, in the following manner:

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## LETTER TO SHAREHOLDERS

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- (a) if submitted by post, to the Company's registered office at 8 Wilkie Road, #03-01, Wilkie Edge, Singapore 228095; or
- (b) if submitted electronically, via email to [enquiries@charismaenergy.com](mailto:enquiries@charismaenergy.com).

in each case, by **5.00 p.m. on 20 June 2024 (being seven (7) calendar days from the date of the Notice of EGM)**.

**Shareholders are strongly encouraged to submit questions electronically by email.**

When sending in substantial and relevant questions by post or email, Shareholders must also include the following details to enable the Company to verify their status as Shareholders: (a) full name; (b) address; and (c) the manner in which the Shares are held (e.g. via CDP, CPF, SRS and/or scrip). The Company shall be entitled to regard any submission that omits the forementioned information as invalid and not respond to the questions submitted.

Persons who hold Shares through Relevant Intermediaries (other than CPF/SRS investors) should contact their respective Relevant Intermediaries through which they hold such Shares to submit their questions relating to the resolution to be tabled for approval at the EGM based on the abovementioned instructions.

Shareholders and, where applicable, appointed proxy(ies) can also ask live at the EGM substantial and relevant questions related to the resolution to be tabled for approval at the EGM by attending the EGM physically.

**Addressing questions.** The Company will endeavour to address all substantial and relevant questions (which are related to the resolution to be tabled for approval at the EGM) received from Shareholders prior to the EGM by publishing the responses to such questions on SGXNet at the URL: <https://www.sgx.com/securities/company-announcements> before **3.30 p.m. on 23 June 2024** (being 48 hours prior to the last date and time for the lodgement of the Proxy Form) (the "**Pre-EGM Reply**"). The Company will address those substantial and relevant questions (which are related to the resolution to be tabled for approval at the EGM) which have not already been addressed in the Pre-EGM Reply, as well as those received live at the EGM itself during the EGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

The Company will publish the minutes of the EGM on SGXNet at the URL: <https://www.sgx.com/securities/company-announcements> within one (1) month from the date of EGM, and the minutes will include the responses to substantial and relevant questions from Shareholders which are addressed during the EGM.

### 13.2 Proxy Form

If a Shareholder is unable to attend the EGM and wishes to appoint a proxy(ies) to attend, speak and vote on his/her/its behalf, he/she/it should complete, sign and return the Proxy Form in the following manner:

- (a) if submitted by post, be deposited at the Company's registered office at 8 Wilkie Road, #03-01, Wilkie Edge, Singapore 228095; or
- (b) if submitted electronically, the instrument must be submitted via email to [enquiries@charismaenergy.com](mailto:enquiries@charismaenergy.com),

in each case, by **3.30 p.m. on 25 June 2024 (not less than 72 hours before the time appointed for holding the EGM)**.

A Shareholder who wishes to submit an instrument appointing a proxy(ies) by post or via email can use the printed copies of the Proxy Form sent to Shareholders or download a copy of the Proxy Form from the SGXNet at the URL: [https://www.sgx.com/securities/company-](https://www.sgx.com/securities/company-announcements)

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## LETTER TO SHAREHOLDERS

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[announcements](#), and complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. **Shareholders are strongly encouraged to submit completed Proxy Forms electronically via email to [enquiries@charismaenergy.com](mailto:enquiries@charismaenergy.com).**

If no specific direction as to voting is given, in respect of a resolution, the appointed proxy(ies) will vote or abstain from voting at his/her/their discretion. If the appointor is a corporate, the Proxy Form must be executed under seal or the hand of its duly authorised officer or attorney. Persons who have an interest in the approval of the resolution must decline to accept their appointment as proxies unless the Shareholder concerned has specific instructions in his/her/its Proxy Form as to the manner in which his/her/its votes are to be cast in respect of such resolution.

The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the EGM (i.e. **3.30 p.m. on 25 June 2024**), as certified by CDP to the Company.

A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his/her/its name appears on the Depository Register 72 hours before the time appointed for the EGM.

Investors holding shares through relevant intermediaries should approach their relevant intermediaries (which would include, in the case of CPFIS Members and SRS Investors, his/her CPF Agent Banks or SRS Operators). An investor who wishes to vote should approach his/her relevant intermediary as soon as possible to specify his/her voting instructions.

CPFIS Members and SRS Investors (a) may attend and cast their vote(s) at the EGM in person if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or (b) may appoint the Chairman of the EGM as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **5.00 p.m. on 18 June** (being seven (7) business days before the EGM), and such CPFIS Members and/or SRS Investors shall be precluded from attending the EGM.

### 13.3 Circular, Notice of EGM, Proxy Form and Request Form

This Circular, Notice of EGM, the Proxy Form and Request Form may be accessed on SGXNet at the URL: <https://www.sgx.com/securities/company-announcements>.

Printed copies of this Circular will not be despatched to Shareholders, unless otherwise requested. The printed copies of the Notice of EGM, Proxy Form and Request Form have been despatched to Shareholders and are also available on SGXNET at the URL: <https://www.sgx.com/securities/company-announcements>.

To receive a printed copy of the Circular, please complete and return the Request Form to the Company at 8 Wilkie Road, #03-01, Wilkie Edge, Singapore 228095 by no later than 24 June 2024. A printed copy of the Circular will then be sent to the address specified by the Shareholder in the Request Form at his/her/its own risk.

## 14. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular, and confirm after making all reasonable enquires that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material

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## LETTER TO SHAREHOLDERS

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facts about the Proposed Disposal and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from these sources and/or reproduced in this Circular in its proper form and context.

### 15. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company located at 8 Wilkie Road, #03-01, Wilkie Edge, Singapore 228095 during normal business hours from 9.00 a.m. to 5.00 p.m. for three (3) months from the date of this Circular:

- (a) the Agreement;
- (b) the Constitution of the Company;
- (c) the letter of consent referred to in Section 12.1 of this Circular
- (d) the annual report of the Company for FY2023;
- (e) the Valuation Summary; and
- (f) the Valuation Report.

Shareholders who wish to inspect these documents at the registered office of the Company are required to send an email request to [enquiries@charismaenergy.com](mailto:enquiries@charismaenergy.com) to make an appointment in advance. The Company will arrange a date when each Shareholder can come to the registered office to inspect accordingly.

Yours faithfully,

For and on behalf of the Board of Directors of  
**CHARISMA ENERGY SERVICES LIMITED**

**Mr. Owyong Thian Soo**  
Independent and Non-Executive Director

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## APPENDIX – VALUATION SUMMARY

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Cushman & Wakefield VHS Pte Ltd  
Company Registration No. 200709839D  
88 Market Street, #47-01, CapitaSpring  
Singapore 048948  
Tel +65 6535 3232  
www.cushmanwakefield.com

**13 June 2024**

**Charisma Energy Services Limited**

8 Wilkie Road,  
#03-01 Wilkie Edge,  
Singapore 228095

Attn: The Board of Directors

**Valuation Summary Letter for Charisma Energy Services Limited**

Dear Sirs:

**1. Introduction**

Cushman & Wakefield VHS Pte Ltd ("C&W" or "Valuer") has been appointed by the board of directors (the "Board" or the "Directors") of Charisma Energy Services Limited ("Charisma" or the "Company" and together with its subsidiaries, the "Group") to undertake an independent valuation of 80.0% equity interest in the capital of Yichang Smartpower Green Electricity Co. Ltd ("Yichang" or "Target") as at 31 March 2024 (the "Valuation Date"). The Target is located at Yafan Village, Baiyang Industrial Park, Yichang High-tech Zone, with registration number "MA49102L2H".

C&W understands that the Company has on 7 April 2024 entered into an equity transfer agreement (the "Agreement") with Smartpower Technology (Shanghai) Co., Ltd. (the "Purchaser") and Yichang pursuant to which the Purchaser shall acquire from the Company (a) 80.0% of the equity interests in Yichang, being the entire equity interests held by the Company in Yichang, for an aggregate consideration of RMB23,079,260 (equivalent to approximately S\$4,306,590); and (b) the shareholder's loan of RMB23,588,869.34 (as at 23 February 2024) (equivalent to approximately S\$4,401,650) extended by the Company to Yichang for RMB1 (equivalent to approximately S\$0.19), on and subject to the terms and conditions of the Agreement (collectively, the "Proposed Disposal").

For the purpose of the Proposed Disposal, Charisma required an independent valuer to carry out an independent valuation of Yichang for a disclosure in accordance with the Listing Manual of the SGX-ST. We understand that the valuation will not be used for any other purpose.

This independent valuation summary letter (the "Summary Letter") has been prepared pursuant to Catalyst Rule 1014(5) of the Listing Manual of the SGX-ST and for the purpose of disclosure as an appendix to the Company's circular to be issued in relation to the Proposed Disposal ("Circular"). Unless otherwise defined, all capitalised terms used herein shall bear the same meanings as ascribed to them in our independent valuation report date 13 June 2024 (the "Report"). Accordingly, this letter should be read in conjunction with the full text of the Report.

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## APPENDIX – VALUATION SUMMARY

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### 2. Terms of reference

The valuation was carried out as at the Valuation Date as advised by Charisma.

We were neither a party to the negotiations entered into by the Company in relations to the Proposed Disposal nor were we involved in the deliberation leading up to the decision on the part of the management of the Company, Group and/or Target (the "Management") to enter into the Proposed Disposal and we do not, by the Summary Letter or the Report or otherwise, advise or form any judgement on the merits of the Proposed Disposal. We do not warrant the merits of the Proposed Disposal or the acceptability of the risk for the Proposed Disposal.

We have confined our work strictly and solely on the financial information of the Target provided by the Management and have not taken into account the commercial/financial risks and/or merits (if any) of the Proposed Disposal or the strategic merits or the comparison with other deals involving shares of the Company, and/or Target. We were not required to comment on or evaluate the methods or procedures used by the Target to manage the change in any risk profile of the Company, and/or Target in the context of possible changes in the nature of operations. Such evaluation or comment remains the responsibility of the Management although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our view as set out in the Summary Letter or the Report.

We were not requested or authorised to solicit, and we have not solicited, any indications of interest from any third party with respect to the Proposed Disposal. In addition, we do not express any views or opinion on the merits of the Proposed Disposal, the legality or any other matters pertaining to the Proposed Disposal, documents for the Proposed Disposal (the notice of meeting and the accompanying explanatory notes), inter alia, the independence of any party or mechanism or process of voting, acceptance, its eligibility or validity or the other alternatives (if any) or the sufficiency of information. Our opinion and views do not constitute advice, including without limitation, investment, tax, legal, regulatory or any other type of advice.

In the course of our work, we have held discussions with, inter alia, the Management, regarding their assessment of the Proposed Disposal. We have examined and relied on other publicly available information collated by us as well as the financial information, both written and verbal, provided to us by the Management, including its consultants or advisers (where applicable). We have not independently verified all such information provided or any representation or assurance made by the Management, whether written or verbal. Accordingly, we cannot and do not expressly or impliedly represent or warrant, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information or the manner in which it has been classified or presented. However, we have made reasonable enquiries and exercised our judgement as we deemed necessary on such information and have found no reason to doubt the reliability of the information. As such, we have performed our valuation on such basis.

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## APPENDIX – VALUATION SUMMARY

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We do not warrant and have not commented on the acceptability of the risk that the Company, and/or Target may be subject to for the Proposed Disposal.

We were not required to and have not made any independent evaluation or appraisal of the individual assets and liabilities (including without limitation, real property) of the Target (where applicable). Our opinion in this Summary Letter is made in the utmost good faith and is based on economic conditions, market, industry, monetary and other conditions (if applicable) in effect on, and the information provided to us, as at the Valuation Date. Accordingly, the bases or assumptions and likewise our views or opinion may change in light of developments which inter alia, includes general as well as company specific or industry specific conditions or sentiments or factors.

Users of this Summary Letter should note that our work is based solely on publicly available information and other information provided by the Management as well as the economic and market conditions prevailing as at the Valuation Date, and therefore does not reflect unexpected financial performance and financial condition after the Valuation Date or developments both macro and company specific and that these factors do and will necessarily affect the valuation of the interests in the capital of the Target. Likewise, this Summary Letter outlines some of the matters or bases or factors or assumptions which we have used in our valuation and is a summary. They are by no means exhaustive or a reproduction of all the matters or bases or factors or assumptions etc. which we have used in the valuation.

In rendering the opinion, we have made no regard for the general or specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any individual shareholder of the Company, and/or Target. As such, any individual shareholder who may require advice in the context of his or her specific investment portfolio, including his or her investment in the Company, and/or Target, should consult his or her stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately. An individual shareholder should not rely on any material contained in the Summary Letter and/or Report as a statement or representation of fact but should satisfy himself as to its correctness by independent investigation and review of the Summary Letter and Report to understand the assumptions and methodologies stated therein.

Accordingly, any factor or assumption or basis as well as the relative emphasis on any matter set out in this Summary Letter and provided by the Company, and/or Target which we used or may have used may differ from the relative emphasis accorded by any individual shareholder and that any reliance on our opinion or view or assessment, is subject to the contents of the Summary Letter and the Report in its entirety.

Accordingly, our Summary Letter and Report with opinion or views or recommendation should not be used or relied by anyone for any other purposes and should only be used by the Company, subject to the terms of reference and the contents of the Summary Letter and Report as one of the bases for their opinion or views or recommendation. For the avoidance of doubt, to the fullest extent permitted by law, C&W shall not be liable to any person for any loss, liability, damage or expense

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## APPENDIX – VALUATION SUMMARY

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arising from or connected in any way with any use of or reliance on the Summary Letter and/or Report. In addition, any references to our Summary Letter or Report or opinion or views, should not be made except with our prior consent in writing and even if made with our prior consent in writing, shall be subject to the contents of the Summary Letter or the Report in its entirety inter alia the matters, conditions, assumptions, factors and bases as well as our terms of reference for the Summary Letter or the Report.

### 3. Basis of valuation, approach & methodology

The business valuation of Yichang has been prepared in accordance with International Valuation Standards, we have adopted the Market Value as a standard of value. Market value is defined as *"the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."*

We have adopted the going-concern view as the appropriate premise of value. This is on the basis that Yichang has the regulatory approval to develop the Solar PV power plant and to supply electricity to the National Grid in Central China for 20 years commencing from June 2017.

We have considered the three valuation approaches namely income approach, market approach and cost approach. To select the most appropriate approach, we have considered the purpose of this valuation, the basis of value as well as the availability and reliability of information related to Yichang. We have also considered the relative advantages and disadvantages of each approach having regard to the nature and circumstances of the Target.

In our opinion, the cost approach is inappropriate for valuing the Valuation Subject, as it does not directly incorporate information about the economic benefits contributed by the Target. The market approach is inappropriate as it requires market transactions comparable to the Target as an indication of value. We have not identified any current market transactions which are comparable to the Target. Given that the Target has recurring and stable income under the Power Purchase Agreement, we are of the opinion that the income approach would be deemed as the most appropriate approach.

#### Income Approach

In performing the business valuation of 80.0% equity interest of Yichang, we have adopted the income approach as the primary approach as at the Valuation Date. In particular, we have adopted the discounted cash flow ("DCF") method.

We have adopted the free cash flow to firm ("FCFF") as the expected cash flow in the DCF model and applied an appropriate discount rate that commensurate to the risk of the cash flow as at the Valuation Date.

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## APPENDIX – VALUATION SUMMARY

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The discount rate used to present value the future cash flow has considered specific company risk of the Yichang's business and mid-point discounting convention is adopted to derive the enterprise value.

In determining the Market Value of 100% equity interest in Yichang, net debt is deducted from the enterprise value to derive the equity value. For the avoidance of doubt, net debt is the difference between (1) cash and non-operating assets and (2) debt and non-operating liabilities, which in the valuation includes the shareholder's loan of RMB23.1 million and an advance of RMB8.8 million. After taking into consideration an appropriate discount for lack of marketability, 80% was applied on the equity value to arrive at the Market Value of the 80% equity interest in the Target as at the Valuation Date.

### **Key Assumptions**

The income approach is based on various assumptions with respect to the Target. These assumptions are based on the information that we have been provided with and our discussions with the Management.

Amongst other assumptions stated in the Report, the key assumptions are as follows:

- The License to operate ends on 2 February 2037, assuming no renewal;
- The revenue forecast is based on the Target's ability to generate electricity through its Solar Photovoltaic power plant;
- The solar panels are assumed to have a degradation rate of 1.0% per annum. Assuming all else constant, the power generated is expected to decline by 1.0% each year;
- At its inception date, the solar panels of the Target are estimated to be operating at a 100.0% capacity;
- The expenses of the Target are projected to grow at 2.0% per annum that is in line with China's expected inflation;
- The capital expenditure is expensed in the income statement and throughout the forecast period, as the Target outsources this maintenance expenditure to third parties;
- A discount rate of 9.1% to 10.3% was applied to the forecast between 3 February 2017 and 2 February 2037;
- We have applied a discount for lack of marketability ("DLOM") of 15.7% to reflect the lack of marketability of the Target being a private company which is not as liquid or marketable;
- China's headline tax rate of 25.0% is adopted.



#### 4. Assumptions and Reservations

##### Other Assumptions

Amongst the key assumptions stated, we have made the following assumptions in our valuation and these apply throughout unless otherwise stated:

- The financial statements were prepared in accordance with accounting principles generally accepted internationally on a true and fair basis;
- The financial statements of the Target between FY2021 to FY2023, and management accounts, as at 31 March 2024, provided by the Management fairly reflect the Target's respective financial and operating position and performance as at the Valuation date;
- The Management has provided us the financial projections from FPDec24 to FY2037. To their best knowledge, the Management is solely responsible for the contents, estimation and the assumptions used in the projections;
- The Target shall continue to operate as a going concern, and it has sufficient liquidity to achieve the financial forecasts and projections;
- The Target has no material or significant contingent liabilities or uncertainty, including any pending litigation as at the Valuation Date that warrants consideration in the financial forecast;
- There will not be any material changes in the political and/or economic conditions under which the Target operates that may adversely affect the future prospects of the Target;
- The current owners of the Target have clear and unencumbered title of ownership over all assets included in this assessment;
- There are no material changes in existing political, legal or regulatory (including changes in legislation, laws, regulations, government policies or rules), fiscal, market or economic conditions in the Target's countries of operations;
- There will be no material change in inflation, interest rates or exchange rates from those prevailing as at the Valuation Date;
- There will be no material changes in the bases or rates of taxation or duties;
- The Target's operations and business will not be severely interrupted by any force majeure event or unforeseeable factors or any unforeseeable reasons that are beyond the control of the Management, including but not limited to the occurrence of natural disasters or catastrophes, epidemics or serious accidents;
- The Target's sales, costs, and net profit continue to grow according to the financial forecast. Their capital expenditure and working capital requirements are estimated accurately in the projections;
- The Target has sufficient operational resources to support the projected turnover and profitability;
- The Target continues to maintain costs in accordance with the financial forecast; and

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## APPENDIX – VALUATION SUMMARY

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- Any deviation from the above key drivers and forecasts may significantly vary the valuation of the Target.

### **Reservations**

The value conclusion reflects all information known by the valuers of C&W who worked on the valuation in respect of the equity interest in the capital of the Target, market conditions and available data.

### **5. General Comment**

A valuation is a prediction of price, not a guarantee. By necessity it requires the valuer to make subjective judgements that, even if logical and appropriate, may differ from those made by a lessee, or another valuer. Historically, it has been considered that valuers may properly conclude within a range of possible values.

The valuation is largely based on information provided to us by the Management who are solely responsible for their contents/accuracy. We have not performed any work in the nature of an audit, due diligence or investigation of the information provided to us and accordingly have not expressed any such opinion in this Summary Letter. Further, we have not carried out any work in the nature of a feasibility study, nor have we expressed a viability opinion on any transactions including the Proposed Disposal. We have also not verified or confirmed information provided to us and have assumed that all such information is accurate and is not subject to material error or omission.

We have considered published market data and other public information relating to the comparable companies on international stock exchanges. We are not responsible as to their content and accuracy in deriving parameters such as country risk-free rate for the purposes of valuation. Such information was obtained from Bloomberg and other sources, where applicable.

We have no present or prospective interest in the Target and are not a related corporation of nor do we have a relationship with the owner(s) or other party/parties whom the client is contracting with.

The Valuer's compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the Company, and/or Target, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

We hereby certify that the valuers undertaking the valuation are authorized to practice as valuers and have the necessary experience in valuing similar types of assets. Any discrepancies in tables included herein between the amounts and the totals thereof are due to rounding; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

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## APPENDIX – VALUATION SUMMARY

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### 6. Conclusion

In summary and as detailed in the Report, which should be read in conjunction with this Summary Letter, the Market Value of the 80% equity interest of the Target is in the range of **RMB22.2 million to RMB25.9 million** as at 31 March 2024, the Valuation Date.

Our views are based on the current economic, market, industry, regulatory, monetary and other conditions and on the information made available to us as of the date of this Summary Letter and the Report. Such conditions may change significantly over a relatively short period of time and we assume no responsibility and are not required to update, revise or reaffirm our conclusion set out in this Summary Letter to reflect events or developments subsequent to the date of this Summary Letter and the Report.

Yours faithfully,

**Cushman & Wakefield VHS Pte Ltd**

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### CHARISMA ENERGY SERVICES LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 199706776D)

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting (the “**EGM**”) of Charisma Energy Services Limited (the “**Company**”) will be held at 51 Cuppage Road, #03-03, Singapore 229469 on 28 June 2024 at 3.30 p.m. for the purpose of considering and, if thought fit, passing with or without modifications, the Ordinary Resolution set out below.

*Unless otherwise defined or the context otherwise requires, all capitalised terms in this Notice of EGM shall have the meanings ascribed to them in the circular to shareholders of the Company dated 13 June 2024 (the “**Circular**”).*

#### **ORDINARY RESOLUTION: THE PROPOSED DISPOSAL OF THE COMPANY’S 80.0% EQUITY INTERESTS IN YICHANG SMARTPOWER GREEN ELECTRICITY CO., LTD. AS A MAJOR TRANSACTION UNDER CHAPTER 10 OF THE CATALIST RULES**

#### **RESOLVED THAT: -**

- (a) approval be and is hereby given for the proposed disposal by the Company of 80.0% of its equity interests in Yichang Smartpower Green Electricity Co., Ltd. (“**Yichang**”) to the Purchaser in accordance with the terms and subject to the conditions set out in the equity transfer agreement dated 7 April 2024 entered between the Company, the Purchaser and Yichang (the “**Proposed Disposal**”);
- (b) the directors of the Company (the “**Directors**”) and any of them be and are hereby authorised to complete and do all acts and things (including, without limitation, enter into all transactions, arrangements and agreements and approve, sign and execute all such documents which they/he in their/his absolute discretion consider to be desirable, necessary or expedient to give effect to the matters contemplated by this resolution, and to exercise such discretion as may be required, to approve any amendments, alterations, modifications, supplements and/or variations to any document, and to sign, file and/or submit any notices, forms and documents with or to the relevant authorities) as they or each of them deem desirable, necessary or expedient for the purposes of or in connection with and/or to give effect to the matters contemplated by this resolution and the Proposed Disposal as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Company; and
- (c) any acts and things done or performed and/or any agreements and documents signed, executed, sealed and/or delivered by any Director in connection with this resolution and the Proposed Disposal be and are hereby confirmed, approved and ratified.

#### **BY ORDER OF THE BOARD**

**Mr. Owyong Thian Soo**  
Independent and Non-Executive Director

13 June 2024

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### **IMPORTANT INFORMATION**

#### *Format of meeting*

1. The EGM will be held physically at 51 Cuppage Road, #03-03, Singapore 229469 on 28 June 2024 at 3.30 p.m.. Shareholders will not be able to participate virtually. Members, including CPFIS Members and SRS Investors, and (where applicable) duly appointed proxies and representatives, will be able to ask questions and vote at the EGM by attending the EGM in person.

#### *Access to documents*

2. Printed copies of this Notice of EGM and the accompanying Proxy Form for the EGM and the Request Form will be sent by post to members. These documents will also be published on the SGXNet website at the URL: <https://www.sgx.com/securities/company-announcements>. A member will need an internet browser and PDF reader to view these documents.
3. The Circular may be accessed on SGXNet at the URL: <https://www.sgx.com/securities/company-announcements>. A member will need an internet browser and PDF reader to view the Circular. A printed copy of the Circular will not be despatched to members. Members may request printed copies of the Circular by completing and submitting the Request Form sent to them by post by 24 June 2024 through any of the following means:

- (a) if submitted electronically, via email to [enquiries@charismaenergy.com](mailto:enquiries@charismaenergy.com); or
- (b) if submitted by post, to the Company's registered office at 8 Wilkie Road, #03-01, Wilkie Edge, Singapore 228095.

#### *Submission of questions*

4. **Submission of substantial and relevant questions in advance of the EGM.** Members, including CPFIS Members and SRS Investors, may submit substantial and relevant questions related to the resolution to be tabled for approval at the EGM to the Chairman of the EGM, in advance of the EGM, in the following manner:

- (a) if submitted by post, to the Company's registered office at 8 Wilkie Road, #03-01, Wilkie Edge, Singapore 228095; or
- (b) if submitted electronically, via email to [enquiries@charismaenergy.com](mailto:enquiries@charismaenergy.com),

in each case, by **5.00p.m. on 20 June 2024 (being seven (7) calendar days from the date of the Notice of EGM)**.

#### **Shareholders are strongly encouraged to submit questions electronically by email.**

When sending in substantial and relevant questions by post or email, Shareholders must also include the following details to enable the Company to verify their status as Shareholders: (a) full name; (b) address; and (c) the manner in which the Shares are held (e.g. via CDP, CPF, SRS and/or scrip). The Company shall be entitled to regard any submission that omits the forementioned information as invalid and not respond to the questions submitted.

Persons who hold Shares through Relevant Intermediaries (other than CPF/SRS investors) should contact their respective Relevant Intermediaries through which they hold such Shares to submit their questions relating to the resolution to be tabled for approval at the EGM based on the abovementioned instructions.

Members (including CPFIS Members and SRS Investors) and, where applicable, appointed proxy(ies) may also ask live at the EGM substantial and relevant questions related to the resolution to be tabled for approval at the EGM by attending the EGM physically.

5. **Addressing questions.** The Company will endeavour to address all substantial and relevant questions (which are related to the resolution to be tabled for approval at the EGM) received from Shareholders prior to the EGM by publishing the responses to such questions on SGXNet at the URL: <https://www.sgx.com/securities/company-announcements> before **3.30 p.m. on 23 June 2024** (being 48 hours prior to the last date and time for the lodgement of the Proxy Form) (the "**Pre-EGM Reply**"). The Company will address those substantial and relevant questions (which are related to the resolution to be tabled for approval at the EGM) which have not already been addressed in the Pre-EGM Reply, as well as those received live at the EGM itself during the EGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

The Company will publish the minutes of the EGM on SGXNet website at the URL: <https://www.sgx.com/securities/company-announcements> within one (1) month from the date of EGM, and the minutes will include the responses to substantial and relevant questions from members which are addressed during the EGM.

#### *Participation in EGM/Appointment of proxies*

6. Members, including CPFIS Members and SRS Investors, may participate in the EGM by: (a) attending the EGM in person; (b) raising questions at the EGM or submitting questions in advance of EGM; and/or (c) voting at the EGM (i) by themselves personally; or (ii) through their duly appointed proxy(ies).

Please bring along your NRIC/passport for registration on the day of the EGM so as to enable the Company to verify your identity. Members are requested to arrive early to facilitate the registration process. If any member feels unwell prior to the EGM, they are advised not to attend the EGM and are strongly encouraged to exercise social responsibility to rest at home and consider appointing a proxy(ies) to attend the EGM.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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7. (a) A member (who is not a relevant intermediary) entitled to attend, speak and vote at the EGM is entitled to appoint not more than two (2) proxies to attend, speak and vote in his/her stead. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument (expressed as a percentage of a whole). If no percentage is specified, the first named proxy shall be deemed to represent 100 per cent. of the shareholdings and the second named proxy shall be deemed to be an alternate to the first named proxy.

(b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument. In relation to a relevant intermediary who wishes to appoint more than two (2) proxies, it should annex to the Proxy Form the list of proxies, setting out, in respect of each proxy, the name, NRIC/Passport Number and proportion of shareholding (number of shares, class of shares and percentage) in relation to which the proxy has been appointed.

"**Relevant intermediary**" shall have the meaning ascribed to it in Section 181 of the Companies Act.

8. A proxy need not be a member of the Company. The Chairman of the EGM, as proxy, need not be a member of the Company.
9. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:
- (a) if submitted by post, be deposited at the Company's registered office at 8 Wilkie Road, #03-01, Wilkie Edge, Singapore 228095; and
- (b) if submitted electronically, the instrument must be submitted via email to [enquiries@charismaenergy.com](mailto:enquiries@charismaenergy.com).

in each case, by **3.30 p.m. on 25 June 2024 (not less than 72 hours before the time appointed for holding the EGM)**.

A member who wishes to submit an instrument appointing a proxy(ies) by post or via email can either use the hard copies of the Proxy Form sent to the member or download a copy of the Proxy Form from the SGXNet at the URL: <https://www.sgx.com/securities/company-announcements>, and complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. **Shareholders are strongly encouraged to submit completed Proxy Forms electronically via email to [enquiries@charismaenergy.com](mailto:enquiries@charismaenergy.com).**

10. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the EGM (i.e. **3.30 p.m. on 25 June 2024**), as certified by CDP to the Company. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his/her/its name appears on the Depository Register 72 hours before the time appointed for the EGM.
11. Investors holding shares through relevant intermediaries should approach their relevant intermediaries (which would include, in the case of CPFIS Members and SRS Investors, his/her CPF Agent Banks or SRS Operators). An investor who wishes to vote should approach his/her relevant intermediary as soon as possible to specify his/her voting instructions.
12. CPFIS Members and SRS Investors:
- (a) may attend and cast their vote(s) at the EGM in person if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
- (b) may appoint the Chairman of the EGM as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **5.00 p.m. on 18 June 2024** (being seven (7) business days before the EGM), and such CPFIS Members and/or SRS Investors shall be precluded from attending the EGM.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### **PERSONAL DATA PRIVACY**

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (a) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); (b) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (c) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty. The member's personal data and its proxy(ies)'s and/or representative(s)'s personal data may be disclosed or transferred by the Company to its subsidiaries, its Share Registrar and/or other agents or bodies for any of the Purposes, and retained for such period as may be necessary for the Company's verification and record purposes. Photographic, sound and/or video recordings of the EGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the EGM. Accordingly, the personal data of a member of the Company and/or its proxy(ies) or representative(s) (such as his/her name, his/her presence at the EGM and any questions he/ she may raise or motions he/she proposes/seconds) may be recorded by the Company for such purpose.

## PROXY FORM FOR EXTRAORDINARY GENERAL MEETING

### CHARISMA ENERGY SERVICES LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 199706776D)

### PROXY FORM EXTRAORDINARY GENERAL MEETING

(Please see notes overleaf before completing this Proxy Form)

#### IMPORTANT:

**Note:** Printed copies of this Proxy Form will be sent by post to members and will also be published on the SGXNet at the URL:  
<https://www.sgx.com/securities/company-announcements>.

1. The EGM will be held, in a wholly physical format at 51 Cuppage Road, #03-03, Singapore 229469 on 28 June 2024 at 3.30 p.m.. **There will be no option for members to participate virtually.**
2. A proxy need not be a Member.
3. A Member who is a relevant intermediary is entitled to appoint more than two (2) proxies. Where such Member's proxy form appoints more than one (1) proxy, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the instrument (please refer to Note 3 to this Proxy Form for the definition of "relevant intermediary").
4. For CPF/SRS investors who have used their CPF/SRS monies to buy Shares in the Company, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies or appointment of the Chairman of the EGM as proxy.
5. **PLEASE READ THE NOTES TO THIS PROXY FORM.**

#### Personal Data Privacy

By submitting an instrument appointing proxy(ies), the Member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 13 June 2024

|                                                                                                                                                                                                                                                                                                                                                                                                                                            |                |                               |                                        |                                              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------------------------|----------------------------------------|----------------------------------------------|
| *I/We,                                                                                                                                                                                                                                                                                                                                                                                                                                     |                | (Name)                        |                                        | (NRIC / Passport / Co. Registration Number*) |
| of                                                                                                                                                                                                                                                                                                                                                                                                                                         |                |                               |                                        | (Address)                                    |
| being a member/members* of <b>CHARISMA ENERGY SERVICES LIMITED</b> (the "Company"), hereby appoint:                                                                                                                                                                                                                                                                                                                                        |                |                               |                                        |                                              |
| <b>Name</b>                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>Address</b> | <b>NRIC / Passport Number</b> | <b>Proportion of Shareholdings (%)</b> |                                              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                            |                |                               | <b>No of Shares</b>                    | <b>%</b>                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                            |                |                               |                                        |                                              |
| *and/or                                                                                                                                                                                                                                                                                                                                                                                                                                    |                |                               |                                        |                                              |
| <b>Name:</b>                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>Address</b> | <b>NRIC / Passport Number</b> | <b>Proportion of Shareholdings (%)</b> |                                              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                            |                |                               | <b>No of Shares</b>                    | <b>%</b>                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                            |                |                               |                                        |                                              |
| or failing the person, or either or both of the persons, referred to above, the Chairman of the EGM as *my/our *proxy to vote for *me/us on *my/our behalf at the EGM to be held at 51 Cuppage Road, #03-03, Singapore 229469 on 28 June 2024 at 3.30 p.m. and at any adjournment thereof. I/We* direct my/our* proxy to vote for, vote against or abstain from voting on the resolution to be proposed at the EGM as indicated hereunder. |                |                               |                                        |                                              |
| If no specific direction as to voting is given, in respect of a resolution, the *proxy/proxies will vote or abstain from voting at *his/her/their discretion.                                                                                                                                                                                                                                                                              |                |                               |                                        |                                              |

The resolution put to vote at the EGM shall be decided by way of poll<sup>(1)</sup>.

| No. | Ordinary Resolution              | Number of votes FOR <sup>(2)</sup> | Number of votes AGAINST <sup>(2)</sup> | Number of votes ABSTAIN <sup>(2)</sup> |
|-----|----------------------------------|------------------------------------|----------------------------------------|----------------------------------------|
| 1.  | To approve the Proposed Disposal |                                    |                                        |                                        |

<sup>(1)</sup> Voting will be conducted by poll. If you wish for your proxy to cast all your votes "For" or "Against" a resolution, please tick (✓) within the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the number of votes "For" or "Against" in the "For" or "Against" box provided in respect of the resolution.

<sup>(2)</sup> If you wish for your proxy to abstain from voting on the resolution, please tick (✓) within the "Abstain" box provided in respect of the resolution. Alternatively, please indicate the number of votes that your proxy is directed to abstain from voting in the "Abstain" box provided in respect of the resolution.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2024

| Total Number of shares held in: | No. of Shares |
|---------------------------------|---------------|
| (a) CDP Register                |               |
| (b) Register of Members         |               |

\_\_\_\_\_  
Signature(s) of Shareholder(s) or  
Common Seal of Corporate Shareholder

\*Delete where applicable.

**IMPORTANT: PLEASE READ NOTES OVERLEAF**

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## PROXY FORM FOR EXTRAORDINARY GENERAL MEETING

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### Notes:

1. A member should insert the total number of shares held by him/her/it. If the member has shares entered against his/her/its name in the Depository Register (maintained by CDP), he/she/it should insert that number of shares. If the member has shares registered in his/her/its name in the Register of Members (maintained by or on behalf of the Company), he/she/it should insert that number of shares. If the member has shares entered against his/her/its name in the Depository Register and shares registered in his/her/its name in the Register of Members, he/she/it should insert the aggregate number of shares entered against his/her/its name in the Depository Register and registered in his/her/its name in the Register of Members. If no number is inserted, this instrument appointing a proxy(ies) will be deemed to relate to all the shares held by the member.
2. Printed copies of this Proxy Form will be sent by post to members and will also be published on the SGXNet at the URL: <https://www.sgx.com/securities/company-announcements>.
3. (a) A member (who is not a relevant intermediary) entitled to attend, speak and vote at the EGM is entitled to appoint not more than two (2) proxies to attend, speak and vote in his/her stead. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument (expressed as a percentage of a whole). If no percentage is specified, the first named proxy shall be deemed to represent 100 per cent. of the shareholdings and the second named proxy shall be deemed to be an alternate to the first named proxy.

(b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument. In such event, the relevant intermediary shall submit a list of its proxies setting out number and class of shares in relation to which each proxy has been appointed together with the information required in this Proxy Form to the Company.

**"Relevant intermediary" means:**

- (a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
  - (b) a person holding a capital markets services licence to provide custodial services under the Securities and Futures Act 2001 and who holds shares in that capacity; or
  - (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
4. A proxy need not be a member of the Company. The Chairman of the EGM, as proxy, need not be a member of the Company.
  5. This instrument appointing a proxy(ies) must be submitted to the Company in the following manner:
    - (a) If submitted by post, be deposited at the Company's registered office at 8 Wilkie Road, #03-01, Wilkie Edge, Singapore 228095; and
    - (b) if submitted electronically, the instrument must be submitted via email to [enquiries@charismaenergy.com](mailto:enquiries@charismaenergy.com).

in each case, by **3.30 p.m. on 25 June 2024 (not less than 72 hours before the time appointed for holding the EGM)**.

A member who wishes to submit an instrument appointing a proxy(ies) by post or via email can either use the hard copies of the Proxy Form sent to the member or download a copy of the Proxy Form from the SGXNet at the URL: <https://www.sgx.com/securities/company-announcements>, and complete and sign this Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. **Shareholders are strongly encouraged to submit completed Proxy Forms electronically via email to [enquiries@charismaenergy.com](mailto:enquiries@charismaenergy.com).**

6. Subject to note 10 of this Proxy Form, completion and return of the instrument appointing a proxy(ies) does not preclude a member from attending, speaking and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the EGM in person and, in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of the proxy, to the EGM.
7. The instrument appointing a proxy(ies) must be signed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
8. Where an instrument appointing a proxy(ies) is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the instrument is submitted by post, be lodged with the instrument or, if the instrument is submitted electronically via email, be emailed with the instrument, failing which the instrument may be treated as invalid.
9. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act, and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.

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## PROXY FORM FOR EXTRAORDINARY GENERAL MEETING

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10. This Proxy Form is not valid for use by investors who hold shares through Central Provident Fund (“**CPF**”) Investment Scheme (“**CPFIS Members**”) and/or Supplementary Retirement Scheme (“**SRS Investors**”) and shall be ineffective for all intents and purposes if used or purported to be used by them. CPFIS Members and SRS Investors: (a) may attend and cast their vote(s) at the EGM in person if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **5.00 p.m. on 18 June 2024** (being seven (7) business days before the EGM), and such CPFIS Members and/or SRS Investors shall be precluded from attending the EGM.
11. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the EGM (i.e. **3.30 p.m. on 25 June 2024**), as certified by CDP to the Company. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his/her/its name appears on the Depository Register 72 hours before the time appointed for the EGM.

**Personal data privacy:** By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice to EGM dated 13 June 2024.