



Pursuant to Rule 705(2C) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist, Charisma Energy Services Limited is required by SGX-ST to announce its quarterly financial statements.

**Charisma Energy Services Limited  
and its Subsidiaries**

**Registration Number: 199706776D**

Condensed Interim Financial Statements  
For the three months ended 31 March 2024

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## Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

Period Ended 31 March 2024

### Consolidated statement of profit or loss

|  | Note | 3 months ended          |                         | Change<br>(Represented) <sup>1</sup><br>% |
|--|------|-------------------------|-------------------------|---|
|  |      | 31.03.2024<br>(1Q 2024) | 31.03.2023<br>(1Q 2023) |   |
|  |      | US\$'000                | US\$'000                |   |
| <b>Continuing operations</b>   |      |                         |                         |   |
| Revenue  | 5    | 1,331                   | 572                     | >100                                      |
| Cost of sales  |      | (425)                   | (398)                   | 7   |
| <b>Gross profit</b>  |      | <b>906</b>              | <b>174</b>              | <b>&gt;100</b>                            |
| Other operating income   |      | –                       | 1,242                   | (100)                                     |
| Administrative and marketing expenses                                  |      | (585)                   | (528)                   | 11  |
| <b>Result from operating activities</b>                                |      | <b>321</b>              | <b>888</b>              | <b>(64)</b>                               |
| Finance income   |      | 64                      | 118                     | (46)                                      |
| Finance cost   |      | (578)                   | (796)                   | (27)                                      |
| <b>Net finance cost</b>  |      | <b>(514)</b>            | <b>(678)</b>            | <b>(24)</b>                               |
| Share of results of joint ventures, net of tax                         |      | –                       | –                       | n.m.                                      |
| <b>(Loss)/profit before income tax</b>                                 | 7    | <b>(193)</b>            | <b>210</b>              | <b>n.m.</b>                               |
| Income tax expense   | 8    | (174)                   | (41)                    | >100                                      |
| <b>(Loss)/profit from continuing operations</b>                        |      | <b>(367)</b>            | <b>169</b>              | <b>n.m.</b>                               |
| <b>Discontinued operations</b>   |      |                         |                         |   |
| Loss from discontinued operations, net of tax                          | 15   | (318)                   | (179)                   | 78  |
| <b>Loss for the period</b>   |      | <b>(685)</b>            | <b>(10)</b>             | <b>&gt;100</b>                            |
| <b>(Loss)/profit attributable to:</b>                                  |      |                         |                         |   |
| Owners of the Company  |      | (621)                   | 26                      | n.m.                                      |
| Non-controlling interests  |      | (64)                    | (36)                    | 78  |
| <b>Loss for the period</b>   |      | <b>(685)</b>            | <b>(10)</b>             | <b>&gt;100</b>                            |
| <b>(Loss)/profit attributable to owners of the Company relates to:</b> |      |                         |                         |   |
| (Loss)/profit from continuing operations                               |      | (367)                   | 169                     | n.m.                                      |
| Loss from discontinued operations                                      |      | (254)                   | (143)                   | 78  |
|  |      | <b>(621)</b>            | <b>26</b>               | <b>n.m.</b>                               |

## Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income (cont'd)

### Consolidated statement of profit or loss (cont'd)

|   | Note | 3 months ended          |                         | Change<br>(Represented) <sup>1</sup><br>% |
|---|------|-------------------------|-------------------------|---|
|   |      | 31.03.2024<br>(1Q 2024) | 31.03.2024<br>(1Q 2024) |   |
|   |      | US\$'000                | US\$'000                |   |
| <b>(Loss)/earnings per share for (loss)/profit from continuing and discontinued operations attributable to the owners of the Company during the period:</b> |      |                         |                         |   |
| <b>Basic (US cents)</b>   |      |                         |                         |   |
| From continuing operations  |      | (0.003)                 | 0.0004                  |   |
| From discontinued operations  |      | (0.002)                 | (0.001)                 |   |
| <b>Diluted (US cents)</b>   |      |                         |                         |   |
| From continuing operations  |      | (0.003)                 | 0.0004                  |   |
| From discontinued operations  |      | (0.002)                 | (0.001)                 |   |
| <i>Note:</i>  |      |                         |                         |   |
| Weighted average number of ordinary shares (in million):  |      |                         |                         |   |
| Basic   |      | 13,659                  | 13,659                  |   |
| Diluted*  |      | 13,659                  | 13,659                  |   |

\* The outstanding convertibles (including perpetual securities, share options and redeemable exchangeable preference shares) were excluded in the computation of the diluted earnings per share because these convertibles were anti-dilutive for the respective financial periods.

n.m. = not meaningful

Note

- (1) Discontinued operations arise from Energy and Power business in China which results have been presented in accordance with SFRS(I) 5 *Non-Current Assets Held for Sale and Discontinued Operations*. Refer to Note 15 for details.

## Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income (cont'd)

Period Ended 31 March 2024

### Consolidated statement of comprehensive income

|   | 3 months ended                      |                                     | Change<br>% |
|---|-------------------------------------|-------------------------------------|-------------|
|   | 31.03.2024<br>(1Q 2024)<br>US\$'000 | 31.03.2023<br>(1Q 2023)<br>US\$'000 |             |
| Loss for the period   | (685)                               | (10)                                | >100        |
| <b>Other comprehensive income/(loss)</b>  |                                     |                                     |             |
| <b>Items that will not be reclassified to profit or loss:</b>                                   |                                     |                                     |             |
| Net change in fair value of actuarial gain or loss  | 30                                  | (22)                                | n.m.        |
| <b>Items that are or may be reclassified subsequently to profit or loss:</b>                    |                                     |                                     |             |
| Foreign currency translation differences relating to financial statements of foreign operations | 223                                 | 227                                 | (2)         |
| <b>Other comprehensive income for the period</b>  | <b>253</b>                          | <b>205</b>                          | 23          |
| <b>Total comprehensive (loss)/income for the period</b>   | <b>(432)</b>                        | <b>195</b>                          | n.m.        |
| <b>Total comprehensive (loss)/income attributable to:</b>                                       |                                     |                                     |             |
| Owners of the Company   | (406)                               | 185                                 | n.m.        |
| Non-controlling interests   | (26)                                | 10                                  | n.m.        |
| <b>Total comprehensive (loss)/income for the period</b>   | <b>(432)</b>                        | <b>195</b>                          | n.m.        |

n.m. = not meaningful

## Condensed Interim Statements of Financial Position

As at 31 March 2024

|   | Note | ----- Group -----      |                        | ----- Company -----    |                        |
|---|------|------------------------|------------------------|------------------------|------------------------|
|   |      | 31.03.2024<br>US\$'000 | 31.12.2023<br>US\$'000 | 31.03.2024<br>US\$'000 | 31.12.2023<br>US\$'000 |
| <b>Non-current assets</b>   |      |                        |                        |                        |                        |
| Property, plant and equipment   | 10   | 5,738                  | 5,748                  | –                      | –                      |
| Right-of-use assets   |      | 90                     | 94                     | –                      | –                      |
| Subsidiaries  |      | –                      | –                      | 5,971                  | 5,930                  |
| Trade and other receivables   | 11   | 9                      | 9                      | –                      | –                      |
|   |      | <b>5,837</b>           | <b>5,851</b>           | <b>5,971</b>           | <b>5,930</b>           |
| <b>Current assets</b>   |      |                        |                        |                        |                        |
| Inventories   |      | 468                    | 431                    | –                      | –                      |
| Trade and other receivables   | 11   | 1,234                  | 4,150                  | 264                    | 275                    |
| Amounts due from subsidiaries   | 11   | –                      | –                      | 6,277                  | 6,316                  |
| Amounts due from joint ventures   | 11   | 129                    | 129                    | 129                    | 129                    |
| Cash and cash equivalents   |      | 6,555                  | 2,658                  | 36                     | 53                     |
|   |      | <b>8,386</b>           | <b>7,368</b>           | <b>6,706</b>           | <b>6,773</b>           |
| Assets of disposal group classified as held for sale  | 15   | 18,774                 | 19,181                 | 2,679                  | 2,679                  |
|   |      | <b>27,160</b>          | <b>26,549</b>          | <b>9,385</b>           | <b>9,452</b>           |
| <b>Total assets</b>   |      | <b>32,997</b>          | <b>32,400</b>          | <b>15,356</b>          | <b>15,382</b>          |
| <b>Equity</b>   |      |                        |                        |                        |                        |
| Share capital   | 14   | 274,553                | 274,553                | 274,553                | 274,553                |
| Perpetual securities  |      | 6,811                  | 6,811                  | 6,811                  | 6,811                  |
| Redeemable exchangeable preference shares   |      | 7,042                  | 7,042                  | –                      | –                      |
| Other reserves  |      | (13,239)               | (13,551)               | (1,276)                | (1,276)                |
| Accumulated losses  |      | (324,878)              | (324,257)              | (358,140)              | (357,520)              |
| Amounts recognised in other comprehensive income and accumulated in equity relating to disposal group classified as held for sale | 15   | (306)                  | (209)                  | –                      | –                      |
| <b>Deficit in equity attributable to owners of the Company</b>  |      | <b>(50,017)</b>        | <b>(49,611)</b>        | <b>(78,052)</b>        | <b>(77,432)</b>        |
| Non-controlling interests   |      | (192)                  | (166)                  | –                      | –                      |
| <b>Net deficit in equity</b>  |      | <b>(50,209)</b>        | <b>(49,777)</b>        | <b>(78,052)</b>        | <b>(77,432)</b>        |
| <b>Non-current liabilities</b>  |      |                        |                        |                        |                        |
| Trade and other payables  | 12   | 104                    | 152                    | –                      | –                      |
| Financial liabilities   | 13   | –                      | 1                      | –                      | –                      |
| Deferred tax liabilities  |      | 920                    | 882                    | –                      | –                      |
|   |      | <b>1,024</b>           | <b>1,035</b>           | <b>–</b>               | <b>–</b>               |
| <b>Current liabilities</b>  |      |                        |                        |                        |                        |
| Trade and other payables  | 12   | 18,293                 | 17,346                 | 16,662                 | 15,816                 |
| Amounts due to joint ventures   | 12   | 460                    | 470                    | 460                    | 470                    |
| Amounts due to related parties  | 12   | 29,426                 | 29,426                 | 29,426                 | 29,426                 |
| Amounts due to subsidiaries   | 12   | –                      | –                      | 27,507                 | 27,749                 |
| Financial liabilities   | 13   | 16,796                 | 16,527                 | 19,353                 | 19,353                 |
| Provision for tax   |      | 390                    | 507                    | –                      | –                      |
|   |      | <b>65,365</b>          | <b>64,276</b>          | <b>93,408</b>          | <b>92,814</b>          |
| Liabilities directly associated with disposal group classified as held for sale   | 15   | 16,817                 | 16,866                 | –                      | –                      |
|   |      | <b>82,182</b>          | <b>81,142</b>          | <b>93,408</b>          | <b>92,814</b>          |
| <b>Total liabilities</b>  |      | <b>83,206</b>          | <b>82,177</b>          | <b>93,408</b>          | <b>92,814</b>          |
| <b>Total equity and liabilities</b>   |      | <b>32,997</b>          | <b>32,400</b>          | <b>15,356</b>          | <b>15,382</b>          |

**Condensed Interim Consolidated Statement of Cash Flows**  
**Period Ended 31 March 2024**

|  | Note | 3 months ended |                |
|--|------|----------------|----------------|
|  |      | 31.03.2024     | 31.03.2023     |
|  |      | (1Q 2024)      | (1Q 2023)      |
|  |      | US\$'000       | US\$'000       |
| <b>Cash flows from operating activities</b>                                  |      |                |                |
| Loss for the period  |      | (685)          | (10)           |
| <b>Adjustments for:</b>  |      |                |                |
| Depreciation of property, plant and equipment                                | 7    | 163            | 152            |
| Depreciation of right-of-use assets  | 7    | 158            | 166            |
| Gain on disposal of assets held for sale                                     | 7    | –              | (1,130)        |
| Other income   | 7    | –              | (112)          |
| Impairment loss on trade and other receivables                               | 15   | 450            | –              |
| Interest income  | 7    | (64)           | (118)          |
| Interest expense   | 7    | 833            | 1,383          |
| Income tax expense   | 8,15 | 174            | 41             |
|  |      | <b>1,029</b>   | <b>372</b>     |
| <b>Changes in:</b>   |      |                |                |
| - Inventories  |      | (37)           | (11)           |
| - Trade and other receivables  |      | 2,583          | 232            |
| - Trade and other payables   |      | 740            | 916            |
| Cash generated from operations   |      | 4,315          | 1,509          |
| Income tax paid  |      | (299)          | (46)           |
| <b>Net cash from operating activities</b>                                    |      | <b>4,016</b>   | <b>1,463</b>   |
| <b>Cash flows from investing activities</b>                                  |      |                |                |
| Purchase of property, plant and equipment                                    | 10   | (86)           | (1)            |
| Proceeds from disposal of assets held for sale                               |      | –              | 1,400          |
| Interest income received   |      | 64             | 118            |
| <b>Net cash (used in)/from investing activities</b>                          |      | <b>(22)</b>    | <b>1,517</b>   |
| <b>Cash flows from financing activities</b>                                  |      |                |                |
| Advances from minority shareholder of subsidiary corporation                 |      | 419            | 65             |
| Repayment of borrowings  |      | –              | (875)          |
| Increase in restricted cash  |      | (3,907)        | (1,045)        |
| Payment of lease liabilities   |      | (208)          | (146)          |
| Interest expense paid  |      | (308)          | (966)          |
| <b>Net cash used in financing activities</b>                                 |      | <b>(4,004)</b> | <b>(2,967)</b> |
| <b>Net (decrease)/increase in cash and cash equivalents</b>                  |      | <b>(10)</b>    | <b>13</b>      |
| Cash and cash equivalents at beginning of period                             |      | 25             | 122            |
| <b>Cash and cash equivalents at end of period</b>                            |      | <b>15</b>      | <b>135</b>     |
| <b>Cash and cash equivalents comprise:</b>                                   |      |                |                |
| Cash and cash equivalents at per statement of financial position             |      | 6,555          | 4,305          |
| Less: Restricted cash  |      | (6,540)        | (4,170)        |
| <b>Cash and cash equivalents as per consolidated statement of cash flows</b> |      | <b>15</b>      | <b>135</b>     |

## Condensed Interim Statements of Changes in Equity

Period Ended 31 March 2024

| Attributable to owners of the Company                                  |      |                           |                                  |   |                           |   |                                |                             |                                |  |                           |          |                   |
|--|------|---------------------------|----------------------------------|---|---------------------------|---|--------------------------------|-----------------------------|--------------------------------|--|---------------------------|----------|-------------------|
| Group  | Note | Share capital<br>US\$'000 | Perpetual securities<br>US\$'000 | Redeemable exchangeable preference shares<br>US\$'000 | Other reserve<br>US\$'000 | Foreign currency translation reserves<br>US\$'000 | Fair value reserve<br>US\$'000 | Hedging reserve<br>US\$'000 | Accumulated losses<br>US\$'000 | Amount recognised in other comprehensive income and accumulated in equity relating to disposal group classified as held for sale<br>US\$'000 | Non-controlling interests |          | Total<br>US\$'000 |
|  |      |                           |                                  |   |                           |   |                                |                             |                                |  | US\$'000                  | US\$'000 |                   |
| Balance as at 1 January 2024   |      | 274,553                   | 6,811                            | 7,042   | 36                        | (9,609)   | (3,968)                        | (10)                        | (324,257)                      | (209)  | (49,611)                  | (166)    | (49,777)          |
| Total comprehensive income/(loss) for the period                       |      | –                         | –                                | –   | –                         | 282   | 30                             | –                           | (621)                          | (97)   | (406)                     | (26)     | (432)             |
| Transactions with owners of the Company, recognised directly in equity |      |                           |                                  |   |                           |   |                                |                             |                                |  |                           |          |                   |
| Contributions by and distributions to owners                           |      |                           |                                  |   |                           |   |                                |                             |                                |  |                           |          |                   |
| Accrued perpetual securities distributions                             |      | –                         | –                                | –   | –                         | –   | –                              | –                           | –                              | –  | –                         | –        | –                 |
| Total transactions with owners   |      | –                         | –                                | –   | –                         | –   | –                              | –                           | –                              | –  | –                         | –        | –                 |
| Balance as at 31 March 2024  |      | 274,553                   | 6,811                            | 7,042   | 36                        | (9,327)   | (3,938)                        | (10)                        | (324,878)                      | (306)  | (50,017)                  | (192)    | (50,209)          |



## Condensed Interim Statements of Changes in Equity (cont'd)

Period Ended 31 March 2024

| Group  | Attributable to owners of the Company |                                  |   |                           |   |                                |                             |                                |                   |                                       |                   |
|--|---------------------------------------|----------------------------------|---|---------------------------|---|--------------------------------|-----------------------------|--------------------------------|-------------------|---------------------------------------|-------------------|
|  | Share capital<br>US\$'000             | Perpetual securities<br>US\$'000 | Redeemable exchangeable preference shares<br>US\$'000 | Other reserve<br>US\$'000 | Foreign currency translation reserves<br>US\$'000 | Fair value reserve<br>US\$'000 | Hedging reserve<br>US\$'000 | Accumulated losses<br>US\$'000 | Total<br>US\$'000 | Non-controlling interests<br>US\$'000 | Total<br>US\$'000 |
| Balance as at 1 January 2023   | 274,553                               | 6,811                            | 7,042   | 36                        | (10,727)  | (3,916)                        | (10)                        | (318,292)                      | (44,503)          | 1,599                                 | (42,904)          |
| Total comprehensive income/(loss) for the period                       | –                                     | –                                | –   | –                         | 586   | (22)                           | –                           | 26                             | 590               | (395)                                 | 195               |
| Transactions with owners of the Company, recognised directly in equity |                                       |                                  |   |                           |   |                                |                             |                                |                   |                                       |                   |
| Contributions by and distributions to owners                           |                                       |                                  |   |                           |   |                                |                             |                                |                   |                                       |                   |
| Accrued perpetual securities distributions                             | –                                     | –                                | –   | –                         | –   | –                              | –                           | (119)                          | (119)             | –                                     | (119)             |
| Total transactions with owners   | –                                     | –                                | –   | –                         | –   | –                              | –                           | (119)                          | (119)             | –                                     | (119)             |
| Balance as at 31 March 2023  | 274,553                               | 6,811                            | 7,042   | 36                        | (10,141)  | (3,938)                        | (10)                        | (318,385)                      | (44,032)          | 1,204                                 | (42,828)          |

## Condensed Interim Statements of Changes in Equity

Period Ended 31 March 2024

| Company  | Note | Share capital<br>US\$'000 | Perpetual securities<br>US\$'000 | Warrants<br>US\$'000 | Fair value reserve<br>US\$'000 | Accumulated losses<br>US\$'000 | Total<br>US\$'000 |
|--|------|---------------------------|----------------------------------|----------------------|--------------------------------|--------------------------------|-------------------|
| Balance as at 1 January 2024   |      | 274,553                   | 6,811                            | –                    | (1,276)                        | (357,520)                      | (77,432)          |
| Total comprehensive loss for the period                                |      | –                         | –                                | –                    | –                              | (620)                          | (620)             |
| Transactions with owners of the Company, recognised directly in equity |      |                           |                                  |                      |                                |                                |                   |
| Contributions by and distributions to owners                           |      |                           |                                  |                      |                                |                                |                   |
| Accrued perpetual securities distributions                             |      | –                         | –                                | –                    | –                              | –                              | –                 |
| Total transactions with owners   |      | –                         | –                                | –                    | –                              | –                              | –                 |
| Balance as at 31 March 2024  |      | <b>274,553</b>            | <b>6,811</b>                     | <b>–</b>             | <b>(1,276)</b>                 | <b>(358,140)</b>               | <b>(78,052)</b>   |

| Company  |  | Share capital<br>US\$'000 | Perpetual securities<br>US\$'000 | Warrants<br>US\$'000 | Fair value reserve<br>US\$'000 | Accumulated losses<br>US\$'000 | Total<br>US\$'000 |
|--|--|---------------------------|----------------------------------|----------------------|--------------------------------|--------------------------------|-------------------|
| Balance as at 1 January 2023   |  | 274,553                   | 6,811                            | –                    | (1,276)                        | (355,776)                      | (75,688)          |
| Total comprehensive loss for the period                                |  | –                         | –                                | –                    | –                              | (445)                          | (445)             |
| Transactions with owners of the Company, recognised directly in equity |  |                           |                                  |                      |                                |                                |                   |
| Contributions by and distributions to owners                           |  |                           |                                  |                      |                                |                                |                   |
| Accrued perpetual securities distributions                             |  | –                         | –                                | –                    | –                              | (119)                          | (119)             |
| Total transactions with owners   |  | –                         | –                                | –                    | –                              | (119)                          | (119)             |
| Balance as at 31 March 2023  |  | <b>274,553</b>            | <b>6,811</b>                     | <b>–</b>             | <b>(1,276)</b>                 | <b>(356,340)</b>               | <b>(76,252)</b>   |

## Notes to the Condensed Interim Financial Statements

### 1 Corporate information

Charisma Energy Services Limited (the “**Company**”) is incorporated in Singapore and whose shares are publicly traded on the Catalist of the Singapore Exchange.

These condensed interim consolidated financial statements of the Group as at and for the period ended 31 March 2024 comprise the Company and its subsidiaries (together referred to as the “**Group**” and individually as “**Group Entities**”) and the Group’s interest in joint ventures.

The principal activities of the Company are those of investment holding and the provision of management services to its subsidiaries. The principal activities of the Group are mainly generating and sale of energy and power generation services.

### 2 Going concern

The Group incurred a net loss of US\$685,000 (31 March 2023: US\$10,000) for the financial period ended 31 March 2024. As at 31 March 2024, the Group was in a net liability position of US\$50,209,000 (2023: US\$49,777,000) and in a net current liability position of US\$56,979,000 (2023: US\$56,908,000) respectively. The net current liability position was a result of certain liabilities being reclassified from non-current to current as the Group did not meet the repayment schedule, financial covenants and the general undertaking imposed by the lenders.

On 10 January 2022, the Company entered into a conditional subscription agreement (the “**CSA**”) with an investor (the “**Investor**”) for the subscription of new ordinary shares amounting and share options. The Company, the creditors and the Investor were not able to reach an agreement in relation to the terms and conditions of the Proposed Debt Restructuring under the CSA, pursuant to which, the Longstop Date of the CSA had lapsed on 9 July 2022. Notwithstanding the lapse of the Longstop Date of the CSA, the Company remained engaged in discussions with all of its creditors and the Investor, to evaluate and assess all available options.

On 18 January 2023, the Company entered into a new conditional subscription agreement (the “**New CSA**”) with the same Investor for the subscription of new ordinary shares amounting to S\$13,576,000 and share options amounting to S\$16,291,200.

Under the New CSA, the Company will undertake the following:

- (a) divestments of its existing assets and quoted securities (the “**Proposed Divestments**”) such that pursuant to the Proposed Divestments, the Company will retain its ownership in the holding entities of its operations in Sri Lanka and the operating companies in Sri Lanka (the “**Sri Lanka Sub-Group**”) (being the owners of the 13 units of mini-hydroelectric power plants in Sri Lanka with a combined capacity of 43.46 megawatt (the “**Hydro-Power Plants**”), together with their receivables, cash and inventories (including the Hydro-Power Plants) (the “**Remaining Assets**”);
- (b) propose a scheme of arrangement which will be a compromise or arrangement between the Company and class(es) of certain of its unsecured creditors, in accordance with Section 210 of the Companies Act 1967 of Singapore or the Insolvency, Restructuring and Dissolution Act 2018 of Singapore or under any applicable law(s) of Singapore, to settle certain of the Company’s debt (the “**Past Liabilities**”) with a combination of cash and issue of new Shares (the “**Scheme of Arrangement**”);
- (c) the creation of a fresh debt obligation to the Subscriber and/or its nominee, in consideration for the Subscriber procuring (a) full discharge of all liabilities and debts owing by the Sri Lanka Sub-Group to Overseas Chinese Banking Corporation (“**OCBC**”); and (b) OCBC’s consent to discharge any and all mortgage, charge, pledge, lien or other security interest securing any obligation of the Sri Lanka Sub-Group for the benefit of OCBC (the “**OCBC Loan Restructuring**”);

## 2 Going concern (cont'd)

Under the New CSA, the Company will undertake the following (cont'd):

- (d) settlement agreement with holders of the redeemable exchangeable preference shares, which is envisaged to comprise a combination of cash and issue of new Shares to such creditors, with such new Shares to be issued under the Scheme of Arrangement and the Bilateral Settlement (the “**Settlement Shares**”) (the “**Bilateral Settlement**”, together with the Scheme of Arrangement, the “**Proposed Debt Restructuring**”); and
- (e) a share consolidation of all of the issued Shares pursuant to the above transactions (the “**Proposed Share Consolidation**”).

The completion of the New CSA and Proposed Debt Restructuring is contingent upon the following:

- (a) completion of the New CSA with the Investor;
- (b) realisation of the forecasted operating cashflow from the Group's continuing businesses; and
- (c) the successful divestment planned for some of the Group's assets, other than the Remaining Assets.

These conditions may affect the Group's ability to meet its debts obligations as and when they fall due, at least in the next 12 months from the reporting date. If for any reason the Group and Company are unable to continue as a going concern, it could have an impact on the Group's and Company's classification of assets and liabilities and the ability to realise assets at their recognised values and to extinguish liabilities in the normal course of business at the amounts stated in the financial statements.

In the assessment of the appropriateness of going concern assumption used in the preparation of the financial statements, the directors of the Company have considered future inflows of fresh investment funds from the conditional subscription agreement with the investor, restructuring plans to be agreed with creditors and lenders, continuous support from shareholders, as well as the expected cash flows from the Group's continuing operations in the financial year ending 31 December 2024.

### Recent Developments for the financial year ended 31 December 2023

In 2023, the Group has made significant progress in its holistic plan to recapitalise and restructure the Group.

The Group had entered into the New CSA as mentioned above. Pursuant to the New CSA and the binding term sheet entered into with the Subscriber, half of the loan owing in respect of the Sri Lanka Hydro assets would be capitalised pursuant to the New CSA while the terms of the remaining loan would also be restructured into a 5-year convertible loan with no principal repayment obligations during the tenure.

In relation to the Bilateral Settlement, the Company, together with its wholly-owned subsidiary, CES Hydro Power Group Pte. Ltd. (“**CES Hydro**”), had entered into a deed of settlement on 6 June 2023 with holders of the non-voting, redeemable and exchangeable preference shares issued by CES Hydro, Venstar Investments III Ltd (In Members' Voluntary Liquidation) (“**Venstar**”) and Evia Growth Opportunities III Ltd (In Members' Voluntary Liquidation) (“**Evia**”) in relation to the settlement of outstanding arrangements and to terminate the deed of charge under a subscription agreement dated 3 August 2015 signed between CES Hydro, Venstar and Evia.

In relation to the Scheme of Arrangement, the Company had convened a meeting with class(es) of certain of its creditors (the “**Scheme Creditors**”) on 7 June 2023 (the “**Scheme Meeting**”) and at this Scheme Meeting, the Scheme Creditors have, by a majority in number of each class of Scheme Creditors voting, either in person or by proxy on the resolution, representing three-fourths in value of each class of Creditors present and voting, either in person or by proxy on the resolution, approved the Scheme of Arrangement dated 12 April 2023 between the Company and its Scheme Creditors pursuant to Section 210 of the Companies Act.

The Singapore High Court (the “**Court**”) had on 6 July 2023 granted an Order of Court sanctioning the Scheme of Arrangement pursuant to Section 210(4) of the Act. The Company had lodged a copy of the sealed Order of the Court with the Registrar of Companies on 7 July 2023 and with the lodgement, the Scheme of Arrangement is binding on the Company and the Scheme Creditors.

The Group has successfully divested of the two remaining anchor handling tug supply (“**AHTS**”), the proceeds of which were applied towards reducing the respective secured loans.

## 2 Going concern (cont'd)

On 13 October 2023, the Company has entered into a supplemental agreement with the Investor to extend the Longstop Date of the New CSA from 17 October 2023 to 31 March 2024 and in view of the above developments, the Company has on 10 November 2023, submitted an application to the Singapore Exchange Securities Trading Limited (“SGX-ST”) on the lifting of suspension of trading of the ordinary shares of the Company on the SGX-ST in accordance with Chapter 13 of the Listing Manual Section B: Rules of Catalist of the SGX-ST.

Due to the extension of the longstop date mentioned above, the Company had received instructions from OCBC in December 2023 to make a partial repayment of US\$5 million towards the outstanding OCBC bank loan, using the remitted funds from the Sri Lanka operations (which was remitted to the Company’s OCBC account and earmarked for repayment to OCBC). The Company complied with the OCBC’s instruction and arranged for the partial repayment of US\$5 million on 4 December 2023. As announced by the Company on 16 January 2024, the Company has completed the assignment of the rights and securities under the loan from OCBC to Cosmic Marvel International Limited, a wholly owned subsidiary of the Subscriber and the loan remains in default. With the completion of the OCBC Loan Purchase, the Company is working with the Subscriber to regularise the loan via entry into a loan agreement on the terms and conditions as agreed in the Term Sheet (which was entered into between the Company and the Subscriber together with the New CSA).

The Company has on 4 April 2024, entered into a second supplemental agreement with the Investor to extend the Longstop Date of the New CSA from 31 March 2024 to 30 April 2024.

## 3 Basis of preparation

The condensed interim financial statements for the three months ended 31 March 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I), except for the adoption of new and amended standards as set out in Note 3.1.

The condensed interim financial statements are presented in United States dollar (“US\$”), which is the Company’s functional currency. All financial information presented in United States dollars have been rounded to the nearest thousand, unless otherwise stated.

### 3.1 New standards and interpretations not yet adopted

A number of new standards, interpretations and amendments to standards that have been published, and are relevant for the Group’s annual periods beginning on or after 1 January 2025 and which the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The new SFRS(I)s, interpretations and amendments to SFRS(I)s are as follows:

- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (Amendments to SFRS(I) 10 and SFRS(I) 1-28)
- *Classification of Liabilities as Current or Non-current – Deferral of Effective Date* (Amendments to SFRS(I) 1-1)
- *Lack of Exchangeability* (Amendments to SFRS(I) 1-21)

The Group is currently assessing the impact of the new SFRS(I)s, interpretations and amendments to SFRS(I)s and plans to adopt the new standards on the recognised effective date.

### 3 Basis of preparation (cont'd)

#### 3.2 Use of estimates and judgements

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial interim period are discussed as follows:

##### *Cash flow forecast*

The Group reviews its forecasts of future cash flows in the foreseeable future and the availability of positive cash flows to repay its lenders in the next 12 months. Such an assessment requires the Group to review its operations, including future market demand for its services and its cash deployment in different locations. Significant judgement is required in deriving the Group's forecasts.

##### *Valuation of non-financial assets*

The Group assesses the impairment of non-financial assets, including property, plant and equipment, right-of-use assets and intangible assets, whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors considered important that could trigger an impairment review include (but are not limited) to the following:

- Extended periods of idle capacity;
- Significant decline in market prices;
- Inability to renew contracts upon expiry; and
- Significant adverse industry, regulatory or economic trends.

The complexity of the estimation process and issues related to the assumptions, risks and uncertainties inherent in the application of the Group's accounting estimates in relation to the non-financial assets could affect the amounts reported in the financial statements. If business conditions were different, or if different assumptions were used in the application of this and other accounting estimates, it is likely that materially different amounts could be reported in the Group's financial statements.

##### *Valuation of investments in subsidiaries*

The Company determines whether there is impairment on the investments in subsidiaries where events or changes in circumstances indicate that the carrying amount of the investments may be impaired. If any such indications exist, the recoverable amount is estimated. The level of allowance is evaluated by the Company on the basis of factors that affect the recoverability of the investments. These factors include, but are not limited to, the activities and financial position of the entities, and market estimates in order to calculate the present value of the future cash flows. The valuation of the investments in subsidiaries are dependent on the outcome of these factors affecting management's forecasts of future cash flows. Actual events that result in deviations from management's estimation may result in higher impairment losses on the investments.

### **3 Basis of preparation (cont'd)**

#### **3.2 Use of estimates and judgements (cont'd)**

##### *Impairment of trade and other receivables*

Based on the Group's historical credit loss experience, trade receivables exhibited significantly different loss patterns for each revenue segment. The Group has applied credit evaluations by customer within each revenue segment. Accordingly, management has determined the expected loss rates by grouping the receivables in each revenue stream. In relation to the Group's operation in Sri Lanka, no loss allowance for trade receivables of the Group was recognised as at 31 March 2024 and 31 December 2023.

Notwithstanding the above, the Group evaluates the expected credit loss ("ECL") on customers in financial difficulties separately.

The assessment of the correlation between historical credit loss experience, forecast economic conditions and historical observed expected loss rates is a significant estimate. The Group's historical credit loss experience and forecast economic conditions may also not be representative of customer's actual default in the future.

ECL on trade and other receivables are probability weighted estimates of credit losses which are determined by evaluating a range of possible outcomes and taking into account past events, current conditions and assessment of future economic conditions.

The Group had used simplified approach (lifetime ECL) for its accrued trade receivables. In determining the ECL, the Group uses the relevant historical information to determine the probability of default of the instruments and reassess the impact of external events on future economic conditions and consider a longer time horizon. In view that the current economy of China with projected slower economic growth may significantly alter the historical collection patterns for the accrued trade receivables associated with the outstanding government subsidies for China photovoltaic power plant, the Group has recognised loss allowance of US\$450,000 (2023: US\$7,642,000) for accrued trade receivables during the financial period ended 31 March 2024 which has been included in the loss from discontinued operation.

### **4 Seasonal operations**

The Group's businesses are dependent on the weather conditions in Sri Lanka and China during the financial period where the mini hydro power plants and solar photovoltaic power plant are located respectively.

### **5 Segment and revenue information**

The Group's revenue, capital expenditure, assets and liabilities were mainly derived from one single business segment in the business of generating and sale of energy and power generation services.

Other operations include management services, which are not individually material reportable segments.

Information regarding the results of the reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer (the Chief Operating Decision Maker). Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

## 5.1 Reportable segments

| <b>3 months ended 31 March 2024</b>  | <b>Energy and<br/>power<br/>services</b> | <b>Others</b>   | <b>Total</b>         |
|--|--|-----------------|----------------------|
|  | <b>US\$'000</b>                          | <b>US\$'000</b> | <b>US\$'000</b>      |
| <b>REVENUE</b>   |  |                 |                      |
| External revenue   | 1,331                                    | –               | 1,331                |
| <b>RESULT</b>  |  |                 |                      |
| Reportable segment results from operating activities                               | 906                                      | –               | 906                  |
| Finance cost   | (291)                                    | –               | (291)                |
| Share of results of joint ventures   | –  | –               | –                    |
| Reportable segment income/(loss) before income tax                                 | <u>615</u>                               | –               | <u>615</u>           |
| Tax expense  | (174)                                    | –               | (174)                |
| Reportable segment income/(loss) for the period                                    | <u>441</u>                               | –               | <u>441</u>           |
| Unallocated finance cost   |  |                 | (287)                |
| Unallocated finance income   |  |                 | 64                   |
| Unallocated expenses   |  |                 | <u>(585)</u>         |
| Loss for the period  |  |                 | <u>(367)</u>         |
| <b>OTHER SEGMENTAL INFORMATION</b>   |  |                 |                      |
| Reportable segment assets  | <u>10,523</u>                            | <u>3,026</u>    | 13,549               |
| Unallocated assets   |  |                 | 673                  |
| Assets of disposal group classified as held for sale                               |  |                 | <u>18,774</u>        |
| Total assets   |  |                 | <u><u>32,997</u></u> |
| Reportable segment liabilities   | <u>9,654</u>                             | <u>54,644</u>   | 64,298               |
| Unallocated liabilities  |  |                 | 2,091                |
| Liabilities directly associated with disposal group classified<br>as held for sale |  |                 | <u>16,817</u>        |
| Total liabilities  |  |                 | <u><u>83,206</u></u> |
| Capital expenditure  | <u>86</u>                                | –               | <u>86</u>            |
| Depreciation expenses  | 158                                      | –               | 158                  |
| Unallocated depreciation expenses  |  |                 | –                    |
| Total depreciation expenses  |  |                 | <u><u>158</u></u>    |



**5.1 Reportable segments (cont'd)**

| <b>3 months ended 31 March 2023</b>                  | <b>Energy and<br/>power<br/>services<br/>(Represented)<br/>US\$'000</b> | <b>Others<br/>US\$'000</b> | <b>Total<br/>(Represented)<br/>US\$'000</b> |
|--|---|----------------------------|---|
| <b>REVENUE</b>                                       |   |                            |   |
| External revenue                                     | 572   | –                          | 572   |
| <b>RESULT</b>  |   |                            |   |
| Reportable segment results from operating activities | 174   | –                          | 174   |
| Finance cost   | (359)   | (194)                      | (553)                                       |
| Share of results of joint ventures                   | –   | –                          | –   |
| Reportable segment income/(loss) before income tax   | (185)   | (194)                      | (379)                                       |
| Tax expense  | (41)  | –                          | (41)  |
| Reportable segment income/(loss) for the period      | (226)   | (194)                      | (420)                                       |
| Unallocated finance cost                             |   |                            | (243)                                       |
| Unallocated finance income                           |   |                            | 118   |
| Unallocated expenses                                 |   |                            | 714   |
| Loss for the period                                  |   |                            | 169   |
| <b>OTHER SEGMENTAL INFORMATION</b>                   |   |                            |   |
| Reportable segment assets                            | 41,290  | 576                        | 41,866                                      |
| Unallocated assets                                   |   |                            | 1,198                                       |
| Total assets   |   |                            | 43,064                                      |
| Reportable segment liabilities                       | 33,236  | 50,786                     | 84,022                                      |
| Unallocated liabilities                              |   |                            | 1,870                                       |
| Total liabilities                                    |   |                            | 85,892                                      |
| Capital expenditure                                  | 1   | –                          | 1   |
| Depreciation expenses                                | 142   | –                          | 142   |
| Unallocated depreciation expenses                    |   |                            | 5   |
| Total depreciation expenses                          |   |                            | 147   |

## 5.2 Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets, major products and service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments.

|  | Energy and power<br>Services |            | Others         |            | Total          |            |
|--|------------------------------|------------|----------------|------------|----------------|------------|
|  | 3 months ended               |            | 3 months ended |            | 3 months ended |            |
|  | 31.03.2024                   | 31.03.2023 | 31.03.2024     | 31.03.2023 | 31.03.2024     | 31.03.2023 |
|  | (Represented)                |            |                |            | (Represented)  |            |
|  | US\$'000                     | US\$'000   | US\$'000       | US\$'000   | US\$'000       | US\$'000   |
| <b>Primary geographical markets</b>          |                              |            |                |            |                |            |
| Sri Lanka                                    | 1,331                        | 572        | –              | –          | 1,331          | 572        |
| <b>Major products/service line</b>           |                              |            |                |            |                |            |
| Sale of energy and power generation services | 1,331                        | 572        | –              | –          | 1,331          | 572        |
| <b>Timing of revenue recognition</b>         |                              |            |                |            |                |            |
| At a point in time                           | 1,331                        | 572        | –              | –          | 1,331          | 572        |

## 6 Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the group as at 31 March 2024 and 31 December 2023:

|   | Amortised cost<br>US\$'000 | Other financial<br>liabilities<br>US\$'000 | Total<br>carrying amount<br>US\$'000 |
|---|----------------------------|--|--------------------------------------|
| <b>Group</b>  |                            |  |                                      |
| <b>31 March 2024</b>                                    |                            |  |                                      |
| <b>Financial assets not measured at fair value</b>      |                            |  |                                      |
| Trade and other receivables <sup>(1)</sup>              | 1,193                      | –  | 1,193                                |
| Cash and cash equivalents                               | 6,555                      | –  | 6,555                                |
| <b>Financial liabilities not measured at fair value</b> |                            |  |                                      |
| Trade and other payables                                | –                          | (48,283)                                   | (48,283)                             |
| Secured loan  | –                          | (7,369)                                    | (7,369)                              |
| Secured bank loans                                      | –                          | (9,393)                                    | (9,393)                              |
| <b>31 December 2023</b>                                 |                            |  |                                      |
| <b>Financial assets not measured at fair value</b>      |                            |  |                                      |
| Trade and other receivables <sup>(1)</sup>              | 4,132                      | –  | 4,132                                |
| Cash and cash equivalents                               | 2,658                      | –  | 2,658                                |
| <b>Financial liabilities not measured at fair value</b> |                            |  |                                      |
| Trade and other payables                                | –                          | (47,394)                                   | (47,394)                             |
| Secured loan  | –                          | (7,369)                                    | (7,369)                              |
| Secured bank loans                                      | –                          | (9,119)                                    | (9,119)                              |

<sup>(1)</sup> Excludes tax recoverable and prepayments.

## 6 Financial assets and financial liabilities (cont'd)

| Company   | Amortised<br>cost<br>US\$'000 | Other<br>financial<br>liabilities<br>US\$'000 | Total<br>carrying amount<br>US\$'000 |
|---|-------------------------------|---|--------------------------------------|
| <b>31 March 2024</b>                                    |                               |   |                                      |
| <b>Financial assets not measured at fair value</b>      |                               |   |                                      |
| Trade and other receivables <sup>(1)</sup>              | 6,635                         | –   | 6,635                                |
| Cash and cash equivalents                               | 36                            | –   | 36                                   |
| <b>Financial liabilities not measured at fair value</b> |                               |   |                                      |
| Trade and other payables                                | –                             | (46,548)                                      | (46,548)                             |
| Amounts due to subsidiaries                             | –                             | (27,507)                                      | (27,507)                             |
| Financial liabilities                                   | –                             | (19,353)                                      | (19,353)                             |
| <b>31 December 2023</b>                                 |                               |   |                                      |
| <b>Financial assets not measured at fair value</b>      |                               |   |                                      |
| Trade and other receivables <sup>(1)</sup>              | 6,716                         | –   | 6,716                                |
| Cash and cash equivalents                               | 53                            | –   | 53                                   |
| <b>Financial liabilities not measured at fair value</b> |                               |   |                                      |
| Trade and other payables                                | –                             | (45,712)                                      | (45,712)                             |
| Amounts due to subsidiaries                             | –                             | (27,749)                                      | (27,749)                             |
| Financial liabilities                                   | –                             | (19,353)                                      | (19,353)                             |

<sup>(1)</sup> Excludes prepayments.

## 7 Profit/(Loss) before income tax

The following items have been included in arriving at loss/(profit) before income tax:

|   | Group<br>3 months ended             |  |
|---|-------------------------------------|--|
|   | 31.03.2024<br>(1Q 2024)<br>US\$'000 | 31.03.2023<br>(1Q 2023)<br>(Represented)<br>US\$'000 |
| <b>Continuing operations:</b>                 |                                     |  |
| Interest income                               | (64)                                | (118)  |
| Interest expense                              | 578                                 | 796  |
| Depreciation of property, plant and equipment | 158                                 | 147  |
| Depreciation of right-of-use assets           | –                                   | 1  |
| Gain on disposal of assets held for sale      | –                                   | (1,130)  |
| Other income                                  | –                                   | (112)  |

## 7 Profit/(Loss) before income tax (cont'd)

|  | Group          |            |
|--|----------------|------------|
|  | 3 months ended |            |
|  | 31.03.2024     | 31.03.2023 |
|  | (1Q 2024)      | (1Q 2023)  |
|  | (Represented)  |            |
|  | US\$'000       | US\$'000   |
| <b>Discontinued operations:</b>                |                |            |
| Interest income                                | –              | –          |
| Interest expense                               | 255            | 587        |
| Depreciation of property, plant and equipment  | 5              | 5          |
| Depreciation of right-of-use assets            | 158            | 165        |
| Impairment loss on trade and other receivables | 450            | –          |

### 7.1 Related party transactions

|                                       | Group          |            |
|---------------------------------------|----------------|------------|
|                                       | 3 months ended |            |
|                                       | 31.03.2024     | 31.03.2023 |
|                                       | (1Q 2024)      | (1Q 2023)  |
|                                       | US\$'000       |            |
| <b>Transactions with shareholders</b> |                |            |
| Interest paid/payable                 | –              | 138        |

## 8 Income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

|  | Group          |            |
|--|----------------|------------|
|  | 3 months ended |            |
|  | 31.03.2024     | 31.03.2023 |
|  | (1Q 2024)      | (1Q 2023)  |
|  | US\$'000       |            |
| Current income tax expense   | 191            | 88         |
| Deferred income tax expense/(credit) relating to origination and reversal of temporary differences | (17)           | (47)       |
|  | 174            | 41         |

## 9 Net asset value

|   | Group                    |                          | Company                  |                          |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
|   | 31.03.2024<br>US\$ cents | 31.12.2023<br>US\$ cents | 31.03.2024<br>US\$ cents | 31.12.2023<br>US\$ cents |
| Net asset value per ordinary share based on existing issued share capital excluding treasury shares as at the end of the period reported on | (0.37)                   | (0.36)                   | (0.57)                   | (0.57)                   |

## 10 Property, plant and equipment

During the three months ended 31 March 2024, the Group acquired plant and equipment amounting to US\$86,000 (31 March 2023: US\$1,000).

### Impairment Loss

The Group continues to face challenging market conditions and uncertain financial performances in the businesses of the respective cash-generating units. In the current period, the identified indicators of impairment on the following cash-generating units that belong to the Energy and Power Services segment:

- Mini hydro power plants (“**Hydro Plants CGUs**”); and
- Solar Photovoltaic power plant (“**Solar Plant CGU**”)

The Hydro Plants CGUs and Solar Plant CGU belong to the Group Entities operating in Sri Lanka and China, respectively. There are 13 mini hydro power plants and 1 solar photovoltaic power plant (collectively “**Power Generation Equipment**”) in the Hydro Plants CGUs and Solar Plant CGU, respectively. For the purpose of impairment assessment, each individual hydro power plant is a stand-alone CGU and the non-financial assets (before impairment loss) allocated to the Hydro Plants CGUs and the Solar Plant CGU are as follows:

|   | Hydro Plants CGUs      |                        | Solar Plant CGU        |                        |
|---|------------------------|------------------------|------------------------|------------------------|
|   | 31.03.2024<br>US\$'000 | 31.12.2023<br>US\$'000 | 31.03.2024<br>US\$'000 | 31.12.2023<br>US\$'000 |
| Property, plant and equipment                     | 5,738                  | 5,748                  | 371                    | 383                    |
| Rights of use assets – Power Generation Equipment | –                      | –                      | 10,409                 | 10,733                 |
| Rights of use assets – land use rights            | –                      | –                      | 1,679                  | 1,734                  |
| Rights of use assets – office premises            | 90                     | 94                     | –                      | –                      |
|   | <u>5,828</u>           | <u>5,842</u>           | <u>12,459</u>          | <u>12,850</u>          |

Management has estimated the recoverable amounts of the Hydro Plants CGUs and Solar Plant CGU based on their value-in-use calculations.

## 10 Property, plant and equipment (cont'd)

The value in use calculation for the respective CGUs was based on cash flow projections with the following key assumptions:

|                                     | Hydro Plants CGUs   |   | Solar Plant CGU                              |  |
|-------------------------------------|---|---|--|--|
|                                     | 31.03.2024  | 31.12.2023  | 31.03.2024                                   | 31.12.2023                                   |
| Projection period                   | 20 years  | 21 years  | 19 years                                     | 20 years                                     |
| Tariff rates                        |   |   |  |  |
| - During existing contracted period | Actual FY2024 tariff rates with an average annual upward revision of 5% | Actual FY2023 tariff rates with an average annual upward revision of 5% | Actual contracted tariff rates               | Actual contracted tariff rates               |
| - Post-contractual renewal period   | Renewal tariff rate recommended by authority                            | Renewal tariff rate recommended by authority                            | Actual industry tariff rates                 | Actual industry tariff rates                 |
| Projected utilisation rate          | Average of past 7 years historical plant factor                         | Average of past 7 years historical plant factor                         | N.A.   | N.A.   |
| Timing of receipt of subsidies      | N.A.  | N.A.  | Estimated to receive progressively from 2025 | Estimated to receive progressively from 2024 |
| Projected efficiency rate           | N.A.  | N.A.  | Average 19 years projected efficiency rate   | Average 20 years projected efficiency rate   |
| Post-tax discount rate              | 27%   | 27%   | 6%   | 6%   |

The cash flow projections were based on forecasts prepared by the management taking into account past experience, current and expected weather conditions and legislation. The discount rates applied to the cash flow projections were estimated based on weighted average cost of capital with inputs from market comparables.

Based on the derived recoverable amounts, no impairment losses were identified and allocated to the individual assets of the Hydro Plants CGUs and Solar Plant CGU for the financial period ended 31 March 2024 and 31 March 2023 respectively. The impairment charge is derived using value-in-use computation. With the improving economic situation in Sri Lanka, there were no impairment indicators on the Group's CGUs were identified by the Company.

In estimating the recoverable amounts of the mini-hydro power plants, the Group assumed the concessions will continue beyond the existing contract periods. However, the assumed tariff rates as well as the plant factor are subject to estimation uncertainties that may result in material adjustments on the mini-hydro power plants' recoverable amounts in future periods.

In estimating the recoverable amounts of the solar photovoltaic power plant, the tariff rates include the Group's entitlement to government subsidies which account for a major portion of total tariff. The timing of settlement of tariff premium, and the collection of such subsidies is subject to allocation of funds by the relevant local government authorities that could take a longer time to settle. The assumed tariff rates, timing of receipt of subsidies as well as the efficiency rate are therefore subject to estimation uncertainties that may result in material adjustments on the solar photovoltaic power plant's recoverable amount in future periods.

**11 Trade and other receivables**

|   | ----- Group -----      |                        | ----- Company -----    |                        |
|---|------------------------|------------------------|------------------------|------------------------|
|   | 31.03.2024<br>US\$'000 | 31.12.2023<br>US\$'000 | 31.03.2024<br>US\$'000 | 31.12.2023<br>US\$'000 |
| <b>Non-current</b>                                |                        |                        |                        |                        |
| Prepayments                                       | 9                      | 9                      | –                      | –                      |
|   | <u>9</u>               | <u>9</u>               | <u>–</u>               | <u>–</u>               |
| <b>Current</b>                                    |                        |                        |                        |                        |
| Trade receivables – third parties                 | 2,785                  | 5,697                  | –                      | –                      |
| Trade receivables – amounts due from subsidiaries | –                      | –                      | 10,560                 | 10,599                 |
| Allowance for impairment loss                     | (2,306)                | (2,306)                | (4,283)                | (4,283)                |
| Net trade receivables                             | <u>479</u>             | <u>3,391</u>           | <u>6,277</u>           | <u>6,316</u>           |
| Amounts due from joint ventures (non-trade)       | 129                    | 129                    | 129                    | 129                    |
| Prepayments                                       | 170                    | 147                    | 36                     | 4                      |
| Deposits paid                                     | 23                     | 23                     | 23                     | 23                     |
| Other receivables                                 | <u>562</u>             | <u>589</u>             | <u>206</u>             | <u>248</u>             |
|   | <u>1,363</u>           | <u>4,279</u>           | <u>6,671</u>           | <u>6,720</u>           |
| Total trade and other receivables                 | <u>1,372</u>           | <u>4,288</u>           | <u>6,671</u>           | <u>6,720</u>           |

Accrued trade receivables relates to the remaining government subsidies in relation to the China photovoltaic power plant. As at 31 March 2024, the Group had not received the full entitled government subsidies which has accumulated to US\$12,318,000 (31 December 2023: US\$12,106,000). The Group had only received progressively some of the outstanding subsidies till June 2018. The Group recognised loss allowance of US\$450,000 (31 December 2023: US\$7,642,000) for accrued trade receivables due to uncertainty of recovery during the financial period ended 31 March 2024 which has been included in the loss from discontinued operations.

As at 31 March 2024, trade and other receivables of disposal group amounted to US\$5,588,000 (2023: US\$5,655,000) were reclassified to assets of disposal group classified as held for sale.

Non-trade amounts due from joint ventures of US\$129,000 (31 December 2023: US\$129,000) are unsecured, interest-free and repayable on demand.

## 12 Trade and other payables

|                                | ----- Group -----      |                        | ----- Company -----    |                        |
|--------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                | 31.03.2024<br>US\$'000 | 31.12.2023<br>US\$'000 | 31.03.2024<br>US\$'000 | 31.12.2023<br>US\$'000 |
| <b>Non-current</b>             |                        |                        |                        |                        |
| Staff retirement liabilities   | 104                    | 152                    | –                      | –                      |
|                                | <u>104</u>             | <u>152</u>             | <u>–</u>               | <u>–</u>               |
| <b>Current</b>                 |                        |                        |                        |                        |
| Trade payables                 | 16                     | 24                     | –                      | –                      |
| Loan from a shareholder        | 27,841                 | 27,841                 | 27,841                 | 27,841                 |
| Non-trade amounts due to:      |                        |                        |                        |                        |
| - subsidiaries                 | –                      | –                      | 27,507                 | 27,749                 |
| - a related party              | 1,585                  | 1,585                  | 1,585                  | 1,585                  |
| - joint ventures               | 460                    | 470                    | 460                    | 470                    |
| Accrued operating expenses     | 2,364                  | 1,998                  | 873                    | 617                    |
| Accrued interest payable       | 13,827                 | 13,308                 | 13,827                 | 13,309                 |
| Other payables                 | 2,086                  | 2,016                  | 1,962                  | 1,890                  |
|                                | <u>48,179</u>          | <u>47,242</u>          | <u>74,055</u>          | <u>73,461</u>          |
| Total trade and other payables | <u>48,283</u>          | <u>47,394</u>          | <u>74,055</u>          | <u>73,461</u>          |

Loan from a shareholder of the Group, amounting to US\$27,841,000 (31 December 2023: US\$27,841,000), is unsecured and bears principal interest at a fixed rate of 5.0% (31 December 2023: 5.0%) per annum.

The Group classified the entire loan obligations as “current liabilities” having breached covenants imposed by the shareholders.

As disclosed in Note 2, the loan from a shareholder is included in the Scheme of Arrangement which was approved at the Scheme Meeting.

Non-trade amounts due to a related party and joint ventures are unsecured, interest-free and are repayable on demand.

As at 31 March 2024, VAT payables of US\$1,003,000 (31 December 2023: US\$988,000) were reclassified to liabilities directly associated with disposal group classified as held for sale.

As at 31 March 2024, trade and other payables of disposal group amounting to US\$3,444,000 (31 December 2023: US\$3,042,000) were reclassified to liabilities directly associated with disposal group classified as held for sale.



### 13 Financial liabilities

|                                  | ----- Group ----- |            | ----- Company ----- |            |
|----------------------------------|-------------------|------------|---------------------|------------|
|                                  | 31.03.2024        | 31.12.2023 | 31.03.2024          | 31.12.2023 |
|                                  | US\$'000          | US\$'000   | US\$'000            | US\$'000   |
| <b>Non-current</b>               |                   |            |                     |            |
| Lease liabilities                | –                 | 1          | –                   | –          |
|                                  | –                 | 1          | –                   | –          |
| <b>Current</b>                   |                   |            |                     |            |
| Secured loan                     | 7,369             | 7,369      | 7,369               | 7,369      |
| Secured bank loans               | 9,393             | 9,119      | 8,934               | 8,934      |
| Lease liabilities                | 34                | 39         | –                   | –          |
| Intra-group financial guarantees | –                 | –          | 3,050               | 3,050      |
|                                  | 16,796            | 16,527     | 19,353              | 19,353     |
| Total financial liabilities      | 16,796            | 16,528     | 19,353              | 19,353     |

As at 31 March 2024, secured loan of US\$7,369,000 (31 December 2023: US\$7,369,000) relates to the loan assigned by OCBC to Cosmic Marvel International Limited, a wholly owned subsidiary of the Subscriber. The loan is secured by first legal charge on the Group's assets with carrying amounts of US\$5,738,000, legal assignment of the rental proceeds from the Group's assets, assignments of insurances in respect of the Group's assets in the lender's favour and all monies standing to the credit of the Group's receiving operating accounts in respect of the assets maintained by the Group with the lender.

During the financial year ended 31 December 2023, secured bank loan from OCBC has been transferred to secured loan. As at 31 March 2024 and 31 December 2023, the remaining bank loans are secured by corporate guarantees from the Company.

Included in cash and cash equivalents is an amount of US\$6,540,000 (31 December 2023: US\$2,633,000) being restricted or earmarked by the lender for various facilities granted.

#### *Default of secured lease liabilities*

As at 31 March 2024 and 31 December 2023, the Group had not met its obligation to maintain sufficient fund for the next instalment payments. As the lease liabilities can be called for repayment upon notification by the lessor, the lease liabilities are classified to current liabilities. As at the date of this condensed interim financial statements, there were no notifications from the lessor for the lease to be settled on demand basis.

The lease liabilities held by the disposal group are secured by the Group's assets with carrying amounts of US\$10,409,000 (31 December 2023: US\$10,733,000).

#### *Default of secured bank loans and financial guarantees and breach of loan covenants*

In prior years, the Group had not met its loan obligations and/or breached its loan covenants for certain secured term loans. As the affected loans can be called for repayment upon notification by the banks, those term loans were classified to current liabilities. As at 31 March 2024, the Group remains in default for these secured term loans. As at the date of this condensed interim financial statements, other than the notices received by the Group as announced on 14 October 2021 and 3 February 2023, there were no notifications from banks for the affected loans to be settled on demand basis.

On 31 October 2020, a standstill agreement in relation to the obligations for a financial guarantee amounting to US\$2,086,000 (31 December 2023: US\$2,086,000) issued by a financial institution had expired and remained unpaid. The financial institution did not extend the standstill agreement which expired on 31 October 2020. Accordingly, the financial guarantee obligation remains classified as current liabilities as at 31 March 2024 and 31 December 2023.

## 14 Share capital

|   | Group and Company     |                    |                       |                    |
|---|-----------------------|--------------------|-----------------------|--------------------|
|   | 31.03.2024            |                    | 31.12.2023            |                    |
|   | No. of shares<br>'000 | Amount<br>US\$'000 | No. of shares<br>'000 | Amount<br>US\$'000 |
| <b>Issued and fully paid, with no par value</b> |                       |                    |                       |                    |
| At 1 January                                    | 13,659,329            | 274,553            | 13,659,329            | 274,553            |
| Shares issued during the period                 | –                     | –                  | –                     | –                  |
| At 31 March / 31 December                       | 13,659,329            | 274,553            | 13,659,329            | 274,553            |

There was no change in the Company's share capital from 1 January 2024 to 31 March 2024.

As at 31 March 2024 and 31 March 2023, the Company had 13,659,328,535 ordinary shares in issue and 1,044,324,863 outstanding convertibles convertible into one ordinary share each.

Out of the above-said, as at 31 March 2024 and 31 March 2023, there were 7,299,270 redeemable exchangeable preference shares in a subsidiary available for exchange into 523,620,516 ordinary shares of the Company.

The Company did not hold any treasury shares and subsidiary holdings as at 31 March 2024 and 31 March 2023.

As at 31 March 2024, the issued and paid-up share capital excluding treasury shares of the Company comprised 13,659,328,535 (31 December 2023: 13,659,328,535) ordinary shares.

## 15 Non-current assets (and disposal group) held for sale and discontinued operations

### (a) Discontinued operation and disposal group classified as held for sale

Under the New CSA, the Company undertakes to divest its 80% shareholding interests in Yichang Smartpower Green Electricity Co., Ltd. (the "**China Subsidiary**") which owns China photovoltaic power plant ("**Yichang Divestment**") and utilise the proceeds from the Yichang Divestment to pare down the existing loans, payment of related transaction costs for the Yichang Divestments and/or as partial cash settlement of the Proposed Debt Restructuring.

The Company has on 7 April 2024, executed the Share Purchase Agreement ("**SPA**") for the sale of China Subsidiary and the transaction is expected to complete in the third quarter of 2024.

With the above development and in compliance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the corresponding assets and liabilities of the China Subsidiary were classified as "Assets of disposal group classified as held for sale" and "Liabilities directly associated with disposal group classified as held for sale" respectively on the Statements of Financial Position as at 31 March 2024 and 31 December 2023. The presentation requirements for assets (or disposal group) classified as held for sale at the end of the reporting period do not apply retrospectively. The comparative Statements of Financial Position for any previous period are therefore not re-presented. Its financial results have been reclassified and presented separately as "Discontinued operation" for the current financial year, and comparative Statement of Profit or Loss is re-presented as if the operation had been discontinued from the start of the comparative year.

**15 Non-current assets (and disposal group) held for sale and discontinued operations (cont'd)**

- (i) The results of the discontinued operations and re-measurement of the disposal group are as follow:

|  | <b>Group</b>          |                   |
|--|-----------------------|-------------------|
|  | <b>3 months ended</b> |                   |
|  | <b>31.03.2024</b>     | <b>31.03.2023</b> |
|  | <b>(1Q 2024)</b>      | <b>(1Q 2023)</b>  |
|  | <b>(Represented)</b>  |                   |
|  | <b>US\$'000</b>       | <b>US\$'000</b>   |
| Revenue  | 602                   | 643               |
| Cost of sales  | (213)                 | (228)             |
| Administrative and marketing expenses                | (2)                   | (7)               |
| Other operating expenses                             | (450)                 | –                 |
| Interest income                                      | –                     | –                 |
| Interest expense                                     | (255)                 | (587)             |
| Loss before tax from discontinued operations         | (318)                 | (179)             |
| Income tax expense                                   | –                     | –                 |
| Net loss for the period from discontinued operations | (318)                 | (179)             |

- (ii) The impact of the discontinued operations on the cash flows of the Group was as follows:

|                         | <b>Group</b>      |
|-------------------------|-------------------|
|                         | <b>31.03.2024</b> |
|                         | <b>US\$'000</b>   |
| Operating cash inflows  | 152               |
| Investing cash inflows  | –                 |
| Financing cash outflows | (89)              |
| Total cash outflows     | (63)              |

- (iii) Details of the assets of disposal group classified as held for sale were as follows:

|   | <b>Group</b>      |                   |
|---|-------------------|-------------------|
|   | <b>31.03.2024</b> | <b>31.12.2023</b> |
|   | <b>US\$'000</b>   | <b>US\$'000</b>   |
| Plant and equipment                       | 371               | 383               |
| Right of use assets                       | 12,088            | 12,467            |
| Deferred tax assets                       | 661               | 673               |
| Trade and other receivables (non-current) | 519               | 528               |
| Trade and other receivables (current)     | 5,069             | 5,127             |
| Cash and cash equivalents                 | 66                | 3                 |
| Total                                     | 18,774            | 19,181            |

## 15 Non-current assets (and disposal group) held for sale and discontinued operations (cont'd)

- (iv) Details of the liabilities of disposal group classified as held for sale were as follows:

|                                    | Group                  |                        |
|------------------------------------|------------------------|------------------------|
|                                    | 31.03.2024<br>US\$'000 | 31.12.2023<br>US\$'000 |
| Trade and other payables (current) | 3,444                  | 3,042                  |
| Financial liabilities              | 13,373                 | 13,824                 |
| Total                              | 16,817                 | 16,866                 |

- (v) Details of the amounts recognised in other comprehensive income and accumulated in equity relating to disposal group classified as held for sale were as follows:

|                                       | Group                  |                        |
|---------------------------------------|------------------------|------------------------|
|                                       | 31.03.2024<br>US\$'000 | 31.12.2023<br>US\$'000 |
| Foreign currency translation reserves | 306                    | 209                    |
| Total                                 | 306                    | 209                    |

- (vi) Details of assets in non-current asset classified as held for sale of the Company were as follows:

|                                      | Company                |                        |
|--------------------------------------|------------------------|------------------------|
|                                      | 31.03.2024<br>US\$'000 | 31.12.2023<br>US\$'000 |
| Investment in subsidiary corporation | 2,679                  | 2,679                  |
| Total                                | 2,679                  | 2,679                  |

## 16 Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

- (a) The Company has on 4 April 2024, entered into a second supplemental agreement with the Investor to extend the Longstop Date of the New CSA from 31 March 2024 to 30 April 2024.
- (b) The Company has on 4 April 2024, incorporated a wholly-owned subsidiary corporation in Singapore, namely CES Yichang Pte. Ltd..
- (c) On 7 April 2024, a share purchase agreement was entered into by the Company and Smartpower Technology (Shanghai) Co., Ltd. (the “**Purchaser**”) to dispose the Company’s 80.0% equity interest in Yichang Smartpower Green Electricity Co., Ltd. (“**Yichang**”), a 80.0% owned subsidiary corporation, for a total consideration of RMB23.08 million. Yichang is a company incorporated in China which owns the solar photovoltaic power plant. The transaction is expected to complete in the third quarter of 2024.

## Other Information Required by Listing Rule Appendix 7C

**1 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice**

The condensed consolidated statement of financial position of Charisma Energy Services Limited and its subsidiaries as at 31 March 2024 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the three-month period then ended and certain explanatory notes have not been audited or reviewed.

**2 Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).**

Not applicable.

**3 Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-**

**3(a) Updates on the efforts taken to resolve each outstanding audit issue**

Not applicable, as the Group's audit issue for the financial year ended 31 December 2023 ("FY2023") was with respect to material uncertainties related to going concern.

**3(b) Confirmation from the Board that the impact of all outstanding audit issued on the financial statements have been adequately disclosed.**

Not applicable, as the Group's audit issue for the financial year ended 31 December 2023 ("FY2023") was with respect to material uncertainties related to going concern.

**4 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

### Income Statement Review

#### 1Q 2024 vs 1Q 2023

#### Continuing operations

The Group's revenue for the three months ended 31 March 2024 ("1Q 2024") increased by US\$759,000 from US\$572,000 to US\$1,331,000 as compared to the corresponding three months ended 31 March 2023 ("1Q 2023") mainly due to increase in generation of hydro power electricity from the Sri Lanka Mini Hydro Power Plants ("MHPPs") as a result of higher rainfall occurred as well as the appreciation of the Sri Lankan Rupee in 1Q 2024 as compared to 1Q 2023.

The Group's cost of sales for 1Q 2024 is in line with 1Q 2023 with no significant movements across the items in cost of sales.

As a result of the above, the Group's gross profit for 1Q 2024 increased by US\$732,000 to US\$906,000 as compared to 1Q 2023.

Other operating income in 1Q 2023 mainly due to the proceeds from disposal of AHTS vessels as compared to no other operating income recorded in 1Q 2024.

Administrative and marketing expenses in 1Q 2024 increased by US\$57,000 to US\$585,000 as compared to 1Q 2023 mainly due to the incurrence of professional fees for Company's corporate restructuring exercise.

Finance income in 1Q 2024 decreased by US\$54,000 to US\$64,000 as compared to 1Q 2023 mainly due to the decrease in interest income as a result of lower interest rate on the fixed deposits and cash balance held by the Group in Sri Lanka.

Finance costs in 1Q 2024 decreased by US\$218,000 to US\$578,000 as compared to 1Q 2023 mainly due to the cessation of interest charge by a related company of US\$138,000 upon Scheme of Arrangement being approved.

Income tax expense in 1Q 2024 increased by US\$133,000 to US\$174,000 as compared to 1Q 2023 is largely due to higher profit before tax recorded by the Group in 1Q 2024 coupled with dividend taxes amounted to US\$25,000 incurred by subsidiary corporations in Sri Lanka for dividend payment to holding company.

### **Discontinued operations**

The Group's operation in China meets the criteria to be classified as held for sale. Accordingly, financial results of the disposal group for the 1Q 2024 and 1Q 2023 are presented as a single line item in the Consolidated Statement of Profit or Loss – "Discontinued Operations". Refer to Note 15 for details.

During 1Q 2024, the loss from discontinued operations decreased to US\$318,000 from US\$179,000 mainly arising from the impairment loss of US\$450,000 recognised for the accrued trade receivables in relation to the China photovoltaic power plant offset by the decrease in finance costs by US\$332,000 from US\$587,000 in 1Q 2023 to US\$255,000 in 1Q 2024 mainly due to the absence of a one-off refinancing costs in 1Q 2023. As compared to 1Q 2023, the decrease in revenue by US\$41,000 from US\$643,000 to US\$602,000 mainly due to decrease in generation output as a result of lower sun-hour experienced for 1Q 2024.

### **Statement of Financial Position Review**

#### **Non-current Assets**

The Group's Non-current Assets amounted to US\$5,837,000 as at 31 March 2024. The decrease of US\$14,000 as compared to 31 December 2023 was mainly due to depreciation charge of US\$163,000 reducing both the carrying amounts of plant and equipment and right-of-use assets values during 1Q 2024, offset by additions of plant and equipment of US\$86,000 coupled with translation gain of US\$63,000 on Sri Lankan Rupee denominated assets.

#### **Current Assets**

The Group's Current Assets amounted to US\$27,160,000 as at 31 March 2024. The increase of US\$1,018,000 as compared to 31 December 2023 was mainly due to positive operating results resulted from higher revenue in 1Q 2024. Within the Current Assets, the increase in cash and cash equivalents was due to better collection from a customer of the Group's operation in Sri Lanka, which resulted in the decrease in trade receivables of US\$2,916,000.

The decrease of US\$407,000 in Assets of disposal group classified as held for sale was mainly due to impairment charge on accrued trade receivables amounted to US\$450,000 during 1Q 2024.

#### **Total Liabilities**

The Group's Total Liabilities amounted to US\$83,206,000 as at 31 March 2024. The increase of US\$1,029,000 as compared to 31 December 2023 was mainly due to the increase in trade and other payables because of accrual on interest payable on loans as well as professional services from the Company's restructuring exercise.

### **Statement of Cash Flows Review**

#### **Cash Flow from Operating Activities**

The Group's net cash from operating activities in 1Q 2024 was US\$4,016,000. This was mainly due to cash collection from trade and other receivables mainly from the Group's operations in Sri Lanka.

#### **Cash Flow used in Investing Activities**

The Group's net cash used in investing activities in 1Q 2024 was US\$22,000. This was mainly due to the net cash inflow from interest income offset by the purchase of plant and equipment. As compared to the previous corresponding period, the significant decrease in net cash from investing activities was largely due to the absence of proceeds from disposal of assets held for sale, being US\$1,400,000 in 1Q 2023.

#### **Cash Flow from Financing Activities**

The Group's net cash used in financing activities in 1Q 2024 was US\$4,004,000. This was largely due to the increase in restricted cash of US\$3,907,000 attributed to the collection from customer which has been restricted or earmarked by the lender for various facilities granted.

### **5 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

Not applicable. No forecast or prospect statement had been previously disclosed to shareholders.

### **6 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

As at the date of this announcement, the Group would like to update that:

- (a) In relation to the Sri Lanka mini hydro power plants operations, the plants continue to operate smoothly and generate a positive operating cashflow as demonstrated in the Consolidated Statement of Cash Flows;
- (b) In relation to the China photovoltaic power plant ("**PRC Solar**"), the Company has on 7 April 2024 entered into an equity transfer agreement with Smartpower Technology (Shanghai) Co., Ltd. (the "**Purchaser**") and Yichang Smartpower Green Electricity Co., Ltd. ("**Yichang**") pursuant to which the Purchaser shall acquire from the Company (a) 80.0% of the equity interests (the "**Equity Interests**") in Yichang, being the entire equity interests held by the Company in Yichang; and (b) the shareholder's loan of RMB23,588,869 (as at 23 February 2024) extended by the Company to Yichang. Please refer to the Company's announcement dated 19 April 2024 ("**Disposal Announcement**") for further details relating to above proposed disposal of Yichang. As and when there are further material developments, the Company will provide updates on the above matter through SGXNet and the Company will convene a general meeting of the Company to seek the approval of its shareholders in relation to the disposal as set out in the Disposal Announcement;
- (c) As at the date of this announcement, the longstop date of the New CSA has lapsed on 30 April 2024. Please refer to the Company's announcement dated 30 April 2024 for more details;
- (d) The Company is still working with the Subscriber to enter into a loan agreement on the terms and conditions as agreed in the Term Sheet (which was entered into between the Company and the Subscriber together with the New CSA). The hydro loan remains in default and regularising it is part of the Group's restructuring plan that the Company is working on;
- (e) With the completion of the OCBC Loan Purchase, the hydro loan has been assigned to Cosmic Marvel International Limited, a wholly owned subsidiary of the Subscriber. Accordingly, the Company is seeking approval for operational expenses of the Group on a monthly basis as these need to be funded from the cashflows generated from the Sri Lanka mini hydro power plants operations. Due to the transition from OCBC and the Subscriber's continued review of the progress of the restructuring, there have been some payment delays to the service providers. The Company is working closely with the Subscriber to settle the Company's payment arrears;
- (f) The Company is also working with Cosmic Marvel International Limited and the Subscriber to enter into a loan agreement on the terms and conditions as agreed in the Term Sheet (which was entered into between the Company and the Subscriber together with the New CSA). The hydro loan remains in default and regularising it is part of the Group's restructuring plan that the Company is working on; and
- (g) The Company continues to work with relevant parties towards the trading resumption of its securities on the Catalist Board of the Singapore Exchange. The Company will make further announcements to update shareholders when there are material developments.



The Company will continue to make necessary announcements as and when there are any material developments.

**7 Dividend**

**(a) Current Financial Period Reported on**

No dividend was declared for the current financial period reported on.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

No dividend was declared for the corresponding period of the immediately preceding financial year.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**8 If no dividend has been declared/recommendeded, a statement to that effect and the reason(s) for the decision**

As the Company incurred losses for 1Q 2024 no dividend has been declared or recommended for the financial period.

**9 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect**

The Group had not obtained a general and specific mandate from shareholders for interested person transactions (“IPTs”) since it has lapsed on 31 July 2023. However, there were no IPTs during the period from 1 January 2024 to 31 March 2024.

**10 Additional information required pursuant to Rule 706A**

Not applicable. The Company did not acquire and dispose any shares in any companies during 1Q 2024.

**11 Confirmation of undertakings from Directors and Executive Officers**

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Catalist Rule 720(1).

**12 Confirmation by Directors pursuant to Rule 705(5) of the Listing Manual Section B: Rules of Catalist**

The Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial statements of the Group for the period ended 31 March 2024 to be false or misleading in any material aspect.

On behalf of the Board of Directors

.....  
Chew Thiam Keng  
Non-Executive Director

.....  
Owyong Thian Soo  
Independent Non-Executive Director



**BY ORDER OF THE BOARD**

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**Zhan Aijuan**  
**Company Secretary**  
**14 May 2024**

*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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