

KHEN ENERGY LIMITED
(Company Reg No: 199706776D)
(Incorporated in Singapore)
(the “Company”)

APPENDIX A

**RESPONSES TO QUESTIONS FROM SHAREHOLDERS AT THE ANNUAL GENERAL MEETING HELD
ON 27 APRIL 2026**

No.	Questions from shareholders	Response from the Company
1.	Shareholder 1 raised the following: a) What is the potential impact of the Iran war on the Company’s future profitability? b) The Company has “restated” its audited financial statements. Please clarify the reasons for the restatement?	The Group operates 13 mini hydro power plants (“MHPP”) projects in Sri Lanka. The applicable tariffs for these projects are fixed and predetermined by the Sri Lanka Electricity Board. Accordingly, revenue is primarily dependent on electricity generation levels rather than external geopolitical factors. The Group is also in the process of commissioning additional renewable projects. Tariffs payable by the Sri Lankan government remain largely fixed, and revenue fluctuations are largely driven by weather conditions affecting generation capacity. In this regard, revenue from existing renewable projects in Sri Lanka has generally remained consistent. On the cost front, most expenses relate to sunk capital investments and ongoing operational and maintenance costs. In view of the above, Management is of the opinion that the Iran conflict is likely not expected to have a material impact on the Company’s future profitability. The Company previously carried a significant level of debts. In mid-2024, a substantial portion of these debts were restructured and converted into equity, which addressed the imbalance in the Company’s capital structure. Following the restructuring, the Group’s financial position stabilised. The financial impact arising from the debt restructuring was recognised in the profit and loss statement for FY2025 as a gain on the forgiveness of debts, amounting to approximately US\$42 million, as disclosed on page 126 of the 2025 Annual Report. Mr Loh Ji Kin, the audit partner of the Group’s consolidated financial statements, also commented that

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Responses to Substantial and Relevant Questions

from Shareholders at the Annual General Meeting held on 27 April 2026

		the Company did not “restate” its audited financial statements as the above transactions were accounted appropriately in the profit and loss statement for FY2025.
2.	Shareholder 2 raised the following: a) What would be the potential impact on the Company should Sri Lanka experience a severe economic downturn or heightened geopolitical instability? b) What is the Company’s current electricity capacity in Sri Lanka?	The Company has been operating in Sri Lanka for approximately 13 years. Throughout this period, Sri Lanka experienced various challenges, including political uncertainty, financial stress, and changes in government. Notwithstanding these conditions, even during the most challenging periods, the Company did not experience any defaults in payments by the government. While there were instances of delayed payments, the government ultimately settled the outstanding principal amounts together with interest. The Group currently operates 13 mini hydro power plants (“MHPP”) projects in Sri Lanka, which together have an installed generation capacity of approximately 43 megawatts as at 31 December 2025. In addition, a solar power plant with a capacity of approximately 5 megawatts is expected to commence operations around June/July 2026. Certain higher-capacity renewable assets were previously divested as part of the Group’s debt repayment and balance sheet restructuring efforts.