



Pursuant to Rule 705(2C) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst, 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 fourth quarter and full year ended 31 December
2025



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

Year Ended 31 December 2025

Consolidated statement of profit or loss

	Note	Group			Group		
		3 months ended		Change	12 months ended		Change
		31.12.2025 (4Q 2025)	31.12.2024 (4Q 2024)		31.12.2025 (12M 2025)	31.12.2024 (12M 2024)	
US\$'000	US\$'000	%	US\$'000	US\$'000	%		
Continuing operations							
Revenue	5	1,771	1,931	(8)	5,826	6,894	(15)
Cost of sales		(387)	(445)	(13)	(1,707)	(1,990)	(14)
Gross profit		1,384	1,486	(7)	4,119	4,904	(16)
Other operating (expense)/income, net		(10)	47	n.m.	42,057	2,084	>100
Administrative and marketing expenses		(468)	(490)	(4)	(2,386)	(3,878)	(38)
Result from operating activities		906	1,043	(13)	43,790	3,110	>100
Finance income		192	169	14	732	506	45
Finance cost		(167)	(888)	(81)	(1,416)	(3,104)	(54)
Net finance income/(cost)	7	25	(719)	n.m.	(684)	(2,598)	(74)
Share of results of joint ventures, net of tax		–	–	n.m.	–	–	n.m.
Profit before income tax	8	931	324	>100	43,106	512	>100
Income tax expense	9	(232)	(369)	(37)	(892)	(1,849)	(52)
Profit/(Loss) from continuing operations		699	(45)	n.m.	42,214	(1,337)	n.m.
Discontinued operations							
Profit from discontinued operations, net of tax		–	–	n.m.	–	96	(100)
Profit/(Loss) for the period/year		699	(45)	n.m.	42,214	(1,241)	n.m.
Profit/(Loss) attributable to:							
Owners of the Company		699	(45)	n.m.	42,214	(1,267)	n.m.
Non-controlling interests		–	–	n.m.	–	26	(100)
Profit/(Loss) for the period/year		699	(45)	n.m.	42,214	(1,241)	n.m.
Profit/(Loss) attributable to owners of the Company related to:							
Profit/(Loss) from continuing operations		699	(45)	n.m.	42,214	(1,337)	n.m.
Profit from discontinued operations		–	–	n.m.	–	70	(100)
Profit/(Loss) for the period/year		699	(45)	n.m.	42,214	(1,267)	n.m.

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

Year Ended 31 December 2025

Consolidated statement of profit or loss (cont'd)

	Note	Group 3 months ended		Group 12 months ended	
		31.12.2025 (4Q 2025)	31.12.2024 (4Q 2024)	31.12.2025 (12M 2025)	31.12.2024 (12M 2024)
Earnings/(Loss) per share for profit/(loss) from continuing and discontinued operations attributable to the owners of the Company during the period/year:					
Basic (US cents)					
From continuing operations	10	0.256	(0.329) ⁽²⁾	26.598 ⁽³⁾	(9.788) ⁽²⁾
From discontinued operations	10	–	– ⁽²⁾	–	0.512 ⁽²⁾
Diluted (US cents)					
From continuing operations	10	0.124	(0.329) ⁽²⁾	18.189 ⁽³⁾	(9.788) ⁽²⁾
From discontinued operations	10	–	– ⁽²⁾	–	0.512 ⁽²⁾
<i>Note:</i>					
Weighted average number of ordinary shares (in thousands) ⁽¹⁾ :					
Basic	10	273,189	13,659	158,712	13,659
Diluted *	10	564,302	13,659	232,088	13,659

* In the comparative financial period/year, the outstanding convertibles (including perpetual securities, share options and redeemable exchangeable preference shares (REPS)) were excluded in the computation of the diluted earnings per share because these convertibles were anti-dilutive.

In the current financial period/year, the perpetual securities and REPS were excluded in the outstanding convertibles as they have been extinguished pursuant to the scheme of arrangement and included Subscriber's share options and conversion shares in the computation of the diluted earnings per share.

⁽¹⁾ The weighted average number of 273,189,291 ordinary shares for 4Q 2025 and 158,711,653 ordinary shares for 12M 2025 includes 259,527,242,165 shares issued during the period and is presented based on the new number of shares as a result of the share consolidation. Refer to Note 10 and Note 18 for details. On a diluted basis, the weighted average number of 564,302,024 ordinary shares for 4Q 2025 includes 193,418,018 adjusted share options issued during the period and 97,694,715 conversion shares, with the balance representing base ordinary shares; the diluted weighted average number of 232,088,013 ordinary shares for 12M 2025 includes 48,751,939 adjusted share options issued during the year and 24,624,421 conversion shares, with the balance representing base ordinary shares.

⁽²⁾ With the completion of the share consolidation on 16 June 2025, earnings/(loss) per share for the full year ended 31 December 2024 and three months ended 31 December 2024 was adjusted in accordance with the requirement of SFRS(I)1-33 Earnings per share to reflect the change in the number of ordinary shares as a result of the share consolidation.

⁽³⁾ For illustrative purpose only, the Group's earnings per share ("EPS") would have been 15.452 US cents for 12M 2025 based on the current share capital of 273,189,291 shares. On a diluted basis, the Group's EPS would have been 7.481 US cents for 12M 2025, reflecting the impact of potential dilution from the current outstanding convertibles of 291,112,733 shares, in addition to the current share capital of 273,189,291 shares.

n.m. = not meaningful

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

Year Ended 31 December 2025

Consolidated statement of comprehensive income

	Group			Group		
	3 months ended		Change	12 months ended		Change
	31.12.2025 (4Q 2025)	31.12.2024 (4Q 2024)		31.12.2025 (12M 2025)	31.12.2024 (12M 2024)	
Note	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Profit/(Loss) for the period/year	699	(45)	n.m.	42,214	(1,241)	n.m.
Other comprehensive income/(loss)						
Items that will not be reclassified to profit or loss:						
Net change in fair value of actuarial gain or loss	4	26	(85)	3	–	n.m.
Items that are or may be reclassified subsequently to profit or loss:						
Exchange differences on monetary items forming part of net investment in foreign operations	10	–	n.m.	10	–	n.m.
Foreign currency translation differences relating to financial statements of foreign operations	33	285	(88)	(391)	607	n.m.
Other comprehensive income/(loss) for the period/year	47	311	(85)	(378)	607	n.m.
Total comprehensive income/(loss) for the period/year	746	266	>100	41,836	(634)	n.m.
Total comprehensive income/(loss) attributable to:						
Owners of the Company	746	(226)	n.m.	41,836	(991)	n.m.
Non-controlling interests	–	492	(100)	–	357	(100)
Total comprehensive income/(loss) for the period/year	746	266	>100	41,836	(634)	n.m.

n.m. = not meaningful

Condensed Interim Statements of Financial Position

As at 31 December 2025

	Note	Group		Company	
		31.12.2025	31.12.2024	31.12.2025	31.12.2024
		US\$'000 (Unaudited)	US\$'000 (Audited)	US\$'000 (Unaudited)	US\$'000 (Audited)
Non-current assets					
Property, plant and equipment	12	5,392	5,397	37	1
Right-of-use assets		364	238	37	–
Loan to subsidiary corporations		–	–	195	5,930
Trade and other receivables	13	5	7	–	–
Deferred consideration receivables	14	–	685	–	–
		5,761	6,327	269	5,931
Current assets					
Inventories		547	534	–	–
Trade and other receivables	13	1,710	1,554	571	10,120
Deferred consideration receivables	14	–	2,055	–	–
Cash and bank balances	15	10,652	230	38	212
Cash and bank balances (restricted)	15	–	10,665	–	–
		12,909	15,038	609	10,332
Total assets		18,670	21,365	878	16,263
Equity					
Share capital	18	289,180	274,553	289,180	274,553
Perpetual securities		–	6,811	–	6,811
Redeemable exchangeable preference shares		–	7,042	–	–
Convertible debt security	19	6,410	–	6,410	–
Other reserves		(12,890)	(13,788)	–	(1,276)
Accumulated losses		(269,441)	(325,524)	(304,043)	(360,305)
Net equity/(deficit in equity)		13,259	(50,906)	(8,453)	(80,217)
Non-current liabilities					
Trade and other payables	16	217	199	–	–
Financial liabilities	17	227	166	2	–
Deferred tax liabilities		519	818	–	–
		963	1,183	2	–
Current liabilities					
Trade and other payables	16	3,956	53,894	9,291	80,177
Financial liabilities	17	106	16,325	38	16,303
Provision for tax		386	869	–	–
		4,448	71,088	9,329	96,480
Total liabilities		5,411	72,271	9,331	96,480
Total equity and liabilities		18,670	21,365	878	16,263

Condensed Interim Consolidated Statement of Cash Flows Year Ended 31 December 2025

	Note	Group 3 months ended		Group 12 months ended	
		31.12.2025 (4Q 2025) (Unaudited) US\$'000	31.12.2024 (4Q 2024) (Unaudited) US\$'000	31.12.2025 (12M 2025) (Unaudited) US\$'000	31.12.2024 (12M 2024) (Audited) US\$'000
Cash flows from operating activities					
Profit/(Loss) for the period/year		699	(45)	42,214	(1,241)
Adjustments for:					
Depreciation of property, plant and equipment	8	98	119	520	571
Depreciation of right-of-use assets	8	30	14	76	46
Amortisation of prepaid land lease	8	2	–	2	–
Loss on disposal of discontinued operations	8	–	–	–	35
Gain on debt forgiveness	8	3	–	(42,097)	–
Gain on disposal of property, plant and equipment	8	–	–	(26)	–
Loss on disposal of subsidiaries	8	305	–	305	–
Loss allowance on trade and other receivables	8	169	246	169	1,421
Reversal of loss allowance on amount due from joint ventures	8	(384)	–	(384)	–
Finance income	7	(192)	(169)	(732)	(506)
Finance cost	7	167	888	1,416	3,725
Income tax expense	9	232	369	892	1,849
		1,129	1,422	2,355	5,900
Changes in:					
- Inventories		3	(41)	(13)	(103)
- Trade and other receivables		(52)	60	(505)	952
- Trade and other payables		(758)	39	(845)	3,442
Cash generated from operations		322	1,480	992	10,191
Income tax paid		(290)	(115)	(1,639)	(1,646)
Net cash from/(used in) operating activities		32	1,365	(647)	8,545
Cash flows from investing activities					
Purchase of property, plant and equipment	12	(329)	(22)	(541)	(124)
Disposal of discontinued operations, net of cash disposed of		–	328	–	81
Proceeds from disposal of property, plant and equipment		(3)	–	26	–
Finance income received		192	169	732	506
Net cash (used in)/from investing activities		(140)	475	217	463
Cash flows from financing activities					
Advances from minority shareholder of subsidiary corporation		–	–	–	396
Repayment of overdraft facilities by subsidiary/borrowings		–	(201)	–	(166)
Proceeds from issuance of ordinary shares		–	–	1,750	–
Repayment to scheme creditors		–	–	(1,000)	–
(Increase)/Decrease in restricted cash		–	(1,530)	10,196	(8,032)
Payment of lease liabilities		(28)	(16)	(93)	(239)
Finance cost paid		–	–	(1)	(762)
Net cash (used in)/from financing activities		(28)	(1,747)	10,852	(8,803)
Net (decrease)/increase in cash and cash equivalents		(136)	93	10,422	205
Cash and cash equivalents at beginning of period/year		10,788	137	230	25
Cash and cash equivalents at end of period/year		10,652	230	10,652	230

Condensed Interim Statements of Changes in Equity

Period Ended 31 December 2025

Group	Note	Attributable to owners of the Company									Total US\$'000
		Share capital US\$'000	Perpetual securities US\$'000	Redeemable exchangeable preference shares US\$'000	Convertible debt security US\$'000	Other reserves US\$'000	Foreign currency translation reserves US\$'000	Fair value reserve US\$'000	Hedging reserve US\$'000	Accumulated losses US\$'000	
Balance as at 1 October 2025		289,180	–	–	6,410	36	(10,270)	(3,969)	(10)	(268,864)	12,513
Total comprehensive income for the period		–	–	–	–	–	33	4	10	699	746
Transactions with owners of the Company, recognised directly in equity											
Contributions by and distributions to owners											
Fair value reserve		–	–	–	–	–	–	1,276	–	(1,276)	–
Total transactions with owners		–	–	–	–	–	–	1,276	–	(1,276)	–
Balance as at 31 December 2025		289,180	–	–	6,410	36	(10,237)	(2,689)	–	(269,441)	13,259

Condensed Interim Statements of Changes in Equity

Period Ended 31 December 2025

		Attributable to owners of the Company									
Group	Note	Share capital US\$'000	Perpetual securities US\$'000	Redeemable exchangeable preference shares US\$'000	Convertible debt security US\$'000	Other reserves US\$'000	Foreign currency translation reserves US\$'000	Fair value reserve US\$'000	Hedging reserve US\$'000	Accumulated losses US\$'000	Total US\$'000
Balance as at 1 October 2024		274,553	6,811	7,042	–	36	(10,214)	(3,994)	(10)	(325,479)	(51,255)
Total comprehensive (loss)/income for the period		–	–	–	–	–	368	26	–	(45)	349
Balance as at 31 December 2024		<u>274,553</u>	<u>6,811</u>	<u>7,042</u>	<u>–</u>	<u>36</u>	<u>(9,846)</u>	<u>(3,968)</u>	<u>(10)</u>	<u>(325,524)</u>	<u>(50,906)</u>

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

Year Ended 31 December 2025

Group	Note	Attributable to owners of the Company									Total US\$'000
		Share capital US\$'000	Perpetual securities US\$'000	Redeemable exchangeable preference shares US\$'000	Convertible debt security US\$'000	Other reserves US\$'000	Foreign currency translation reserves US\$'000	Fair value reserve US\$'000	Hedging reserve US\$'000	Accumulated losses US\$'000	
Balance as at 1 January 2025		274,553	6,811	7,042	–	36	(9,846)	(3,968)	(10)	(325,524)	(50,906)
Total comprehensive (loss)/income for the year		–	–	–	–	–	(391)	3	10	42,214	41,836
Transactions with owners of the Company, recognised directly in equity											
Contributions by and distributions to owners											
Issuance of ordinary shares	18	13,389	–	–	–	–	–	–	–	–	13,389
Convertible debt security	19	–	–	–	6,410	–	–	–	–	–	6,410
Share issue expense		(10)	–	–	–	–	–	–	–	–	(10)
Gain/(Reversal) on compromise of perpetual securities	18	647	(6,811)	–	–	–	–	–	–	8,281	2,117
Gain/(Reversal) on compromise of redeemable exchangeable preference shares	18	601	–	(7,042)	–	–	–	–	–	6,864	423
Fair value reserve		–	–	–	–	–	–	1,276	–	(1,276)	–
Total transactions with owners		14,627	(6,811)	(7,042)	6,410	–	–	1,276	–	13,869	22,329
Balance as at 31 December 2025		289,180	–	–	6,410	36	(10,237)	(2,689)	–	(269,441)	13,259

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

Year Ended 31 December 2025

Group	Attributable to owners of the Company										Non-controlling interests	Total	
	Note	Share capital US\$'000	Perpetual securities US\$'000	Redeemable exchangeable preference shares US\$'000	Other reserve US\$'000	Foreign currency translation reserves US\$'000	Fair value reserve US\$'000	Hedging reserve US\$'000	Accumulated losses US\$'000	Amount recognised in other comprehensive income and accumulated in equity relating to Disposal Group classified as held for sale US\$'000			Total 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 (loss)/income for the year		–	–	–	–	(237)	–	–	(1,267)	513	(991)	357	(634)
Transactions with owners of the Company, recognised directly in equity													
Contributions by and distributions to owners													
Disposal of subsidiary corporation		–	–	–	–	–	–	–	–	(304)	(304)	(191)	(495)
Total transactions with owners		–	–	–	–	–	–	–	–	(304)	(304)	(191)	(495)
Balance as at 31 December 2024		274,553	6,811	7,042	36	(9,846)	(3,968)	(10)	(325,524)	–	(50,906)	–	(50,906)

Condensed Interim Statements of Changes in Equity Period Ended 31 December 2025

Company	Note	Share capital US\$'000	Perpetual securities US\$'000	Convertible debt security US\$'000	Other reserves US\$'000	Accumulated losses US\$'000	Total US\$'000
Balance as at 1 October 2025		289,180	–	6,410	(33,320)	(270,806)	(8,536)
Total comprehensive loss for the period		–	–	–	–	(31,961)	(31,961)
Transactions with owners of the Company, recognised directly in equity							
Contributions by and distributions to owners							
Capital reserve		–	–	–	32,044	–	32,044
Fair value reserve		–	–	–	1,276	(1,276)	–
Total transactions with owners		–	–	–	33,320	(1,276)	32,044
Balance as at 31 December 2025		289,180	–	6,410	–	(304,043)	(8,453)

Company	Note	Share capital US\$'000	Perpetual securities US\$'000	Fair value reserve US\$'000	Accumulated losses US\$'000	Total US\$'000
Balance as at 1 October 2024		274,553	6,811	(1,276)	(360,502)	(80,414)
Total comprehensive income for the period		–	–	–	197	197
Balance as at 31 December 2024		274,553	6,811	(1,276)	(360,305)	(80,217)

Condensed Interim Statements of Changes in Equity Year Ended 31 December 2025

Company	Note	Share capital US\$'000	Perpetual securities US\$'000	Convertible debt security US\$'000	Other reserves US\$'000	Accumulated losses US\$'000	Total US\$'000
Balance as at 1 January 2025		274,553	6,811	–	(1,276)	(360,305)	(80,217)
Total comprehensive income for the year		–	–	–	–	49,257	49,257
Transactions with owners of the Company, recognised directly in equity							
Contributions by and distributions to owners							
Issuance of ordinary shares	18	13,389	–	–	–	–	13,389
Convertible debt security	19	–	–	6,410	–	–	6,410
Share issue expense		(10)	–	–	–	–	(10)
Gain/(Reversal) on compromise of perpetual securities	18	647	(6,811)	–	–	8,281	2,117
Gain/(Reversal) on compromise of redeemable exchangeable preference shares	18	601	–	–	–	–	601
Fair value reserve		–	–	–	1,276	(1,276)	–
Total transactions with owners		14,627	(6,811)	6,410	1,276	7,005	22,507
Balance as at 31 December 2025		289,180	–	6,410	–	(304,043)	(8,453)

Company	Note	Share capital US\$'000	Perpetual securities US\$'000	Fair value reserve US\$'000	Accumulated losses US\$'000	Total US\$'000
Balance as at 1 January 2024		274,553	6,811	(1,276)	(357,520)	(77,432)
Total comprehensive loss for the year		–	–	–	(2,785)	(2,785)
Balance as at 31 December 2024		274,553	6,811	(1,276)	(360,305)	(80,217)



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 year ended 31 December 2025 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 the development and operation of renewable energy power plants for the sale of energy generated from renewable sources.

2 Going concern

Assessment of Going Concern

Background

On 18 January 2023, the Company entered into a new conditional subscription agreement (the “**New CSA**”) with Yin Khing Investments Limited (the “**Subscriber**”) for the subscription of new ordinary shares amounting to S\$13,576,000 and share options amounting to S\$16,291,200 (the “**Proposed Subscriber Transactions**”). Under the New CSA, the Company undertook a restructuring exercise which included the divestment of non-core assets, retention of the Sri Lanka sub-group and its hydroelectric operations, a proposed scheme of arrangement with creditors, creation of a fresh debt obligation to the Subscriber, and a share consolidation (“**Proposed Debt Restructuring**”). After obtaining Shareholders’ approval at the extraordinary general meeting (the “**EGM**”) held on 4 June 2025, the Company completed all the proposed transactions as set out in the circular dated 20 May 2025 (the “**Circular**”). As a result, the Company met the conditions for resumption of trading by the SGX and its shares resumed trading at 9.00 a.m. on 16 June 2025. Full details are available in the Company’s announcements on SGXNet dated 18 January 2023, 20 May 2025, 4 June 2025 and 16 June 2025.

Following the completion of the New CSA, Proposed Subscriber Transactions and the Proposed Debt Restructuring, the Group recorded a net profit of US\$42,214,000 for the financial year ended 31 December 2025 versus a net loss of US\$1,241,000 for the financial year ended 31 December 2024. As at 31 December 2025, the Group was in a net asset position of US\$13,259,000 versus a net liability position of US\$50,906,000 as at 31 December 2024.

In assessing the appropriateness of the going concern assumption used in the preparation of the financial statements and the Company’s ability to meet its short term debt obligations when they fall due, the Directors of the Company are of the view that the Group is a going concern and can meet its short term debt obligations as they fall due in light of the completion of the Proposed Subscriber Transactions set out above resulting in:

- (i) the Group’s debts owing to the external parties having been reduced significantly from US\$70.6 million to US\$4.5 million as at 31 December 2025;
- (ii) the Group reporting net assets of US\$13.3 million as at 31 December 2025 compared to net liabilities of US\$50.9 million as at 31 December 2024; and
- (iii) the Group’s cash and bank balances increasing to US\$10.7 million as at 31 December 2025 compared to US\$0.2 million as at 31 December 2024.

3 Basis of preparation

The condensed interim financial statements for the full year ended 31 December 2025 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 2024.

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. The new SFRS(I)s, interpretations and amendments to SFRS(I)s which the Group has not adopted early 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)
- *Presentation and Disclosure in Financial Statements* (SFRS(I) 18)
- *Amendments to the Classification and Measurement of Financial Instruments* (Amendments to SFRS(I) 9, SFRS(I) 7)
- *Annual Improvements to SFRS(I)s – Volume 11* (Various)
- *Subsidiaries without Public Accountability: Disclosure* (SFRS(I) 19)
- *Contracts Referencing Nature-dependent Electricity* (Amendments to SFRS(I) 9 and SFRS(I) 7)

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 implementation date.

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 2024.

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 is discussed as follows:

3 Basis of preparation (cont'd)

3.2 Use of estimates and judgements (cont'd)

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.

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 operations in Sri Lanka, no loss allowance for trade receivables of the Group was recognised as at 31 December 2025 and 31 December 2024.

Notwithstanding the above, the Group evaluates the expected credit loss ("ECL") on customer 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.



4 Seasonal operations

The Group's business is dependent on the seasonal weather conditions in Sri Lanka during the financial year where the mini hydro power plants are located.

5 Segment and revenue information

The Group's revenue, capital expenditure, assets and liabilities were mainly derived from one single business segment, being development and operation of renewable energy power plants for the generation and sale of renewable energy.

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 typically reviewed by the Group's Chief Executive Officer (the Chief Operating Decision Maker). However, following the resignation of the Group's Chief Executive Officer, the internal management reports are now being reviewed by the Company's Director of Finance pending appointment of a Chief Executive Officer. Segment profit is used to measure performance as management believes that such information is most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

5.1 Reportable segments

3 months ended 31 December 2025	Generation & Sale of Renewable		Total US\$'000
	Energy US\$'000	Others US\$'000	
REVENUE			
External revenue	1,771	–	1,771
RESULT			
Reportable segment results from operating activities	1,384	–	1,384
Finance cost	(5)	(161)	(166)
Gain on debt forgiveness	–	(3)	(3)
Other income	1	–	1
Reversal of loss allowance on amount due from joint ventures	–	384	384
Reportable segment income before income tax	1,380	220	1,600
Tax expense	(232)	–	(232)
Reportable segment income for the period	1,148	220	1,368
Unallocated finance cost			(1)
Unallocated finance income			192
Unallocated expenses			(860)
Profit for the period			699
OTHER SEGMENTAL INFORMATION			
Reportable segment assets	18,393	277	18,670
Unallocated assets			–
Total assets			18,670
Reportable segment liabilities	2,034	3,326	5,360
Unallocated liabilities			51
Total liabilities			5,411
Capital expenditure	286	43	329
Depreciation expenses	123	–	123
Unallocated depreciation expenses			7
Total depreciation expenses			130

5.1 Reportable segments (cont'd)

3 months ended 31 December 2024	Generation & Sale of Renewable		Total US\$'000
	Energy US\$'000	Others US\$'000	
REVENUE			
External revenue	1,931	–	1,931
RESULT			
Reportable segment results from operating activities	1,486	–	1,486
Finance cost	(514)	–	(514)
Other income	43	–	43
Impairment on trade and other receivables – write back	2	–	2
Reportable segment income before income tax	1,017	–	1,017
Tax expense	(369)	–	(369)
Reportable segment income for the period	648	–	648
Unallocated finance cost			(374)
Unallocated finance income			169
Unallocated expenses			(488)
Loss for the period			(45)
OTHER SEGMENTAL INFORMATION			
Reportable segment assets	16,988	3,706	20,694
Unallocated assets			671
Total assets			21,365
Reportable segment liabilities	14,697	46,286	60,983
Unallocated liabilities			11,288
Total liabilities			72,271
Capital expenditure	22	–	22
Depreciation expenses	133	–	133

5.1 Reportable segments (cont'd)

12 months ended 31 December 2025	Generation & Sale of Renewable		Total US\$'000
	Energy US\$'000	Others US\$'000	
REVENUE			
External revenue	5,826	–	5,826
RESULT			
Reportable segment results from operating activities	4,119	–	4,119
Finance cost	(931)	(350)	(1,281)
Gain on disposal of property, plant and equipment	26	–	26
Gain on debt forgiveness	–	42,097	42,097
Other income	12	–	12
Reversal of loss allowance on amount due from joint ventures	–	384	384
Reportable segment income before income tax	3,226	42,131	45,357
Tax expenses	(892)	–	(892)
Reportable segment income for the year	2,334	42,131	44,465
Unallocated finance cost			(135)
Unallocated finance income			732
Unallocated expenses			(2,848)
Profit for the year			42,214
OTHER SEGMENTAL INFORMATION			
Reportable segment assets	18,393	277	18,670
Unallocated assets			–
Total assets			18,670
Reportable segment liabilities	2,034	3,326	5,360
Unallocated liabilities			51
Total liabilities			5,411
Capital expenditure	498	43	541
Depreciation expenses	591	–	591
Unallocated depreciation expenses			7
Total depreciation expenses			598

5.1 Reportable segments (cont'd)

12 months ended 31 December 2024 (Audited)	Generation & Sale of Renewable		Total US\$'000
	Energy US\$'000	Others US\$'000	
REVENUE			
External revenue	6,894	–	6,894
RESULT			
Reportable segment results from operating activities	4,904	–	4,904
Finance cost	(1,754)	–	(1,754)
Other income	2,174	–	2,174
Impairment on trade and other receivables – write back	6	–	6
Reportable segment income before income tax	5,330	–	5,330
Tax expenses	(1,829)	(20)	(1,849)
Reportable segment income/(loss) for the year	3,501	(20)	3,481
Unallocated finance cost			(1,350)
Unallocated finance income			506
Unallocated expenses			(3,974)
Loss for the year			(1,337)
OTHER SEGMENTAL INFORMATION			
Reportable segment assets	16,988	3,706	20,694
Unallocated assets			671
Total assets			21,365
Reportable segment liabilities	14,697	46,286	60,983
Unallocated liabilities			11,288
Total liabilities			72,271
Capital expenditure	297	–	297
Depreciation expenses	617	–	617

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.

Primary geographical markets / Major product/service line	Generation & Sale of Renewable Energy		Others		Total	
	3 months ended		3 months ended		3 months ended	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Sri Lanka – Generation & Sale of Renewable Energy	1,771	1,931	–	–	1,771	1,931

Timing of revenue recognition

At a point in time	1,771	1,931	–	–	1,771	1,931
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Primary geographical markets / Major product/service line	Generation & Sale of Renewable Energy		Others		Total	
	12 months ended		12 months ended		12 months ended	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Sri Lanka – Generation & Sale of Renewable Energy	5,826	6,894	–	–	5,826	6,894

Timing of revenue recognition

At a point in time	5,826	6,894	–	–	5,826	6,894
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A breakdown of sales:

	Group		
	12 months ended		
	31.12.2025	31.12.2024	Change
	US\$'000	US\$'000	%
Continuing operations:			
Sales reported for the			
- first half year	2,945	2,966	(1)
- second half year	2,881	3,928	(27)
	5,826	6,894	(15)
Operating profit/(loss) after tax before deducting non-controlling interests reported for			
- first half year	41,421	(390)	n.m.
- second half year	793	(947)	n.m.
	42,214	(1,337)	n.m.

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 December 2025 and 31 December 2024:

	Amortised cost US\$'000	Other financial liabilities US\$'000	Total carrying amount US\$'000
Group			
31 December 2025			
Financial assets not measured at fair value			
Trade and other receivables ⁽³⁾	1,549	–	1,549
Cash and bank balances	10,652	–	10,652
Financial liabilities not measured at fair value			
Trade and other payables	–	(4,173)	(4,173)
Lease liabilities	–	(333)	(333)
31 December 2024 (Audited)			
Financial assets not measured at fair value			
Trade and other receivables ⁽³⁾	1,374	–	1,374
Deferred consideration receivables	2,740	–	2,740
Cash and bank balances	230	–	230
Cash and bank balances (restricted)	10,665	–	10,665
Financial liabilities not measured at fair value			
Trade and other payables	–	(54,093)	(54,093)
Secured loan	–	(7,369)	(7,369)
Secured loans from financial institutions	–	(8,934)	(8,934)

⁽³⁾ Excludes prepayments.

	Amortised cost US\$'000	Other financial liabilities US\$'000	Total carrying amount US\$'000
Company			
31 December 2025			
Financial assets not measured at fair value			
Trade and other receivables ⁽³⁾	555	–	555
Cash and bank balances	38	–	38
Financial liabilities not measured at fair value			
Trade and other payables	–	(9,291)	(9,291)
Financial liabilities	–	(40)	(40)

⁽³⁾ Excludes prepayments.

6 Financial assets and financial liabilities (cont'd)

Company	Amortised cost US\$'000	Other financial liabilities US\$'000	Total carrying amount US\$'000
31 December 2024 (Audited)			
Financial assets not measured at fair value			
Trade and other receivables ⁽³⁾	10,117	–	10,117
Cash and bank balances	212	–	212
Financial liabilities not measured at fair value			
Trade and other payables	–	(80,177)	(80,177)
Financial liabilities	–	(16,303)	(16,303)

⁽³⁾ Excludes prepayments.

7 Net finance income/(cost)

	Group			
	3 months ended		12 months ended	
	31.12.2025 (4Q 2025) US\$'000	31.12.2024 (4Q 2024) US\$'000	31.12.2025 (12M 2025) US\$'000	31.12.2024 (12M 2024) US\$'000
Continuing operations:				
<u>Finance income</u>				
Interest income from bank deposits	192	169	732	506
<u>Finance cost</u>				
Interest expense on:				
- Lease liabilities	(7)	(7)	(28)	(12)
- Secured loans	(160)	(878)	(1,387)	(3,057)
Bank charges	–*	(3)	(1)	(35)
	(167)	(888)	(1,416)	(3,104)
Net finance income/(cost)	25	(719)	(684)	(2,598)
Discontinued operations:				
<u>Finance cost</u>				
Interest expense on:				
- Lease liabilities	–	–	–	(621)

* Amount less than US\$1,000

8 Profit before income tax

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

	Group			
	3 months ended		12 months ended	
	31.12.2025 (4Q 2025) US\$'000	31.12.2024 (4Q 2024) US\$'000	31.12.2025 (12M 2025) US\$'000	31.12.2024 (12M 2024) US\$'000
Continuing operations:				
Depreciation of property, plant and equipment	98	119	520	571
Depreciation of right-of-use assets	30	14	76	46
Amortisation of prepaid land lease	2	–	2	–
Loss on disposal of subsidiaries	305	–	305	–
Loss allowance on trade and other receivables	169	246	169	342
Amount due from joint ventures – loss allowance (reversal)	(384)	–	(384)	–
Gain on disposal of property, plant and equipment	–	–	(26)	–
Gain on debt forgiveness	3	–	(42,097)	–
Foreign exchange loss/(gain), net	13	(242)	305	(303)
Discontinued operations:				
Loss allowance on trade and other receivables	–	–	–	1,079
Loss on disposal of discontinued operations	–	–	–	35

8.1 Related party transactions

	Group			
	3 months ended		12 months ended	
	31.12.2025 (4Q 2025) US\$'000	31.12.2024 (4Q 2024) US\$'000	31.12.2025 (12M 2025) US\$'000	31.12.2024 (12M 2024) US\$'000
Transactions with shareholders				
Interest payable	161	–	348	–
Rental paid/payable	14	–	30	–
Transactions with a related party				
Purchase of motor vehicle	43	–	43	–

9 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		12 months ended	
	31.12.2025 (4Q 2025) US\$'000	31.12.2024 (4Q 2024) US\$'000	31.12.2025 (12M 2025) US\$'000	31.12.2024 (12M 2024) US\$'000
Current income tax expense	394	415	1,156	2,008
Deferred income tax credit relating to origination and reversal of temporary differences	(162)	(46)	(264)	(159)
	232	369	892	1,849

10 Earnings per share

Basic earnings/(loss) per share

The calculation of basic earnings/(loss) per share is calculated by dividing profit/(loss) attributable to equity holders of the Group by the weighted average number of ordinary shares outstanding (excluding treasury shares) during the financial period/year.

	Group			
	3 months ended		12 months ended	
	31.12.2025 (4Q 2025) US\$'000	31.12.2024 (4Q 2024) US\$'000	31.12.2025 (12M 2025) US\$'000	31.12.2024 (12M 2024) US\$'000
Total profit/(loss) attributable to ordinary shareholders				
- From continuing operations	699	(45)	42,214	(1,337)
- From discontinued operations	–	–	–	70
	31.12.2025 (4Q 2025)	31.12.2024 (4Q 2024)	31.12.2025 (12M 2025)	31.12.2024 (12M 2024)
Weighted average number of ordinary shares outstanding				
Outstanding ordinary shares at beginning of the financial period/year	273,189,291	13,659,328,535	13,659,329	13,659,328,535
Share consolidation (Note 18)	–	(13,645,669,206)	–	(13,645,669,206)
Effect of Subscription Shares and Settlement Shares issued	–	–	145,050,850	–
Effect of additional shares issued for shareholders who hold a fraction of a consolidated share	–	–	1,474	–
Weighted average number of ordinary shares outstanding during the financial period/year	273,189,291	13,659,329	158,711,653	13,659,329

Diluted earnings/(loss) per share

For the purpose of calculating diluted earnings per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effected of all dilutive potential ordinary shares.

As at 31 December 2025, 92,500 share options (2024: 92,500 share options, 391,305 convertible capital securities and 523,622 REPS) were excluded from the diluted weighted-average number of ordinary shares calculation as their effect would have been anti-dilutive.

The average market value of the Company's shares for purposes of calculating the dilutive effect of share options was based on quoted market price for the period during which the options were outstandings.

10 Earnings per share (cont'd)

Diluted earnings/(loss) per share (cont'd)

	Group			
	3 months ended		12 months ended	
	31.12.2025 (4Q 2025)	31.12.2024 (4Q 2024)	31.12.2025 (12M 2025)	31.12.2024 (12M 2024)
Weighted average number of ordinary shares outstanding for basic earnings per share	273,189,291	13,659,329	158,711,653	13,659,329
Adjustments for				
- Share options	193,418,018	–	48,751,939	–
- Conversion shares	97,694,715	–	24,624,421	–
	<u>564,302,024</u>	<u>13,659,329</u>	<u>232,088,013</u>	<u>13,659,329</u>

11 Net asset value

	Group		Company	
	31.12.2025 US\$ cents	31.12.2024 US\$ cents	31.12.2025 US\$ cents	31.12.2024 US\$ cents
Net asset value per ordinary share based on existing issued share capital excluding treasury shares as at the end of the year reported on	<u>4.85</u>	<u>(372.68)</u>	<u>(3.09)</u>	<u>(587.27)</u>
Number of ordinary shares (excluding treasury shares) *	<u>273,189,291</u>	<u>13,659,329</u>	<u>273,189,291</u>	<u>13,659,329</u>

* The number of ordinary shares (excluding treasury shares) are presented based on new number of shares as a result of share consolidation. Refer to Note 18 for movement of number of ordinary shares (excluding treasury shares).

12 Property, plant and equipment

During the full year ended 31 December 2025, the Group acquired plant and equipment amounting to US\$541,000 (2024: US\$124,000) and disposed of plant and equipment amounting to US\$26,000 (2024: US\$ Nil).

There are no indicators of impairment in the current year.

13 Trade and other receivables

	----- Group -----		----- Company -----	
	31.12.2025 US\$'000	31.12.2024 US\$'000	31.12.2025 US\$'000	31.12.2024 US\$'000
Non-current				
Prepayments	5	7	–	–
	<u>5</u>	<u>7</u>	<u>–</u>	<u>–</u>
Current				
Trade receivables – third parties	1,228	3,101	–	–
Trade receivables – amounts due from subsidiaries	–	–	606	10,464
Allowance for impairment loss	–	(2,306)	(208)	(3,996)
Net trade receivables	<u>1,228</u>	<u>795</u>	<u>398</u>	<u>6,468</u>
Amount due from subsidiaries (non-trade)	–	–	–	3,171
Amounts due from joint ventures (non-trade)	57	129	57	129
Prepayments	161	180	16	3
Deposits paid	15	67	15	67
Other receivables	<u>249</u>	<u>383</u>	<u>85</u>	<u>282</u>
	<u>1,710</u>	<u>1,554</u>	<u>571</u>	<u>10,120</u>
Total trade and other receivables	<u>1,715</u>	<u>1,561</u>	<u>571</u>	<u>10,120</u>

During the financial year ended 31 December 2025 and 31 December 2024, the Company did not recognise a loss allowance on trade receivables from subsidiary corporations, as the Company intended to offset them with amounts due to subsidiaries. In addition, no loss allowance was recognised by the Group for amounts due from joint ventures, as the Group intends to offset them with amounts due to joint ventures.

Non-trade amounts due from joint ventures of US\$57,000 (31 December 2024: US\$129,000) are unsecured, interest-free and repayable on demand.

There was no non-trade amount due from subsidiary corporation as at 31 December 2025. The amount as at 31 December 2024 was US\$3,171,000, unsecured, interest-free and repayable on demand.

14 Deferred consideration receivables

	----- Group -----		----- Company -----	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	US\$'000	US\$'000	US\$'000	US\$'000
Non-current	–	685	–	–
Current	–	2,055	–	–
	–	2,740	–	–

Deferred consideration receivables relates to the balance purchase consideration due from the Purchaser of Yichang in the Yichang Divestment, part of which was utilised to pay service providers for their work done on the Supplementary Scheme. The net proceeds was to be distributed in accordance with the terms of (i) the Supplementary Scheme of Arrangement entered into with the Category A Participating Creditors under the April 2023 Scheme; and (ii) the Amended and Restated Deed of Settlement entered with the REPS holders, upon meeting the conditions precedent set out therein.

As at 31 December 2024, the Group had received the first instalment of the purchase consideration in December 2024, and the second instalment was due and payable from the Purchaser of Yichang. The remaining 3 instalments were presented as non-current deferred consideration receivables and current deferred consideration receivables based on their respective due dates.

Following the completion of the New CSA and Proposed Debt Restructuring on 16 June 2025 and the subsequent implementation of the Scheme, the Company transferred its shareholding in CES Yichang to a nominee shareholder, who held the shares in trust for the Scheme Managers, on 27 June 2025. This resulted in the derecognition of the deferred consideration receivables from the Group.

15 Cash and bank balances

	----- Group -----		----- Company -----	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	US\$'000	US\$'000	US\$'000	US\$'000
Total Cash and bank balances	10,652	10,895	38	212
Less: Cash and bank balances (restricted)	–	(10,665)	–	–
Cash and cash equivalents	10,652	230	38	212

Following the completion of the New CSA, Proposed Subscriber Transactions and Proposed Debt Restructuring on 16 June 2025, the Group reported nil cash and bank balances (restricted) as at 31 December 2025.

As at 31 December 2024, cash and bank balances (restricted) included (a) US\$10,243,000 being restricted or earmarked by Cosmic Marvel International Limited (“CMIL”) (a wholly-owned subsidiary of the Subscriber) for various facilities granted which the Group was obliged to seek approval from CMIL for disbursement of payments; (b) US\$422,000 related to the first instalment of the purchase consideration of Yichang received by the Group (Note 14) which was to be distributed in accordance with the terms of (i) the Supplementary Scheme of Arrangement entered into with the Category A Participating Creditors under the April 2023 Scheme; and (ii) the Amended and Restated Deed of Settlement entered with the REPS holders, upon meeting the condition precedent set out therein.

16 Trade and other payables

	----- Group -----		----- Company -----	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	US\$'000	US\$'000	US\$'000	US\$'000
Non-current				
Staff retirement liabilities	217	199	–	–
	<u>217</u>	<u>199</u>	<u>–</u>	<u>–</u>
Current				
Trade payables	19	23	–	–
Loan from a shareholder	–	27,841	–	27,841
Non-trade amounts due to:				
- subsidiaries	–	–	6,276	28,220
- a related party	–	1,585	–	1,585
- joint ventures	27	455	27	455
Accrued operating expenses	2,996	5,560	2,140	3,745
Accrued interest payable	349	16,299	349	16,299
Other payables	565	2,131	499	2,032
	<u>3,956</u>	<u>53,894</u>	<u>9,291</u>	<u>80,177</u>
Total trade and other payables	<u>4,173</u>	<u>54,093</u>	<u>9,291</u>	<u>80,177</u>

As at 31 December 2025, there was significant reduction in the Group's current liabilities of US\$49,938,000 due to the completion of the Proposed Debt Restructuring, comprising mainly reduction in:

- Loan from a shareholder by US\$27,841,000 to nil;
- Accrued interest payable by US\$15,950,000 to US\$349,000;
- Non-trade amount due to a related party by US\$1,585,000 to nil; and
- Other payables by US\$1,566,000 to US\$565,000.

The accrued interest payable (as at 31 December 2024) decreased by US\$15,950,000 mainly for the following reasons: (i) US\$10,648,000 by way of issue of Scheme Shares and proportionate entitlement of cash proceeds from the New CSA and divestment of Yichang; (ii) US\$5,020,000 was converted as the principal amount of the convertible loan (please refer to Note 19 below) and (iii) US\$631,000 was capitalised by the issuance of subscription shares to the Subscriber pursuant to the Proposed Subscriber Transactions. Please refer to the Company's circular dated 20 May 2025 for more information.

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

As at 31 December 2025, there was significant reduction in the Company's non-trade amounts due to subsidiaries primarily attributable to the settlement of intercompany balances in preparation for the striking-off of certain dormant subsidiaries.

17 Financial liabilities

	----- Group -----		----- Company -----	
	31.12.2025 US\$'000	31.12.2024 US\$'000	31.12.2025 US\$'000	31.12.2024 US\$'000
Non-current				
Lease liabilities	227	166	2	–
	<u>227</u>	<u>166</u>	<u>2</u>	<u>–</u>
Current				
Secured loan	–	7,369	–	7,369
Secured loans from financial institutions	–	8,934	–	8,934
Lease liabilities	106	22	38	–
	<u>106</u>	<u>16,325</u>	<u>38</u>	<u>16,303</u>
Total financial liabilities	<u>333</u>	<u>16,491</u>	<u>40</u>	<u>16,303</u>

As at 31 December 2024, there was a secured loan amounting to US\$7,369,000 which relates to the loan assigned by a secured lender to CMIL. The loan was secured by first legal charge on the Group's assets with carrying amounts of US\$5,396,000, 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. This loan was capitalised in June 2025 through the issuance of Subscription Shares to the Subscriber, pursuant to the Proposed Subscriber Transactions. In addition, following the completion of the New CSA and Proposed Debt Restructuring on 16 June 2025, the Group's financial liabilities comprising secured loans from financial institutions of US\$8,934,000 was compromised, which resulted in the derecognition of the financial liabilities from the Group's financial statements. As at 31 December 2024, the remaining loans from financial institutions were secured by corporate guarantees from the Company.

Default of secured loans from financial institutions and financial guarantees and breach of loan covenants

As at 31 December 2025, the financial liabilities of the Group were unencumbered and there was no default of the terms of the Convertible Loan Agreement.

As at 31 December 2024, the Group did not meet its loan obligations and/or had breached its loan covenants for certain secured term loans. As the affected loans could be recalled upon notification by the banks, those term loans were classified to current liabilities.

As at 31 December 2024, the secured loan from financial institutions of US\$8,934,000 included a financial guarantee obligation amounted to US\$2,086,000 issued by a financial institution. That guarantee related to the standstill agreement that had expired on 31 October 2020 and remained unpaid then. The financial institution did not extend the standstill agreement after its expiration. As a result, the financial guarantee obligation was classified as current liabilities as at 31 December 2024. As disclosed in Note 2, the financial guarantee obligation was included in the Scheme of Arrangement which was sanctioned by the Court.

18 Share capital

	Group and Company			
	31.12.2025		31.12.2024	
	No. of shares	Amount US\$'000	No. of shares	Amount US\$'000
Issued and fully paid, with no par value				
At 1 January	13,659,329	274,553	13,659,328,535	274,553
Consolidation of shares	–	–	(13,645,669,206)	–
Issuance of Subscription Shares	177,298,085	10,000	–	–
Issuance of Settlement Shares	82,229,171	4,627	–	–
Additional shares issued for shareholders who hold a fraction of a consolidated share	2,706	–	–	–
At 31 December	<u>273,189,291</u>	<u>289,180</u>	<u>13,659,329</u>	<u>274,553</u>

On 11 June 2025, 177,298,084,384 Subscription Shares under the Proposed Subscriber Transactions, 82,229,157,781 Settlement Shares (comprising 10,654,276,257 Bilateral Settlement Shares and 71,574,881,524 Scheme Shares⁽⁴⁾) (the **“Issuance of Shares”**) were allotted and issued as new ordinary shares. In addition, 193,416,092,056 Options under the Proposed Subscriber Transactions were allotted to the Subscriber.

The Company announced on 17 June 2025 that it completed a share consolidation of every one thousand (1,000) existing ordinary shares in the share capital of the Company into one (1) consolidated ordinary share (the **“Consolidated Shares”**) (the **“Share Consolidation Exercise”**). Rounding up to the nearest whole Consolidated Shares, the number of ordinary shares (excluding treasury shares) of the Company was adjusted to 273,189,291 Consolidated Shares as of 17 June 2025 with the share capital at US\$289,180,000 including shares issued to shareholders who held a fraction of a consolidated share.

Pursuant to the Share Consolidation Exercise, the number of share options have been adjusted accordingly from 193,508,592,056 to 193,510,518 as at 31 December 2025, representing 70.83% of the total number of issued shares as at 31 December 2025. The breakdown of the 193,510,518 share options are as follows:

- ESOS: 47,500 share options at a revised exercise price of S\$9.00 per Consolidated Share and 45,000 share options at a revised exercise price of S\$6.00 per Consolidated Share.
- Options: 193,418,018 options at a revised exercise price of S\$0.084 per Consolidated Share.

As at 31 December 2025, the breakdown of the 97,694,715 conversion shares, representing 35.76% of the total number of issued shares comprised the 97,694,715 conversion shares issued upon conversion of the full principal amount of S\$8,225,895 at a revised conversion price of S\$0.0842.

Based on the Share Consolidation Exercise, the notional number of convertible instruments would have been adjusted accordingly from 1,007,424,863 to 1,007,427 as at 31 December 2024, representing 7.37% of the total number of issued shares as at 31 December 2024. The breakdown of the 1,007,427 convertible instruments are as follows:

- ESOS: 47,500 share options at a revised exercise price of S\$9.00 per Consolidated Share and 45,000 share options at a revised exercise price of S\$6.00 per Consolidated Share.
- Redeemable Exchangeable Preference Shares (“REPS”): 523,622 REPS at a revised redemption price of S\$19.10 per Consolidated Share.
- Convertible Perpetual Capital Securities (“PERPS”): 391,305 PERPS at a revised conversion price of S\$25.00 per Consolidated Share.

⁽⁴⁾ The allotment and issue of 71,574,881,524 Scheme Shares to the Scheme Creditors were separated into 60,101,045,554 Scheme Shares for creditors with unsecured claims (the **“Category A Scheme Creditors”**) and 11,473,835,970 Scheme Shares for PERPS Holders (the **“Category B Scheme Creditors”**).

18 Share capital (cont'd)

On 11 June 2025, a total of 10,654,276,257 Bilateral Settlement Shares were allotted and issued to the holders of REPS, which were subsequently consolidated into 10,654,278 ordinary shares pursuant to the Share Consolidation Exercise. Accordingly, the 7,299,270 REPS in a subsidiary which were previously exchangeable into 523,620,516 ordinary shares of the Company were fully compromised through (i) the issuance of Bilateral Settlement Shares, (ii) the settlement sum of US\$150,000 paid in cash, and (iii) the distribution of 15% of the net proceeds from the Yichang Divestment by CES Yichang.

On 11 June 2025, 11,473,835,970 Scheme Shares were allotted and issued to the holders of PERPS, which were subsequently consolidated into 11,473,839 ordinary shares pursuant to the Share Consolidation Exercise. Accordingly, outstanding distributions together with the face value of perpetual securities of the Company were fully compromised through the issuance of Scheme Shares.

The Company did not hold any treasury shares and subsidiary holdings as at 31 December 2025 and 31 December 2024.

As at 31 December 2025, the issued and paid-up share capital excluding treasury shares of the Company comprised 273,189,291 (31 December 2024: 13,659,329) ordinary shares and 193,510,518 (31 December 2024: 1,007,427) outstanding share options which are convertible into one ordinary share each.

19 Convertible debt security

On 16 June 2025, the Company entered into a 5-year convertible loan agreement with CMIL with a principal of S\$8,225,895 (equivalent to US\$6,410,000) and interest at 10% per annum payable semi-annually (the “**Convertible Debt Security**”). CMIL has the option to convert, at any time prior to maturity, the Convertible Debt Security into ordinary shares of the Company at a fixed conversion price of S\$0.0842 per share. The Company has no contractual obligation to deliver cash or any other financial asset to CMIL at any time during the term of the convertible loan or upon maturity. Settlement, including at maturity, will be effected solely through the issuance of a fixed number of the Company’s own equity instruments in exchange for a fixed amount of cash received at the inception of the convertible loan. Accordingly, the Convertible Debt Security satisfies the “fixed-for-fixed” condition as prescribed under paragraph 16(b)(i) of SFRS(I) 1-32 and is classified as an equity instrument and recorded in equity in the consolidated statement of financial position. If the Convertible Debt Security were fully converted, this would result in the issuance of 97,694,715 new ordinary shares in the capital of the Company. As at 31 December 2025, no new ordinary shares in the capital of the Company had been allotted and issued by the Company pursuant to the Convertible Debt Security as no conversion were made by CMIL.

	----- Group -----		----- Company -----	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	US\$'000	US\$'000	US\$'000	US\$'000
At 1 January	–	–	–	–
Convertible debt security	6,410	–	6,410	–
At 31 December	<u>6,410</u>	<u>–</u>	<u>6,410</u>	<u>–</u>

20 Subsequent events

The Company will, in an Extraordinary General Meeting to be held on 2 March 2026, be seeking approval from the independent shareholders of the Company on the proposed diversification of existing core business to include other jurisdictions and activities and the proposed change of name of the Company from “Charisma Energy Services Limited” to “Khen Energy Limited”. Please refer to the Circular dated 6 February 2026 for more information.

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 December 2025 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 fourth quarter and twelve-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 2024 ("FY2024") was with respect to material uncertainties related to going concern.

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

Not applicable, as the Group's audit issue for the financial year ended 31 December 2024 ("FY2024") related to material uncertainties as 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

Continuing operations

4Q 2025 vs 4Q 2024

The Group's revenue for the three months ended 31 December 2025 ("4Q 2025") decreased by US\$160,000 from US\$1,931,000 to US\$1,771,000 as compared to the corresponding three months ended 31 December 2024 ("4Q 2024") mainly due to 7% decrease in generation output for the Sri Lanka Mini Hydro Power Plants ("MHPPs") as a result of lower rainfall as compared to 4Q 2024, and a unilateral curtailment by CEB⁵ imposed during 4Q 2025 which translated into revenue shortfall of approximately US\$53,000. In addition, although the impact is minor, the temporary stoppage of one MHPP in December 2025 due to Cyclone Ditwah⁶ led to a qualifying loss of revenue of approximately US\$29,000.

⁵ Curtailment refers to unilateral instructions from CEB to suspend energy generation to maintain grid stability.

⁶ Refer to the Company's announcement released on 2 December 2025. The plant has since resumed operations.



The Group's cost of sales for 4Q 2025 decreased by US\$58,000 to US\$387,000 as compared to 4Q 2024. This reduction was primarily due to lower maintenance and operation costs incurred for the MHPPs during the period.

As a result of the above, the Group's gross profit for 4Q 2025 decreased by US\$102,000 to US\$1,384,000 as compared to 4Q 2024. Notwithstanding the decrease in revenue, the Group's gross profit margin remained stable, at approximately 77% to 78% during the period.

Other operating expense of US\$10,000 in 4Q 2025 was mainly attributable to the loss allowance on other receivables of US\$89,000 and a loss of US\$305,000 arising from the reclassification from other comprehensive income (in accordance with SFRS(I) 21) of cumulative foreign currency translation differences relating to several foreign-currency functional subsidiaries which were struck off during the period, but this was largely offset by a gain from reversing allowance for doubtful debts of US\$384,000 recorded in 4Q 2025 in respect of amounts due from joint ventures. Other operating income recorded in 4Q 2024 of US\$47,000 was mainly related to a one-off late payment interest received by the Group in relation to overdue invoices previously issued to a customer.

Administrative and marketing expenses in 4Q 2025 were on par with the expenses incurred in 4Q 2024.

Finance income in 4Q 2025 increased by US\$23,000 to US\$192,000 as compared to 4Q 2024 mainly due to the higher interest income from placement of more fixed deposits with financial institutions by the Group's subsidiaries in Sri Lanka.

Finance costs in 4Q 2025 decreased by US\$721,000 to US\$167,000 as compared to 4Q 2024 mainly due to (i) cessation of interest charge amounting to US\$374,000 by a financial institution upon discharge of the Group's obligations to the financial institution after the Scheme of Arrangement came into effect on 16 June 2025; and (ii) lower interest charge by CMIL with the entry into the convertible loan with CMIL on 16 June 2025.

Income tax expense in 4Q 2025 decreased by US\$137,000 to US\$232,000 as compared to 4Q 2024 largely due to lower dividend taxes incurred by subsidiary corporation in Sri Lanka, as lower dividends were declared to the holding company during 4Q 2025.

12M 2025 vs 12M 2024

The Group's revenue for the twelve months ended 31 December 2025 ("12M 2025") decreased by US\$1,068,000 from US\$6,894,000 to US\$5,826,000 as compared to the corresponding twelve months ended 31 December 2024 ("12M 2024") mainly due to 8% decrease in generation as a result of lower rainfall coupled with a lower average tariff rate⁷ resulting from renewed power purchase agreements (the "PPAs") with the Ceylon Electricity Board which came into effect progressively during 12M 2025. The lower revenue recorded by the Group in 12M 2025 was also due to the absence of a one-time recognition of revenue for plants with PPA renewed during 12M 2024 as well as unilateral curtailment by CEB⁵ imposed during 12M 2025 which translated into revenue shortfall of approximately US\$111,000. In addition, although the impact is minor, the temporary stoppage of one MHPP in December 2025 due to Cyclone Ditwah also resulted in a qualifying loss of approximately US\$29,000.

The Group's cost of sales for 12M 2025 decreased by US\$283,000 to US\$1,707,000 as compared to 12M 2024. The decrease in cost of sales was mainly due to lower replacement parts required for maintenance of the MHPPs in 12M 2025.

As a result of the above, the Group's gross profit for 12M 2025 decreased by US\$785,000 to US\$4,119,000 as compared to 12M 2024. Notwithstanding the decrease in revenue, the Group's gross profit margin remained stable, at approximately 70% to 71% during the year.

Other operating income in 12M 2025 increased by US\$39,973,000 was largely due to one-off gain of US\$42,097,000 on debt forgiveness following the completion of the Scheme of Arrangement and the ancillary transactions (please refer to Note 2). Other operating income recorded in 12M 2024 was mainly related to the late payment interest received by the Group in relation to overdue invoices previously issued to a customer.

⁷ Tariff rates refer to the price per unit of energy supplied to Ceylon Electricity Board.



Administrative and marketing expenses in 12M 2025 decreased by US\$1,492,000 to US\$2,386,000 as compared to 12M 2024 mainly due to the reduction in professional fees incurred following the completion of the Scheme of Arrangement on 16 June 2025. This was partially offset by a foreign exchange loss of US\$351,000 arising from the realisation of the SGD-denominated convertible loan with CMIL on 16 June 2025.

Finance income in 12M 2025 increased by US\$226,000 to US\$732,000 as compared to 12M 2024 mainly due to higher interest income from placement of more fixed deposits with financial institutions by the subsidiaries in Sri Lanka.

Finance costs in 12M 2025 decreased by US\$1,688,000 to US\$1,416,000 compared to 12M 2024 mainly due to (i) cessation of interest charge by a financial institution upon discharge of the Group's obligations to the financial institution after the Scheme of Arrangement came into effect on 16 June 2025 and (ii) entry into convertible loan with lower interest charge on 16 June 2025.

Income tax expense in 12M 2025 decreased by US\$957,000 to US\$892,000 as compared to 12M 2024 mainly due to lower dividend taxes incurred by the subsidiary in Sri Lanka, as lower dividends were declared to the holding company during 12M 2025.

Discontinued operations

4Q 2025 and 12M 2025 vs 4Q 2024 and 12M 2024

There were no discontinued operations in 4Q 2025 and 12M 2025 as the Yichang Divestment was completed in September 2024.

There was no revenue, cost of sales and expenses recorded in 4Q 2024 following the completion of Yichang Divestment in September 2024. For 12M 2024, net profit from discontinued operations of US\$96,000 was largely due to revenue of US\$1,983,000 after accounting for (i) impairment loss of US\$1,079,000 charged against the accrued trade receivables; (ii) finance costs of US\$621,000; (iii) cost of sales of US\$149,000; (iv) a disposal loss of US\$35,000 related to the divestment of China photovoltaic power plant and (v) administrative expenses of US\$3,000.

Statement of Financial Position Review

Non-current Assets

The Group's Non-current Assets amounted to US\$5,761,000 as at 31 December 2025. The decrease of US\$566,000 as compared to 31 December 2024 was mainly due to derecognition of the deferred consideration receivables of US\$685,000 from the Group's Statement of Financial Position resulting from the transfer of shareholding in CES Yichang (which was set up to hold the deferred consideration receivables) to a nominee shareholder who held the shares in trust for the Scheme Managers. This was partially offset by an increase of US\$126,000 in the carrying value of right-of use assets due to new lease agreements with landlords for the rental of premises and office spaces. There was minimal movement in the property, plant and equipment in year 2025, as the addition in property, plant and equipment during the year of US\$541,000, consisted of purchase of land for the solar photovoltaic power plant and motor vehicles, was largely offset by the depreciation charge of US\$520,000 and unfavourable exchange rate movement of US\$25,000 during the period.

Current Assets

The Group's Current Assets amounted to US\$12,909,000 as at 31 December 2025. The decrease of US\$2,129,000 as compared to 31 December 2024 was mainly attributable to the derecognition of current deferred consideration receivables of US\$2,055,000 and cash and bank balances (restricted) of US\$422,000 resulting from the transfer of shareholding in CES Yichang to a nominee shareholder. The decrease is partially offset by a net increase of US\$156,000 in trade and other receivables as at 31 December 2025. Following the convertible loan agreement with CMIL coming into effect and the subsequent release of security documentation by CMIL, the Group's cash and bank balances are no longer subject to restrictions. Consequently, the previously cash and bank balances (restricted) have been reclassified and are now presented under cash and bank balances.

Total Liabilities

The Group's Total Liabilities amounted to US\$5,411,000 as at 31 December 2025. The decrease of US\$66,860,000 as compared to 31 December 2024 was primarily driven by the full satisfaction and complete discharge of the Group's debts (comprising a net decrease of US\$49,920,000 and US\$16,158,000 in trade and other payables and financial liabilities respectively) due to the completion of (i) the New CSA, (ii) the Proposed Debt Restructuring, (iii) the convertible loan agreement coming into effect (refer to Note 19) and (iv) lower provision for current tax and deferred tax. The remaining trade and other payables mainly pertain to accrued operating expenses.

Statement of Cash Flows Review

4Q 2025 vs 4Q 2024

Cash Flow used in Operating Activities

The Group's net cash from operating activities in 4Q 2025 was US\$32,000 compared to net cash generated in 4Q 2024 of US\$1,365,000. This decrease was primarily due to cash flows in 4Q 2024 which did not recur in 4Q 2025: US\$952,000 from the receipt of trade receivables in arrears dating back to August 2023 and US\$43,000 receipt of interest on late payments. In addition, the reduction in profit resulting from lower revenue of US\$160,000, higher settlement of payables by US\$306,000 and increased tax payments by US\$175,000 in 4Q 2025 further contributed to the variance.

Cash Flow from Investing Activities

The Group's net cash used in investing activities in 4Q 2025 primarily relates to additions of property, plant and equipment of US\$329,000 partly offset by finance income received of US\$192,000 during the period. The outflow was further driven by the absence of disposal proceeds of discontinued operations that had contributed to investing inflows in 4Q 2024.

Cash Flow from Financing Activities

The Group's net cash used in financing activities in 4Q 2025 was reduced by US\$1,719,000 compared to 4Q 2024 mainly due to the absence of restricted cash balances in 4Q 2025 and repayment of overdraft facilities by a subsidiary, partly offset by US\$28,000 arising from the payment of lease liabilities.

12M 2025 vs 12M 2024

Cash Flow used in Operating Activities

The Group's net cash used in operating activities in 12M 2025 was US\$647,000 compared to a positive operating cash flow in 12M 2024 of US\$8,545,000. This variance was largely due to cash inflows in 12M 2024 which did not recur in 12M 2025: (a) US\$3,029,000 from receipt of trade receivables in arrears dating back to August 2023; and (b) US\$2,174,000 from interest received on late payments by the customer of the Group's operations in Sri Lanka. In addition, lower revenue of US\$5,826,000 (12M 2024: US\$6,894,000) and higher payments made by the Group of US\$679,000 incurred during 12M 2025 further contributed to the variance in operating cash flow.

Cash Flow from Investing Activities

The Group's net cash from investing activities in 12M 2025 was US\$217,000. As compared to the previous corresponding period, the decrease in net cash from investing activities was largely due to higher additions of property, plant and equipment of US\$417,000 partly offset by higher finance income received of US\$226,000 in 12M 2025.

Cash Flow from Financing Activities

The Group's net cash from financing activities in 12M 2025 was US\$10,852,000 compared to net cash used in financing activities in 12M 2024 of US\$8,803,000. This was mainly due to the settlement of liabilities pursuant to the Proposed Debt Restructuring which resulted in the decrease in restricted cash balances by US\$10,196,000 and receipt of proceeds from issuance of Subscription Shares of US\$1,750,000, partly offset by the repayment of US\$1,000,000 to scheme creditors and lower finance cost paid in 12M 2025 by US\$761,000 due to the cessation of interest repayments on lease liabilities associated with discontinued operations.

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 provide the following updates:

- (a) Macroeconomic environment. According to the World Bank’s “Global Economic Prospects” report in January 2026, following an estimated growth of 4.6% in 2025, Sri Lanka’s GDP growth is projected to moderate to 3.5% in 2026 and 3.1% in 2027⁸. Inflation returned to positive territory at 1.5%, following a year of deflation. With inflation well below target, average lending rates have trended downward since 2023⁹. The Sri Lankan Rupee remained relatively stable with modest depreciation against the US dollar, reflecting improved external stability and resumed debt servicing¹⁰.
- (b) Renewable energy sector. According to the Ceylon Electricity Board’s (“CEB”) Long Term Generation Expansion Plan 2025-2044¹¹, approved by the Public Utilities Commission of Sri Lanka (“PUCSL”) in May 2025, Sri Lanka’s energy demand is expected to grow steadily at an average annual rate of 4.5% through 2044. The plan outlined a strong transition toward renewable energy, targeting 70% of electricity generation from renewable sources by 2030.
- (c) Climate change. The Group’s operations in Sri Lanka are subject to the vagaries of changing weather patterns and the effects of climate change such as Cyclone Ditwah. This Cyclone made landfall in Sri Lanka on 28th November 2025, causing severe floods and landslides that resulted in one of the Group’s mini-hydro power plants (“MHPPs”) being shut down temporarily due to accumulation of debris.
- (d) Rising raw material prices and tax rebate changes in China. Prices for PV modules are likely to increase significantly in 2026 because silver, which accounts for between 5-15% of the cost of photovoltaic modules increased by 48% from 1 December 2025 to 13 January 2026. In addition, on 9 January 2026, the Chinese government announced that the 9% VAT rebate for solar products will be terminated with effect from 1 April 2026, ending rebates that have been in place since October 2013.¹² Prices for BESS are also expected to increase in 2026 due to rising lithium carbonate prices driven by strong demand for electric vehicles and energy storage systems and the Chinese government’s move to reduce the VAT export rebate from 9% to 6% from 1 April 2026 onwards for battery products, before being eliminated entirely from 1 January 2027.¹³
- (e) On 4 November 2025, the Group announced that its wholly-owned subsidiary, Jericho Solar (Pvt) Ltd, entered into a Standardised Power Purchase Agreement with CEB in Sri Lanka for the supply of electrical energy generated from a 5.0-megawatt ground-mounted solar photovoltaic power plant for a duration of 20 years. (please refer to the Company’s announcement dated 4 November 2025 for more details). Barring any unforeseen circumstances, the plant is expected to be commissioned in the second half of 2026.
- (f) On 16 February 2026, CEB issued a Letter of Award to the Group’s wholly-owned subsidiary, WKV Hydro Technics (Private) Limited, to build, own and operate standalone grid-connected BESS at one of CEB’s grid substations (please refer to the Company’s announcement dated 16 February 2026 for more details).

⁸ January 2026 “Global Economic Prospects” by The World Bank

<https://openknowledge.worldbank.org/server/api/core/bitstreams/a9e24256-baf8-45bb-9075-75e437e1d6f7/content>

⁹ The current weekly Average Weighted Prime Lending Rate as at 16 January 2026 is 8.98% per annum (Central Bank of Sri Lanka

https://www.cbsl.lk/eResearch/Modules/RD/SearchPages/CMB_LendingAndDeposit.aspx)

¹⁰ October 2025 “Sri Lanka Development Update” by The World Bank

<https://documents1.worldbank.org/curated/en/099154110062538553/pdf/IDU-0573adec-4079-4966-8dff-489e8025668f.pdf>

¹¹ <https://www.pucsl.gov.lk/wp-content/uploads/2025/05/LTGEP-2025-2044-FINAL.pdf>

¹² <https://www.scmp.com/business/china-business/article/3339693/chinese-solar-firms-eye-price-hikes-amid-silver-surge-scrapping-tax-rebate>

¹³ <https://www.pv-magazine.com/2026/01/09/china-to-abolish-solar-export-tax-rebates-from-april/>

Following the Group's successful debt restructuring and resumption of trading on 16 June 2025, the Board has undertaken a review of the Group's long-term strategic direction and is of the view that it is timely and appropriate for the Group to pursue a broader scope of business activities beyond the existing core business of renewable energy generation assets in Sri Lanka. Whilst the operations in Sri Lanka remains the Group's core focus, reliance on a single jurisdiction may constrain the Group's growth prospects and expose it to jurisdiction-specific regulatory and operational risks. Accordingly, the Group has called for an extraordinary general meeting ("EGM") to be held on 2 March 2026 at 10:00am for shareholders to approve an expansion of the Group's core renewable energy business as well as a proposed change of name to one which is reflective of the Group's expanded scope and new direction (please refer to the Company's Notice of EGM and Circular announced on 6 February 2026 for more details). The Company will make necessary announcements as and when there are 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/recommended, a statement to that effect and the reason(s) for the decision

No dividend has been declared or recommended for the financial period as the Group will require cash for future investments and acquisition opportunities.

9 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Not applicable. No dividend has been declared or recommended for 12M 2025 and 12M 2024.

10 A breakdown of financials

Please refer to Note 5.2 of the condensed interim financial statements for details.

11 In the review of performance, the factors leading to any material changes in contribution to turnover and earnings by the business or geographical segments

Please refer to paragraph 4 under Other Information Required by Listing Rule Appendix 7C.

12 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 has not obtained a general and specific mandate from shareholders for interested person transactions ("IPTs") since it lapsed on 31 July 2023.

None of the aggregate value of the IPTs entered into with the same interested persons during the period from 1 January 2025 to 31 December 2025 amounted to more than S\$100,000.



During the period from 1 October 2025 to 31 December 2025, the Company incurred interest expenses amounting to US\$161,000, which were payable to CMIL, a wholly owned subsidiary of the controlling shareholder of the Company. This transaction was not classified as an IPT under Rule 920(1)(a)(ii) of the SGX Listing Manual, as the convertible loan agreement was executed prior to the completion of the restructuring exercise when CMIL was not considered an interested person at the time the loan was entered into.

13 Additional information required pursuant to Rule 706A

Strike-off of dormant wholly owned subsidiaries

On 27 November 2025, CES Hydro Power (SL) Limited was struck-off from the register maintained by Labuan Financial Services Authority (LFSA) pursuant to Section 93(2C) of the Labuan Companies Act 1990.

On 21 December 2025, Aus Am Pte Ltd and CESL Investments Pte Ltd were struck-off from the Register of Companies maintained by ACRA pursuant to Section 344A of the Companies Act 1967.

The striking off of the above subsidiaries is part of the Group's ongoing efforts to streamline its corporate structure and reduce administrative overheads. This exercise is not expected to have any material impact on the consolidated net tangible assets or earnings per share of the Company for the current financial year.

Save as disclosed above, the Company did not acquire and dispose any shares in any companies during 4Q 2025.

14 Update on use of proceeds

As at the date of this announcement, the status of the utilisation of the net proceeds raised from the Proposed Subscription which was disbursed on 4 June 2025 is set out in the table below:

Use of Proceeds	Amount allocated S\$'000	Amount utilised S\$'000	Balance S\$'000
Capitalisation of amount owing to CMIL (via the allotment and issue of such number of Subscription Shares to the Subscriber)	10,860.8	(10,860.8)	–
Settlement of liabilities pursuant to the Proposed Debt Restructuring	1,357.6	(1,357.6)	–
Estimated expenses for the Pre-Approved Transaction Expenses ¹⁴ (including Upfront Fees of US\$250,000 which have already been fully utilised)	678.8	(678.8)	–
Working capital, which shall include but is not limited to the satisfaction of the Completion AP ¹⁵ (including the balance of the Transaction Expenses)	678.8	(678.8)	–
Total	13,576.0	(13,576.0)	–

¹⁴ The list of Transaction Expenses with payment milestones is subject to the prior written approval from the Subscriber. For clarification, Transaction Expenses relates to the professional fees in relation to the Proposed Subscription and Proposed Grant of Options and the Proposed Debt Restructuring (including the Proposed Issue of Settlement Shares), which shall include but not limited to the professional fees for the (a) preparation of the definitive documentation, such as the CSA; (b) application to SIC for the Whitewash Waiver; (c) the IFA; (d) preparation of the Circular; (e) preparation of the Resumption Proposal which included the engagement of the auditors to review the cash flow projections and pro forma financial statements; and (f) the Proposed Debt Restructuring. Please refer to the Company's Circular dated 20 May 2025 for more information.

¹⁵ Amounts payable as at completion of the Scheme largely comprise outstanding fee payments due to directors and various professionals for their services rendered to the Group. Please refer to the Company's Circular dated 20 May 2025 for more information.



15 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).

16 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(10) of the Catalist Rules, the Company confirms that there is no person occupying a managerial position in the Company or in any of its subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

On behalf of the Board of Directors

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

.....
Alex Tan Tiong Huat
Independent Non-Executive Director

BY ORDER OF THE BOARD

Zhan Aijuan
Company Secretary
23 February 2026

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.

The contact person for the Sponsor is Mr Shervyn Essex, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.