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 2025

CHARISMA ENERGY

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Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income
Period Ended 31 March 2025

Consolidated statement of profit or loss

	Note	3 months ended 31.03.2025 (1Q 2025) US$'000	3 months ended 31.03.2024 (1Q 2024) US$'000	Change %
Continuing operations				
Revenue	5	1,056	1,331	(21)
Cost of sales		(522)	(425)	23
Gross profit		**534**	**906**	**(41)**
Other operating income, net		13	–	n.m.
Administrative and marketing expenses		(497)	(585)	(15)
Result from operating activities		**50**	**321**	**(84)**
Finance income		186	64	>100
Finance cost		(771)	(578)	33
Net finance cost	7	**(585)**	**(514)**	**14**
Share of results of joint ventures, net of tax		–	–	n.m.
Loss before income tax	8	**(535)**	**(193)**	**>100**
Income tax expense	9	(183)	(174)	5
Loss from continuing operations		**(718)**	**(367)**	**96**
Discontinued operations				
Loss from discontinued operations, net of tax		–	(318)	(100)
Loss for the period		**(718)**	**(685)**	**5**
Loss attributable to:				
Owners of the Company		(718)	(621)	16
Non-controlling interests		–	(64)	(100)
Loss for the period		**(718)**	**(685)**	**5**
Loss attributable to owners of the Company relates to:				
Loss from continuing operations		(718)	(367)	96
Loss from discontinued operations		–	(254)	(100)
		(718)	**(621)**	**16**

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 31.03.2025 (1Q 2025) US$'000	31.03.2024 (1Q 2024) US$'000
Loss per share for loss from continuing and discontinued operations attributable to the owners of the Company during the period:			
Basic (US cents)			
From continuing operations		(0.005)	(0.003)
From discontinued operations		–	(0.002)
Diluted (US cents)			
From continuing operations		(0.005)	(0.003)
From discontinued operations		–	(0.002)
Note:			
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

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Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income (cont'd)
Period Ended 31 March 2025

Consolidated statement of comprehensive income

	3 months ended		
	31.03.2025 (1Q 2025) US$'000	31.03.2024 (1Q 2024) US$'000	Change %
Loss for the period	(718)	(685)	5
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss:			
Net change in fair value of actuarial gain or loss	–	30	(100)
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences relating to financial statements of foreign operations	(74)	223	n.m.
Other comprehensive (loss)/income for the period	**(74)**	**253**	n.m.
Total comprehensive loss for the period	**(792)**	**(432)**	83
Total comprehensive loss attributable to:			
Owners of the Company	(792)	(406)	95
Non-controlling interests	–	(26)	(100)
Total comprehensive loss for the period	**(792)**	**(432)**	83

n.m. = not meaningful

Condensed Interim Statements of Financial Position
As at 31 March 2025

		Group		Company	
	Note	31.03.2025 US$'000	31.12.2024 US$'000	31.03.2025 US$'000	31.12.2024 US$'000
Non-current assets					
Property, plant and equipment	11	5,333	5,397	1	1
Right-of-use assets		234	238	–	–
Subsidiaries		–	–	5,930	5,930
Trade and other receivables	12	6	7	–	–
Deferred consideration receivables	13	688	685	–	–
		6,261	**6,327**	**5,931**	**5,931**
Current assets					
Inventories		549	534	–	–
Trade and other receivables	12	1,265	1,554	10,179	10,120
Deferred consideration receivables	13	2,072	2,055	–	–
Cash and bank balances	14	217	230	199	212
Cash and bank balances (restricted)	14	10,576	10,665	–	–
		14,679	**15,038**	**10,378**	**10,332**
Total assets		**20,940**	**21,365**	**16,309**	**16,263**
Equity					
Share capital	17	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		(13,862)	(13,788)	(1,276)	(1,276)
Accumulated losses		(326,242)	(325,524)	(361,424)	(360,305)
Net deficit in equity		**(51,698)**	**(50,906)**	**(81,336)**	**(80,217)**
Non-current liabilities					
Trade and other payables	15	186	199	–	–
Financial liabilities	16	167	166	–	–
Deferred tax liabilities		784	818	–	–
		1,137	**1,183**	**–**	**–**
Current liabilities					
Trade and other payables	15	54,660	53,894	81,342	80,177
Financial liabilities	16	16,318	16,325	16,303	16,303
Provision for tax		523	869	–	–
		71,501	**71,088**	**97,645**	**96,480**
Total liabilities		**72,638**	**72,271**	**97,645**	**96,480**
Total equity and liabilities		**20,940**	**21,365**	**16,309**	**16,263**

Condensed Interim Consolidated Statement of Cash Flows
Period Ended 31 March 2025

	Note	3 months ended 31.03.2025 (1Q 2025) US$'000	3 months ended 31.03.2024 (1Q 2024) US$'000
Cash flows from operating activities			
Loss for the period		(718)	(685)
Adjustments for:			
Depreciation of property, plant and equipment	8	167	163
Depreciation of right-of-use assets	8	4	158
Gain on disposal of property, plant and equipment	8	(6)	–
Loss allowance on trade and other receivables	8	–	450
Finance income	7	(186)	(64)
Finance cost	7	771	833
Income tax expense	9	183	174
		215	**1,029**
Changes in:			
- Inventories		(15)	(37)
- Trade and other receivables		290	2,583
- Trade and other payables		(122)	740
Cash generated from operations		368	4,315
Income tax paid		(559)	(299)
Net cash (used in)/from operating activities		**(191)**	**4,016**
Cash flows from investing activities			
Purchase of property, plant and equipment	11	(93)	(86)
Proceeds from disposal of property, plant and equipment		6	–
Finance income received		186	64
Net cash from/(used in) investing activities		**99**	**(22)**
Cash flows from financing activities			
Advances from minority shareholder of subsidiary corporation		–	419
Decrease/(Increase) in restricted cash		88	(3,907)
Payment of lease liabilities		(9)	(208)
Finance cost paid		–	(308)
Net cash from/(used in) financing activities		**79**	**(4,004)**
Net decrease in cash and cash equivalents		**(13)**	**(10)**
Cash and cash equivalents at beginning of period		230	25
Cash and cash equivalents at end of period		**217**	**15**

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

Group	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	Non-controlling interests US$'000	Total US$'000
		Attributable to owners of the Company											
Balance as at 1 January 2025		274,553	6,811	7,042	36	(9,846)	(3,968)	(10)	(325,524)	–	(50,906)	–	(50,906)
Total comprehensive income/(loss) for the period		–	–	–	–	(74)	–	–	(718)	–	(792)	–	(792)
Balance as at 31 March 2025		274,553	6,811	7,042	36	(9,920)	(3,968)	(10)	(326,242)	–	(51,698)	–	(51,698)

Condensed Interim Statements of Changes in Equity (cont'd)
Period Ended 31 March 2025

Group	Note	Attributable to owners of the Company										Non-controlling interests US$'000	Total US$'000
		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 income/(loss) for the period		–	–	–	–	282	30	–	(621)	(97)	(406)	(26)	(432)
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
Period Ended 31 March 2025

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 2025		**274,553**	**6,811**	**(1,276)**	**(360,305)**	**(80,217)**
Total comprehensive loss for the period		–	–	–	**(1,119)**	**(1,119)**
Balance as at 31 March 2025		**274,553**	**6,811**	**(1,276)**	**(361,424)**	**(81,336)**

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 period		–	–	–	**(620)**	**(620)**
Balance as at 31 March 2024		**274,553**	**6,811**	**(1,276)**	**(358,140)**	**(78,052)**

CHARISMA ENERGY

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 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 generating and sale of energy and power generation services.

2 Going concern

Assessment of Going Concern

Background

The Group incurred a net loss of US$718,000 (31 March 2024: US$685,000) for the financial period ended 31 March 2025. As at 31 March 2025, the Group was in a net liability position of US$51,698,000 (31 December 2024: US$50,906,000) and in a net current liability position of US$56,822,000 (31 December 2024: US$56,050,000) 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.

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 the developments set out below, which includes, *inter alia*, potential future inflows of fresh investment funds from the New CSA (as defined below) with the Subscriber (as defined below), restructuring plans agreed with creditors and lenders subject to fulfilling all conditions pursuant to the Scheme and the New CSA, support from shareholders, as well as the realisation of expected cash flows from the Group's continuing operations.

Subsequent to the lapse of the conditional subscription agreement dated 10 January 2022 (the "**CSA**") on 9 July 2022, on 18 January 2023, the Company entered into a new conditional subscription agreement (the "**New CSA**") with the same subscriber (the "**Subscriber**") 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 undertakes the following:

(a) divestments of its existing assets and quoted securities (the "**Proposed Divestments**") such that pursuant to the Proposed Divestments, the Company would 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 megawatts (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 would 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 a secured lender; and (b) the secured lender'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 the secured lender;

2 Going concern (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) fulfilment of conditions precedent under the New CSA;
(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 this 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.

<u>Developments up to 31 March 2025</u>

The Group made significant progress in its holistic plan to recapitalise and restructure the Group, as described below.

Divestment of AHTS

In 2023, the Group successfully divested the two remaining anchor handling tug supply ("**AHTS**"), the proceeds of which were applied towards reducing the respective secured loans.

New CSA, extension of longstop date of the New CSA and assignment of loan from secured lender

On 13 October 2023, the Company entered into a supplemental agreement with the Subscriber to extend the longstop date of the New CSA from 17 October 2023 to 31 March 2024. In December 2023, the Company received instructions from a secured lender to make a partial repayment of US$5 million towards the outstanding secured bank loan, using the remitted funds from the Sri Lanka operations. The Company complied with the secured lender's instruction and arranged for the partial repayment of US$5 million on 4 December 2023. Further, as announced by the Company on 16 January 2024, the Company completed the assignment of the rights and securities under the loan from the secured lender to Cosmic Marvel International Limited ("**CMIL**") (a wholly-owned subsidiary of the Subscriber) and the loan remains in default, notwithstanding the partial payment.

The Company subsequently entered into seven (7) supplemental agreements with the Subscriber to further extend the longstop date of the New CSA from 17 October 2023 to the current 31 May 2025.

2 Going concern (cont'd)

Scheme of Arrangement 2023

In relation to the Scheme of Arrangement, the Company convened a meeting with class(es) of certain of its creditors (the "**Scheme Creditors**") on 7 June 2023 (the "**Scheme Meeting**") and at the Scheme Meeting, the Scheme Creditors had, 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 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 is binding on the Company and the Scheme Creditors.

Deed of Settlement

In relation to the Bilateral Settlement, the Company, together with its wholly-owned subsidiary, CES Hydro Power Group Pte. Ltd. ("**CES Hydro**"), 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.

Submission of Trading Resumption Proposal

In view of the above developments, on 10 November 2023 the Company submitted an application to the Singapore Exchange Regulation Pte Ltd ("**SGX RegCo**") on the lifting of suspension of trading of the ordinary shares of the Company on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") in accordance with Chapter 13 of the Listing Manual Section B: Rules of Catalist of the SGX-ST. Following the submission of the Company's Trading Resumption Proposal, on 1 October 2024 the Company submitted through its sponsor an updated application to the SGX RegCo. On 9 December 2024, the Company through its sponsor, received a letter from SGX RegCo (the "**Letter**") confirming that SGX RegCo had no objection to the Company's updated resumption proposal submitted in the update application, subject to certain conditions listed in the Letter. The decision of the SGX RegCo will not be effective if any of the conditions is not fulfilled. Please refer to the Company's announcement dated 10 December 2024 for more information on the Letter.

Yichang Divestment

On 7 April 2024, an equity transfer agreement was entered into by the Company and Smartpower Technology (Shanghai) Co., Ltd. (the "**Purchaser**") to dispose the Company's entire 80.0% equity interest in Yichang Smartpower Green Electricity Co., Ltd. ("**Yichang**" or the "**Disposal Group**") (the "**Equity Transfer Agreement**"), for a total consideration of RMB23.08 million. Yichang is a company incorporated in China which owns a solar photovoltaic power plant. The Company had convened an extraordinary general meeting on 28 June 2024 and obtained the approval of its shareholders in relation to the disposal of Yichang as contemplated under the Equity Transfer Agreement. The transaction was completed on 19 September 2024 (the "**Disposal Date**").

2 Going Concern (cont'd)

Supplementary Scheme of Arrangement

Due to the terms of the Equity Transfer Agreement, the Company had proposed for a Pre-packaged Supplementary Scheme of Arrangement ("**Supplementary Scheme**") to be entered between the Company, CES Yichang Pte. Ltd. ("**CES Yichang**") (as described in the Supplementary Scheme documents) (a wholly-owned subsidiary of the Company) and the Category A Participating Creditors of the Scheme of Arrangement to agree on certain modifications to the Scheme of Arrangement. The Supplementary Scheme document was sent to the Category A Scheme Creditors by electronic means on 26 July 2024. Based on the votes received through the ballot forms at the cut-off timing of the submission of the ballot forms, the Supplementary Scheme has been approved by the Category A Participating Creditors with the requisite majority in number (92.9% - being over 50%) and in value (99.9% - being at least 75%) of the Category A Participating Creditors. The Company filed an application with the High Court of Singapore on 29 August 2024 for the sanction of the Supplementary Scheme. On 26 September 2024 the Court granted the orders sought by the Company in the Supplementary Scheme Court Application (the "**Order of Court**") approving the Supplementary Scheme proposed between the Company, CES Yichang and the Category A Participating Creditors. The Company lodged a copy of the extracted Order of Court with the Registrar of Companies on 26 September 2024. The Order of Court took effect on and from the date of lodgement.

Amended and Restated Deed of Settlement

Due to the terms of the Equity Transfer Agreement, on 13 August 2024 the Company entered into an amended and restated deed of settlement with CES Hydro, CES Yichang and the REPS Holders to amend the Deed to provide for the new distribution arrangements of the net proceeds from the disposal of Yichang.

Entry into Convertible Loan Agreement

Further to the entry into the New CSA and pursuant to the loan restructuring mentioned in paragraph 2(c) above, the Group entered into a binding termsheet with the Subscriber in January 2023. With the completion of assignment of the secured loan from a secured lender as mentioned above, the termsheet was effected into a convertible loan agreement which the Group entered with the Subscriber and CMIL on 20 December 2024 (the "**Convertible Loan Agreement**"). The Convertible Loan Agreement governs the terms and conditions related to the outstanding principal amounts of the loan CMIL purchased from the secured lender on the Group's Sri Lanka Hydro-Power Plants (the "**Outstanding Loan**"). Pursuant to the Convertible Loan Agreement, the parties have agreed to capitalise an outstanding principal amount of S$10,860,000 of the Outstanding Loan and for the remaining principal amount of up to S$10,255,000, to convertible into new ordinary shares of the Company. For the avoidance of doubt, the existing loan agreements continue to be in force and remain in default until the Convertible Loan Agreement becomes effective.

Submission of whitewash waiver application

In December 2024, the Company submitted an application letter to the Securities Industry Council of Singapore (the "**Council**") seeking a waiver of the obligation of the Subscriber to make a mandatory general offer under Rule 14 of the Singapore Code on Take-overs and Mergers for the Shares not held by the Subscriber following the allotment and issue of the Subscription Shares under the New CSA, the Option Shares pursuant to the exercise of the options under the terms and conditions of the Options under the New CSA and the Conversion Shares pursuant to any conversion under the Convertible Loan Agreement, subject to certain conditions. The Council has on 2 May 2025 granted the Whitewash Waiver (as defined in the announcement dated 2 May 2025) subject to the conditions disclosed in the announcement.

3 Basis of preparation

The condensed interim financial statements for the three months ended 31 March 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 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)
- *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 are 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 operation in Sri Lanka, no loss allowance for trade receivables of the Group was recognised as at 31 March 2025 and 31 December 2024.

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.

4 Seasonal operations

The Group's business is dependent on the weather conditions in Sri Lanka during the financial period 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 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). However, following the resignation of the Group's Chief Executive Officer, the internal management reports are now being reviewed by the Company's Financial Controller during this transition period. 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

3 months ended 31 March 2025	**Energy and power services US$'000**	**Others US$'000**	**Total US$'000**
REVENUE			
External revenue	1,056	–	1,056
RESULT			
Reportable segment results from operating activities	534	–	534
Finance cost	(497)	–	(497)
Gain on disposal of property, plant and equipment	6	–	6
Share of results of joint ventures	–	–	–
Reportable segment income before income tax	43	–	43
Tax expense	(183)	–	(183)
Reportable segment loss for the period	(140)	–	(140)
Unallocated finance cost			(274)
Unallocated finance income			186
Unallocated expenses			(490)
Loss for the period			(718)
OTHER SEGMENTAL INFORMATION			
Reportable segment assets	16,931	3,338	20,269
Unallocated assets			671
Total assets			20,940
Reportable segment liabilities	14,826	46,235	61,061
Unallocated liabilities			11,577
Total liabilities			72,638
Capital expenditure	94	–	94
Depreciation expenses	171	–	171

5.1 Reportable segments (cont'd)

3 months ended 31 March 2024	Energy and power services US$'000	Others US$'000	Total US$'000
REVENUE			
External revenue	1,331	–	1,331
RESULT			
Reportable segment results from operating activities	906	–	906
Finance cost	(291)	–	(291)
Share of results of joint ventures	–	–	–
Reportable segment income before income tax	615	–	615
Tax expense	(174)	–	(174)
Reportable segment income for the period	441	–	441
Unallocated finance cost			(287)
Unallocated finance income			64
Unallocated expenses			(585)
Loss for the period			(367)
OTHER SEGMENTAL INFORMATION			
Reportable segment assets	10,523	3,027*	13,550*
Unallocated assets			673
Assets of disposal group classified as held for sale			18,774
Total assets			32,997
Reportable segment liabilities	9,654	54,644	64,298
Unallocated liabilities			2,091
Liabilities directly associated with disposal group classified as held for sale			16,817
Total liabilities			83,206
Capital expenditure	86	–	86
Depreciation expenses	158	–	158

* This number has been amended from the Company's condensed interim financial statements for the three months ended 31 March 2024 announcement dated 14 May 2024 due to rounding.

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 Services		Others		Total	
	3 months ended		3 months ended		3 months ended	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Primary geographical markets / Major products/service line						
Sri Lanka – Sale of energy and power generation services	1,056	1,331	–	–	1,056	1,331
Timing of revenue recognition						
At a point in time	1,056	1,331	–	–	1,056	1,331

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 2025 and 31 December 2024:

	Amortised cost	Other financial liabilities	Total carrying amount
	US$'000	US$'000	US$'000
Group			
31 March 2025			
Financial assets not measured at fair value			
Trade and other receivables [1]	1,048	–	1,048
Deferred consideration receivables	2,760	–	2,760
Cash and bank balances	217	–	217
Cash and bank balances (restricted)	10,576	–	10,576
Financial liabilities not measured at fair value			
Trade and other payables	–	(54,846)	(54,846)
Secured loan	–	(7,369)	(7,369)
Secured loans from financial institutions	–	(8,934)	(8,934)

(1) Excludes prepayments.

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6 Financial assets and financial liabilities (cont'd)

Group	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 [1]	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)

[1] Excludes prepayments.

Company	Amortised cost US$'000	Other financial liabilities US$'000	Total carrying amount US$'000
31 March 2025			
Financial assets not measured at fair value			
Trade and other receivables [1]	10,147	–	10,147
Cash and bank balances	199	–	199
Financial liabilities not measured at fair value			
Trade and other payables	–	(81,342)	(81,342)
Financial liabilities	–	(16,303)	(16,303)
31 December 2024 (Audited)			
Financial assets not measured at fair value			
Trade and other receivables [1]	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)

[1] Excludes prepayments.

7 Net finance cost

	Group 3 months ended	
	31.03.2025 (1Q 2025) US$'000	31.03.2024 (1Q 2024) US$'000
Continuing operations:		
Finance income		
Interest income from bank deposits	186	64
Finance cost		
Interest expense on:		
- Lease liabilities	(3)	(2)
- Secured loans	(768)	(565)
Bank charges	–	(11)
	(771)	(578)
Net finance cost	(585)	(514)
Discontinued operations:		
Finance cost		
Interest expense on:		
- Lease liabilities	–	(255)

8 Loss before income tax

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

	Group 3 months ended	
	31.03.2025 (1Q 2025) US$'000	31.03.2024 (1Q 2024) US$'000
Continuing operations:		
Depreciation of property, plant and equipment	167	158
Depreciation of right-of-use assets	4	–
Gain on disposal of property, plant and equipment	(6)	–
Discontinued operations:		
Depreciation of property, plant and equipment	–	5
Depreciation of right-of-use assets	–	158
Loss allowance on trade and other receivables	–	450

8.1 Related party transactions

There are no material related party transactions apart from the disclosure in Note 12 and Note 15 of the financial statements.

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	
	31.03.2025 (1Q 2025) US$'000	**31.03.2024 (1Q 2024) US$'000**
Current income tax expense	213	191
Deferred income tax credit relating to origination and reversal of temporary differences	(30)	(17)
	183	174

10 Net asset value

	Group		**Company**	
	31.03.2025 US$ cents	**31.12.2024 US$ cents**	**31.03.2025 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 period reported on	(0.38)	(0.37)	(0.60)	(0.59)

11 Property, plant and equipment

During the three months ended 31 March 2025, the Group acquired plant and equipment amounting to US$93,000 (31 March 2024: US$86,000) and disposed of plant and equipment amounting to US$6,000 (31 March 2024: US$ Nil).

There are no indicators of impairment in the current period.

12 Trade and other receivables

	Group		Company	
	31.03.2025 US$'000	31.12.2024 US$'000	31.03.2025 US$'000	31.12.2024 US$'000
Non-current				
Prepayments	6	7	–	–
	6	7	–	–
Current				
Trade receivables – third parties	2,813	3,101	–	–
Trade receivables – amounts due from subsidiaries	–	–	10,499	10,464
Allowance for impairment loss	(2,306)	(2,306)	(3,996)	(3,996)
Net trade receivables	507	795	6,503	6,468
Amount due from subsidiaries (non-trade)	–	–	3,186	3,171
Amounts due from joint ventures (non-trade)	131	129	131	129
Prepayments	217	180	32	3
Deposits paid	15	67	15	67
Other receivables	395	383	312	282
	1,265	1,554	10,179	10,120
Total trade and other receivables	1,271	1,561	10,179	10,120

During the financial period ended 31 March 2025 and 31 March 2024, the Company did not recognise a loss allowance on trade receivables from subsidiary corporations, as the Company intends to offset them with amounts due to subsidiaries.

During the financial period ended 31 March 2025 and 31 March 2024, 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$131,000 (31 December 2024: US$129,000) are unsecured, interest-free and repayable on demand.

Non-trade amount due from subsidiary corporation of US$3,186,000 (31 December 2024: US$3,171,000) is unsecured, interest-free and repayable on demand.

13 Deferred consideration receivables

	Group		Company	
	31.03.2025 US$'000	31.12.2024 US$'000	31.03.2025 US$'000	31.12.2024 US$'000
Non-current	688	685	–	–
Current	2,072	2,055	–	–
	2,760	2,740	–	–

Deferred consideration receivables relates to the balance purchase consideration due from the Purchaser of Yichang from the Yichang Divestment which are 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.

As at 31 March 2025 and 31 December 2024, the Group received the first instalment of the purchase consideration in December 2024, and the second instalment was due from the Purchaser of Yichang. The remaining 3 instalments are presented as non-current deferred consideration receivables and current deferred consideration receivables based on their respective due dates.

The Group did not recognise a loss allowance on deferred consideration receivables for the financial period ended 31 March 2025 and 31 December 2024 because the Company has, barring unforeseen circumstances, a high probability of completing the New CSA and Proposed Debt Restructuring within the next 12 months since (i) most of the conditions precedent of the New CSA and Supplementary Scheme were met by 31 December 2024 and (ii) with the implementation of the Scheme, the Company will transfer its shareholding in CES Yichang (which was set up to hold the deferred consideration receivables) to a nominee shareholder who shall hold the shares on trust for the Scheme Managers.

14 Cash and bank balances

	Group		Company	
	31.03.2025 US$'000	31.12.2024 US$'000	31.03.2025 US$'000	31.12.2024 US$'000
Total Cash and bank balances	10,793	10,895	199	212
Less: Cash and bank balances (restricted)	(10,576)	(10,665)	–	–
Cash and cash equivalents	217	230	199	212

Included in cash and bank balances (restricted) is an amount of US$10,152,000 (31 December 2024: US$10,243,000) being restricted or earmarked by CMIL for various facilities granted. The Group is obliged to seek approval from CMIL for disbursement of payments.

An amount of US$424,000 (31 December 2024: US$422,000) which is also included in cash and bank balances (restricted) relates to the first instalment of the purchase consideration of Yichang received by the Group (Note 13). This amount is 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.

15 Trade and other payables

	Group		Company	
	31.03.2025 US$'000	31.12.2024 US$'000	31.03.2025 US$'000	31.12.2024 US$'000
Non-current				
Staff retirement liabilities	186	199	–	–
	186	199	–	–
Current				
Trade payables	10	23	–	–
Loan from a shareholder	27,841	27,841	27,841	27,841
Non-trade amounts due to:				
- subsidiaries	–	–	28,672	28,220
- a related party	1,585	1,585	1,585	1,585
- joint ventures	462	455	462	455
Accrued operating expenses	5,447	5,560	3,574	3,745
Accrued interest payable	17,097	16,299	17,097	16,299
Other payables	2,218	2,131	2,111	2,032
	54,660	53,894	81,342	80,177
Total trade and other payables	54,846	54,093	81,342	80,177

Loan from a shareholder of the Group, amounting to US$27,841,000 (31 December 2024: US$27,841,000), is unsecured and bears principal interest at a fixed rate of 5.0% (31 December 2024: 5.0%) per annum. As disclosed in Note 2, the loan from a shareholder is included in the Scheme of Arrangement which was sanctioned by the Court. The interest accrual on loan from a shareholder had ceased upon the sanction of the Scheme of Arrangement.

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

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

16 Financial liabilities

	Group		Company	
	31.03.2025	31.12.2024	31.03.2025	31.12.2024
	US$'000	US$'000	US$'000	US$'000
Non-current				
Lease liabilities	167	166	–	–
	167	166	–	–
Current				
Secured loan	7,369	7,369	7,369	7,369
Secured loans from financial institutions	8,934	8,934	8,934	8,934
Lease liabilities	15	22	–	–
Intra-group financial guarantees	–	–	–	–
	16,318	16,325	16,303	16,303
Total financial liabilities	16,485	16,491	16,303	16,303

As at 31 March 2025, secured loan of US$7,369,000 (31 December 2024: US$7,369,000) relates to the loan assigned by a secured lender to CMIL. The loan is secured by first legal charge on the Group's assets with carrying amounts of US$5,332,000 (31 December 2024: 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.

As at 31 March 2025 and 31 December 2024, the remaining bank loans are secured by corporate guarantees from the Company.

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 2025, 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 3 February 2023, there were no notifications from banks for the affected loans to be settled on demand basis.

The secured loan from financial institutions of US$8,934,000 (31 December 2024: US$8,934,000) includes a financial guarantee obligation amounting to US$2,086,000 (31 December 2024: US$2,086,000) issued by a financial institution. This guarantee was related to the standstill agreement that expired on 31 October 2020 and remains unpaid. The financial institution did not extend the standstill agreement after its expiration. As a result, the financial guarantee obligation is classified as current liabilities as at 31 March 2025 and 31 December 2024. As disclosed in Note 2, the financial guarantee obligation is included in the Scheme of Arrangement which was sanctioned by the Court.

17 Share capital

	Group and Company			
	31.03.2025		**31.12.2024**	
	No. of shares ’000	**Amount US$’000**	**No. of shares ’000**	**Amount US$’000**
Issued and fully paid, with no par value				
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 2025 to 31 March 2025.

As at 31 March 2025 and 31 December 2024, the Company had 13,659,328,535 ordinary shares in issue and 1,007,424,863 outstanding convertibles convertible into one ordinary share each.

Out of the above-said, as at 31 March 2025 and 31 December 2024, 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 2025 and 31 December 2024.

As at 31 March 2025, the issued and paid-up share capital excluding treasury shares of the Company comprised 13,659,328,535 (31 December 2024: 13,659,328,535) ordinary shares.

18 Subsequent events

(a) The Whitewash Waiver (as defined in the announcement dated 2 May 2025) has been granted by the Securities Industry Council of Singapore subject to the conditions disclosed in the announcement. The restructuring exercise is still ongoing as at the date of this interim financial statements.

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 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 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 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 issued 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**") 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.

<u>Income Statement Review</u>

1Q 2025 vs 1Q 2024

<u>Continuing operations</u>

The Group's revenue for the three months ended 31 March 2025 ("**1Q 2025**") decreased by US$275,000 from US$1,331,000 to US$1,056,000 as compared to the three months ended 31 March 2024 ("**1Q 2024**"), a decrease in generation of hydro power electricity from the Sri Lanka Mini Hydro Power Plants ("**MHPPs**") as a result of lower rainfall compared to 1Q 2024 and a lower average tariff rate[1] resulting from renewed power purchase agreements with Sri Lanka's electricity board. The decrease was partially offset by the strengthening of the Sri Lankan Rupee against the United States Dollar between 1Q 2025 and 1Q 2024.

[1] Tariff rate refers to the agreed price per unit of energy supplied to the grid.

The Group’s cost of sales for 1Q 2025 increased by US$97,000 to US$522,000 as compared to 1Q 2024. The increase in cost of sales was mainly due to higher maintenance and operation costs incurred on the MHPPs as a result of replacement parts to enhance the performance and efficiency of machinery and equipment in MHPP facilities.

As a result of the above, the Group’s gross profit for 1Q 2025 decreased by US$372,000 to US$534,000 as compared to 1Q 2024.

Other operating income in 1Q 2025 of US$13,000 was mainly due to gain on disposal of plant and equipment coupled with receipts of government grants as compared to no other operating income recorded in 1Q 2024.

Administrative and marketing expenses in 1Q 2025 decreased by US$88,000 as compared to 1Q 2024 mainly due to lower professional fees incurred for the Company’s corporate restructuring exercise in 1Q 2025.

Finance income in 1Q 2025 increased by US$122,000 to US$186,000 as compared to 1Q 2024 mainly due to the increase in interest income on the restricted cash placed as fixed deposits by the Group in Sri Lanka.

Finance costs in 1Q 2025 increased by US$193,000 to US$771,000 as compared to 1Q 2024 mainly due to higher interest rate charged on the Group’s borrowings which remains in default. The interest rate charged on the Group’s borrowings will reduce should the Convertible Loan Agreement comes into effect.

Income tax expense in 1Q 2025 increased marginally due to higher dividend taxes incurred by subsidiary corporations in Sri Lanka for dividend declared and paid to the holding company. This was partly offset by lower income tax expense recorded in 1Q 2025.

Discontinued operations

There were no discontinued operations in 1Q 2025 as Yichang Divestment was completed in September 2024.

Net loss from discontinued operations in 1Q 2024 arose mainly from the impairment loss charges on the accrued trade receivables and finance cost in relation to the disposed China photovoltaic power plant.

Statement of Financial Position Review

Non-current Assets
The Group’s Non-current Assets amounted to US$6,261,000 as at 31 March 2025. The decrease of US$66,000 as compared to 31 December 2024 was mainly due to the net decrease in the carrying value of the plant and equipment and right-of-use assets as a result of depreciation expense charge of US$171,000 during 1Q 2025, partially offset by the addition of plant and equipment of US$93,000 and translation gain of US$9,000 on Sri Lankan Rupee denominated assets.

Current Assets
The Group’s Current Assets amounted to US$14,679,000 as at 31 March 2025. The decrease of US$359,000 as compared to 31 December 2024 was mainly due to lower trade receivables balance in 1Q 2025 due to lower revenue recorded during 1Q2025, and the utilisation of cash and bank balances for operations.

Total Liabilities
The Group’s Total Liabilities amounted to US$72,638,000 as at 31 March 2025. The increase of US$367,000 as compared to 31 December 2024 was mainly due to the increase in trade and other payables, a result of accrued interest payable on borrowings partly offset by lower provision for tax in current period.

Statement of Cash Flows Review

Cash Flow used in Operating Activities
The Group’s net cash used in operating activities in 1Q 2025 was US$191,000 compared to a positive operating cash flow in 1Q 2024 of USD 4,016,000. This was mainly due to lower revenue collection as a result of the higher collection of receivables in 1Q 2024 which were in arrears since August 2023 and lower generation coupled with lower average tariff rate in 1Q 2025.

Cash Flow from Investing Activities
The Group's net cash from investing activities in 1Q 2025 was US$99,000. This was mainly due to the net cash inflow from finance income of US$186,000 partially offset by the purchase of plant and equipment of US$93,000.

Cash Flow from Financing Activities
The Group's net cash from financing activities in 1Q 2025 was US$79,000. This was largely due to the decrease in restricted cash balances by US$88,000 and the repayment of lease liabilities.

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, barring any unforeseen circumstances, the plants are expected to continue to operate smoothly and generate a positive operating cashflow. The operations in Sri Lanka are subject to vagaries of changing weather pattern and the effects of climate change. In addition, any unforeseen or unscheduled maintenance may also affect the operations and hence cash flow from the Sri Lanka mini hydro power plants ("**MHPPs**").

(b) On 23 December 2024, the Company submitted an application letter to the Securities Industry Council of Singapore seeking a waiver of the obligation of the Subscriber to make a mandatory general offer under Rule 14 of the Singapore Code on Take-overs and Mergers for the Shares not held by the Subscriber following the allotment and issue of the Subscription Shares under the New CSA, the Option Shares pursuant to the exercise of the options under the terms and conditions of the Options under the New CSA and the Conversion Shares pursuant to any conversion under the Convertible Loan Agreement, subject to certain conditions.

Following the receipt of the whitewash waiver from the Securities Industry Council of Singapore on 2 May 2025, the Company will be seeking shareholders' approval for, *inter alia*, the following corporate actions in due course:

(1) The proposed allotment and issue of subscription shares, grant of unlisted and freely transferable share options, issue of conversion shares pursuant to the CLA and transfer of controlling interest to the Subscriber;
(2) The proposed allotment and issue of settlement shares to creditors of the Company pursuant to the Proposed Debt Restructuring;
(3) The proposed share consolidation of all of the issued shares of the Company; and
(4) The proposed whitewash resolution for the waiver by independent shareholders of their right to receive a mandatory general offer from the Subscriber for all the issued shares in the capital of the Company not already owned or controlled by the Subscriber and its concert parties.

(c) The Company seeks approval from CMIL under the Original Loan Agreements for operational expenses of the Group on a monthly basis as these need to be funded from the cashflows generated from the operations of the Sri Lanka Hydro-Power Plants. As the restructuring of the Group is still in progress, there have been payment delays to the service providers and the Directors of the Company. The Company is working closely with CMIL and the Subscriber to settle the payment arrears.

(d) On 28 March 2025, the Company entered into a supplemental agreement with the Subscriber to extend the longstop date of the New CSA from 31 March 2025 to 31 May 2025 (or such other date as may be mutually agreed between the parties).

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

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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

As the Company incurred losses for 1Q 2025 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 was no IPTs during the period from 1 January 2025 to 31 March 2025.

10 Additional information required pursuant to Rule 706A

Not applicable. The Company did not acquire and dispose any shares in any companies during 1Q 2025.

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 2025 to be false or misleading in any material aspect.

On behalf of the Board of Directors

…………………………….	…………………………….
Chew Thiam Keng	Tan Tiong Huat Alex
Non-Executive Director	Independent Non-Executive Director

BY ORDER OF THE BOARD

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Cho Form Po
Company Secretary
9 May 2025

*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.