

**Charisma Energy Services Limited  
and its Subsidiaries**

**Registration Number: 199706776D**

Condensed Interim Financial Statements  
For the nine months ended 30 September 2023

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

Period Ended 30 September 2023

### Consolidated statement of profit or loss

	Note	3 months ended			9 months ended		
		30.09.2023	30.09.2022	Change	30.09.2023	30.09.2022	Change
		(3Q 2023)	(3Q 2022)		(9M 2023)	(9M 2022)	
		US\$'000	US\$'000	%	US\$'000	US\$'000	%
Revenue	5	1,676	1,973	(15)	4,772	6,343	(25)
Cost of sales		(598)	(900)	(34)	(1,830)	(2,585)	(29)
<b>Gross profit</b>		<b>1,078</b>	<b>1,073</b>	<b>1</b>	<b>2,942</b>	<b>3,758</b>	<b>(22)</b>
Other operating income		47	556	(92)	1,469	1,129	30
Administrative and marketing expenses		(433)	(601)	(28)	(1,494)	(2,186)	(32)
Other operating expenses		—	—	n.m.	—	(7,861)	n.m.
<b>Result from operating activities</b>		<b>692</b>	<b>1,028</b>	<b>(33)</b>	<b>2,917</b>	<b>(5,160)</b>	<b>n.m.</b>
Finance income		122	80	53	367	217	69
Finance cost		(982)	(1,044)	(6)	(3,320)	(2,834)	17
<b>Net finance cost</b>		<b>(860)</b>	<b>(964)</b>	<b>(11)</b>	<b>(2,953)</b>	<b>(2,617)</b>	<b>13</b>
Share of results of joint ventures, net of tax		—	—	n.m.	—	—	n.m.
<b>(Loss)/Profit before income tax</b>	7	<b>(168)</b>	<b>64</b>	<b>n.m.</b>	<b>(36)</b>	<b>(7,777)</b>	<b>(100)</b>
Income tax expense	8	(116)	(106)	9	(332)	(291)	14
<b>Loss for the period</b>		<b>(284)</b>	<b>(42)</b>	<b>&gt;100</b>	<b>(368)</b>	<b>(8,068)</b>	<b>(95)</b>
<b>Profit/(Loss) attributable to:</b>							
Owners of the Company		(378)	(160)	>100	(503)	(8,321)	(94)
Non-controlling interests		94	118	(20)	135	253	(47)
<b>Loss for the period</b>		<b>(284)</b>	<b>(42)</b>	<b>&gt;100</b>	<b>(368)</b>	<b>(8,068)</b>	<b>(95)</b>
<b>Loss per share for loss for the period attributable to the owners of the Company during the year:</b>							
Basic (US cents)		(0.003)	(0.002)		(0.005)	(0.062)	
Diluted (US cents)		(0.003)	(0.002)		(0.005)	(0.062)	
<i>Note:</i>							
Weighted average number of ordinary shares (in million):							
Basic		13,659	13,659		13,659	13,659	
Diluted*		13,659	13,659		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

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

Period Ended 30 September 2023

### Consolidated statement of comprehensive income

	3 months ended			9 months ended		
	30.09.2023 (3Q 2023) US\$'000	30.09.2022 (3Q 2022) US\$'000	Change %	30.09.2023 (9M 2023) US\$'000	30.09.2022 (9M 2022) US\$'000	Change %
Loss for the period	(284)	(42)	>100	(368)	(8,068)	(95)
<b>Other comprehensive income</b>						
<b>Items that will not be reclassified to profit or loss:</b>						
Equity investments at FVOCI – net change in fair value	–	36	n.m.	–	36	n.m.
Net change in fair value of actuarial gain or loss	–	(3)	n.m.	(23)	33	n.m.
<b>Items that are or may be reclassified subsequently to profit or loss:</b>						
Exchange differences on monetary items forming part of net investment in foreign operations	–	–	n.m.	–	–	n.m.
Foreign currency translation differences relating to financial statements of foreign operations	(362)	(94)	>100	478	(7,830)	n.m.
<b>Other comprehensive (loss)/income for the period</b>	<b>(362)</b>	<b>(62)</b>	<b>&gt;100</b>	<b>455</b>	<b>(7,761)</b>	<b>n.m.</b>
<b>Total comprehensive (loss)/income for the period</b>	<b>(646)</b>	<b>(103)</b>	<b>&gt;100</b>	<b>87</b>	<b>(15,829)</b>	<b>n.m.</b>
<b>Total comprehensive (loss)/income attributable to:</b>						
Owners of the Company	(890)	(846)	5	80	(16,870)	n.m.
Non-controlling interests	244	743	(67)	7	1,041	(99)
<b>Total comprehensive loss for the period</b>	<b>(646)</b>	<b>(103)</b>	<b>&gt;100</b>	<b>87</b>	<b>(15,829)</b>	<b>n.m.</b>

n.m. = not meaningful

## Condensed Interim Statements of Financial Position

As at 30 September 2023

	Note	----- Group -----		----- Company -----	
		30.09.2023	31.12.2022	30.09.2023	31.12.2022
		US\$'000	US\$'000	US\$'000	US\$'000
<b>Non-current assets</b>					
Property, plant and equipment	10	6,265	6,602	–	–
Right-of-use assets		12,386	13,417	–	–
Subsidiaries		–	–	13,282	13,282
Joint ventures		–	–	–	–
Deferred tax assets		687	721	–	–
Trade and other receivables	11	523	548	–	–
		<b>19,861</b>	<b>21,288</b>	<b>13,282</b>	<b>13,282</b>
<b>Current assets</b>					
Inventories		434	390	–	–
Assets held for sale		–	277	–	–
Trade and other receivables	11	16,050	17,212	229	986
Amounts due from subsidiaries	11	–	–	6,804	5,553
Amounts due from joint ventures	11	150	150	150	150
Cash and cash equivalents		6,045	3,188	134	40
		<b>22,679</b>	<b>21,217</b>	<b>7,317</b>	<b>6,729</b>
<b>Total assets</b>		<b>42,540</b>	<b>42,505</b>	<b>20,599</b>	<b>20,011</b>
<b>Equity</b>					
Share capital	14	274,553	274,553	274,553	274,553
Perpetual securities		6,811	6,811	6,811	6,811
Redeemable exchangeable preference shares		7,042	7,042	–	–
Other reserves		(14,034)	(14,617)	(1,276)	(1,276)
Accumulated losses		(318,952)	(318,292)	(356,105)	(355,776)
<b>Deficit in equity attributable to owners of the Company</b>		<b>(44,580)</b>	<b>(44,503)</b>	<b>(76,017)</b>	<b>(75,688)</b>
Non-controlling interests		1,606	1,599	–	–
<b>Net deficit in equity</b>		<b>(42,974)</b>	<b>(42,904)</b>	<b>(76,017)</b>	<b>(75,688)</b>
<b>Non-current liabilities</b>					
Trade and other payables	12	94	74	–	–
Financial liabilities	13	7	–	–	–
Deferred tax liabilities		919	929	–	–
		<b>1,020</b>	<b>1,003</b>	<b>–</b>	<b>–</b>
<b>Current liabilities</b>					
Trade and other payables	12	19,771	17,796	14,383	12,654
Amounts due to joint ventures	12	186	173	186	173
Amounts due to related parties	12	29,426	29,289	29,426	29,289
Amounts due to subsidiaries	12	–	–	27,934	27,515
Financial liabilities	13	35,030	36,914	24,687	26,068
Provision for tax		81	234	–	–
		<b>84,494</b>	<b>84,406</b>	<b>96,616</b>	<b>95,699</b>
<b>Total liabilities</b>		<b>85,514</b>	<b>85,409</b>	<b>96,616</b>	<b>95,699</b>
<b>Total equity and liabilities</b>		<b>42,540</b>	<b>42,505</b>	<b>20,599</b>	<b>20,011</b>

## Condensed Interim Consolidated Statement of Cash Flows

### Period Ended 30 September 2023

	Note	3 months ended		9 months ended	
		30.09.2023 (3Q 2023) US\$'000	30.09.2022 (3Q 2022) US\$'000	30.09.2023 (9M 2023) US\$'000	30.09.2022 (9M 2022) US\$'000
<b>Cash flows from operating activities</b>					
(Loss)/Profit before income tax		(168)	64	(36)	(7,777)
<b>Adjustments for:</b>					
Depreciation of property, plant and equipment	7	150	442	439	1,057
Depreciation of right-of-use assets	7	157	88	483	277
Gain on disposal of assets held for sale		—	—	(1,130)	(428)
Gain on disposal of property, plant and equipment		(17)	(557)	(17)	(557)
Other income		(30)	2	(322)	(143)
Impairment loss on:					
- property, plant and equipment	7	—	—	—	7,861
Interest income		(122)	(80)	(367)	(217)
Interest expense		982	1,044	3,320	2,834
		<b>952</b>	<b>1,003</b>	<b>2,370</b>	<b>2,907</b>
<b>Changes in:</b>					
- Inventories		13	(25)	(44)	239
- Trade and other receivables		1,035	(71)	1,325	632
- Trade and other payables		(179)	(56)	926	(2,564)
Cash generated from operations		1,821	851	4,577	1,214
Income tax paid		(163)	(72)	(363)	(515)
<b>Net cash from operating activities</b>		<b>1,658</b>	<b>779</b>	<b>4,214</b>	<b>699</b>
<b>Cash flows from investing activities</b>					
Purchase of property, plant and equipment	10	(20)	(21)	(31)	(46)
Advances received for assets held for sale		—	(94)	—	1,511
Proceeds from disposal of assets held for sale		—	—	1,400	—
Proceeds from disposal of property, plant and equipment		17	370	17	370
Interest income received		121	82	367	202
<b>Net cash from investing activities</b>		<b>118</b>	<b>337</b>	<b>1,753</b>	<b>2,037</b>
<b>Cash flows from financing activities</b>					
Advances from non-controlling interest of subsidiary corporation		114	—	267	—
Repayment of borrowings		(48)	(52)	(1,017)	(1,314)
(Increase)/Decrease in restricted cash		(1,427)	287	(2,565)	1,095
Payment of lease liabilities		(135)	(558)	(411)	(558)
Interest expense paid		(345)	(453)	(2,350)	(1,651)
<b>Net cash used in financing activities</b>		<b>(1,841)</b>	<b>(776)</b>	<b>(6,076)</b>	<b>(2,428)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(65)</b>	<b>340</b>	<b>(109)</b>	<b>308</b>
Cash and cash equivalents at beginning of period		78	26	122	58
Effect of exchange rate fluctuations on cash held		—	—	—	—
<b>Cash and cash equivalents at end of period</b>		<b>13</b>	<b>366</b>	<b>13</b>	<b>366</b>
<b>Cash and cash equivalents comprise:</b>					
Cash and cash equivalents at per statement of financial position		6,045	3,041	6,045	3,041
Less: Restricted cash		(6,032)	(2,675)	(6,032)	(2,675)
<b>Cash and cash equivalents as per consolidated statement of cash flows</b>		<b>13</b>	<b>366</b>	<b>13</b>	<b>366</b>

## Condensed Interim Statements of Changes in Equity

Period Ended 30 September 2023

Group	Note	Attributable to owners of the Company									Non-controlling interests	Total
		Share capital	Perpetual securities	Redeemable exchangeable preference shares	Other reserve	Foreign currency translation reserves	Fair value reserve	Hedging reserve	Accumulated losses	Total		
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 July 2023		274,553	6,811	7,042	36	(9,609)	(3,939)	(10)	(318,525)	(43,641)	1,362	(42,279)
Total comprehensive (loss)/income for the period		—	—	—	—	(512)	—	—	(378)	(890)	244	(646)
Transactions with owners of the Company, recognised directly in equity												
Contributions by and distributions to owners												
Accrued perpetual securities distributions		—	—	—	—	—	—	—	(49)	(49)	—	(49)
Total transactions with owners		—	—	—	—	—	—	—	(49)	(49)	—	(49)
Balance as at 30 September 2023		274,553	6,811	7,042	36	(10,121)	(3,939)	(10)	(318,952)	(44,580)	1,606	(42,974)

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

Period Ended 30 September 2022

Group	Attributable to owners of the Company										
	Share capital	Perpetual securities	Redeemable exchangeable preference shares	Other reserve	Foreign currency translation reserves	Fair value reserve	Hedging reserve	Accumulated losses	Total	Non-controlling interests	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 July 2022	274,553	6,811	7,042	–	(10,541)	(3,925)	(10)	(317,867)	(43,937)	1,290	(42,647)
Total comprehensive income/(loss) for the period	–	–	–	–	(720)	34	–	(160)	(846)	743	(103)
Transactions with owners of the Company, recognised directly in equity											
Contributions by and distributions to owners											
Accrued perpetual securities distributions	–	–	–	–	–	–	–	(47)	(47)	–	(47)
Total transactions with owners	–	–	–	–	–	–	–	(47)	(47)	–	(47)
Balance as at 30 September 2022	274,553	6,811	7,042	–	(11,261)	(3,891)	(10)	(318,074)	(44,830)	2,033	(42,797)



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

Period Ended 30 September 2023

Group	Note	Attributable to owners of the Company								Non-controlling interests		Total
		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	Total US\$'000	US\$'000	US\$'000
Balance as at 1 January 2023		274,553	6,811	7,042	36	(10,727)	(3,916)	(10)	(318,292)	(44,503)	1,599	(42,904)
Total comprehensive (loss)/income for the period		—	—	—	—	606	(23)	—	(503)	80	7	87
Transactions with owners of the Company, recognised directly in equity												
Contributions by and distributions to owners												
Accrued perpetual securities distributions		—	—	—	—	—	—	—	(157)	(157)	—	(157)
Total transactions with owners		—	—	—	—	—	—	—	(157)	(157)	—	(157)
Balance as at 30 September 2023		274,553	6,811	7,042	36	(10,121)	(3,939)	(10)	(318,952)	(44,580)	1,606	(42,974)

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

Period Ended 30 September 2023

Group	Attributable to owners of the Company									Non-controlling interests	Total
	Share capital	Perpetual securities	Redeemable exchangeable preference shares	Other reserve	Foreign currency translation reserves	Fair value reserve	Hedging reserve	Accumulated losses	Total		
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 January 2022	274,553	6,811	7,042	—	(2,642)	(3,961)	(10)	(309,544)	(27,751)	992	(26,759)
Total comprehensive income/(loss) for the period	—	—	—	—	(8,619)	70	—	(8,321)	(16,870)	1,041	(15,829)
Transactions with owners of the Company, recognised directly in equity											
Contributions by and distributions to owners											
Accrued perpetual securities distributions	—	—	—	—	—	—	—	(209)	(209)	—	(209)
Total transactions with owners	—	—	—	—	—	—	—	(209)	(209)	—	(209)
Balance as at 30 September 2022	274,553	6,811	7,042	—	(11,261)	(3,891)	(10)	(318,074)	(44,830)	2,033	(42,797)

## Condensed Interim Statements of Changes in Equity

Period Ended 30 September 2023

Company	Note	Share capital US\$'000	Perpetual securities US\$'000	Warrants US\$'000	Fair value reserve US\$'000	Accumulated losses US\$'000	Total US\$'000
Balance as at 1 July 2023		274,553	6,811	–	(1,276)	(355,760)	(75,672)
Total comprehensive loss for the period		–	–	–	–	(296)	(296)
Transactions with owners of the Company, recognised directly in equity							
Contributions by and distributions to owners							
Accrued perpetual securities distributions		–	–	–	–	(49)	(49)
Total transactions with owners		–	–	–	–	(49)	(49)
Balance as at 30 September 2023		274,553	6,811	–	(1,276)	(356,105)	(76,017)

Company		Share capital US\$'000	Perpetual securities US\$'000	Warrants US\$'000	Fair value reserve US\$'000	Accumulated losses US\$'000	Total US\$'000
Balance as at 1 July 2022		274,553	6,811	–	(1,276)	(345,432)	(65,344)
Total comprehensive loss for the period		–	–	–	–	(538)	(538)
Transactions with owners of the Company, recognised directly in equity							
Contributions by and distributions to owners							
Accrued perpetual securities distributions		–	–	–	–	(47)	(47)
Total transactions with owners		–	–	–	–	(47)	(47)
Balance as at 30 September 2022		274,553	6,811	–	(1,276)	(346,017)	(65,929)

## Condensed Interim Statements of Changes in Equity

Period Ended 30 September 2023

Company	Note	Share capital US\$'000	Perpetual securities US\$'000	Warrants US\$'000	Fair value reserve US\$'000	Accumulated losses US\$'000	Total US\$'000
Balance as at 1 January 2023		274,553	6,811	–	(1,276)	(355,776)	(75,688)
Total comprehensive loss for the period		–	–	–	–	(172)	(172)
Transactions with owners of the Company, recognised directly in equity							
Contributions by and distributions to owners							
Accrued perpetual securities distributions		–	–	–	–	(157)	(157)
Total transactions with owners		–	–	–	–	(157)	(157)
Balance as at 30 September 2023		274,553	6,811	–	(1,276)	(356,105)	(76,017)

Company		Share capital US\$'000	Perpetual securities US\$'000	Warrants US\$'000	Fair value reserve US\$'000	Accumulated losses US\$'000	Total US\$'000
Balance as at 1 January 2022		274,553	6,811	–	(1,276)	(344,593)	(64,505)
Total comprehensive loss for the period		–	–	–	–	(1,215)	(1,215)
Transactions with owners of the Company, recognised directly in equity							
Contributions by and distributions to owners							
Accrued perpetual securities distributions		–	–	–	–	(209)	(209)
Total transactions with owners		–	–	–	–	(209)	(209)
Balance as at 30 September 2022		274,553	6,811	–	(1,276)	(346,017)	(65,929)

## 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 30 September 2023 comprise the Company and its subsidiaries (together referred to as the “**Group**” and individually as “**Group Entities**”) and the Group’s interest in joint ventures.

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

### 2 Going concern

The Group incurred a net loss of US\$368,000 (30 September 2022: US\$8,068,000) for the financial period ended 30 September 2023. As at 30 September 2023, the Group was in a net liability position of US\$42,974,000 (2022: US\$42,904,000) and in a net current liability position of US\$61,815,000 (2022: US\$63,189,000) 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 future inflows of fresh investment funds from the conditional subscription agreement with an investor, restructuring plans to be agreed with creditors and lenders, continuous support from shareholders, as well as the expected cash flows from the Group’s continuing operations and asset divestment plans.

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

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

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

- (a) divestments of its existing assets and quoted securities (the “**Proposed Divestments**”) such that pursuant to the Proposed Divestments, the Company will retain its ownership in the holding entities of its operations in Sri Lanka and the operating companies in Sri Lanka (the “**Sri Lanka Sub-Group**”) (being the owners of the 13 units of mini-hydroelectric power plants in Sri Lanka with a combined capacity of 43.46 megawatt (the “**Hydro-Power Plants**”), together with their receivables, cash and inventories (including the Hydro-Power Plants) (the “**Remaining Assets**”);
- (b) propose a scheme of arrangement which will be a compromise or arrangement between the Company and class(es) of certain of its unsecured creditors, in accordance with Section 210 of the Companies Act 1967 of Singapore or the Insolvency, Restructuring and Dissolution Act 2018 of Singapore or under any applicable law(s) of Singapore, to settle certain of the Company’s debt (the “**Past Liabilities**”) with a combination of cash and issue of new Shares (the “**Scheme of Arrangement**”);

## 2 Going Concern (cont'd)

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

- (c) the creation of a fresh debt obligation to the Subscriber and/or its nominee, in consideration for the Subscriber procuring (a) full discharge of all liabilities and debts owing by the Sri Lanka Sub-Group to Overseas Chinese Banking Corporation (“**OCBC**”); and (b) OCBC’s consent to discharge any and all mortgage, charge, pledge, lien or other security interest securing any obligation of the Sri Lanka Sub-Group for the benefit of OCBC (the “**OCBC Loan Restructuring**”);
- (d) settlement agreement with holders of the redeemable exchangeable preference shares, which is envisaged to comprise a combination of cash and issue of new Shares to such creditors, with such new Shares to be issued under the Scheme of Arrangement and the Bilateral Settlement (the “**Settlement Shares**”) (the “**Bilateral Settlement**”, together with the Scheme of Arrangement, the “**Proposed Debt Restructuring**”); and
- (e) a share consolidation of all of the issued Shares pursuant to the above transactions (the “**Proposed Share Consolidation**”).

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

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

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

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

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

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

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

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

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

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

## 2 Going Concern (cont'd)

The Company has on 13 October 2023, entered into a supplemental agreement with the Investor to extend the Longstop Date of the New CSA from 17 October 2023 to 31 March 2024.

In view of the above recent developments, the Company has on 10 November 2023, submitted an application to the Singapore Exchange Securities Trading Limited (“SGX-ST”) on the lifting of suspension of trading of the ordinary shares of the Company on the SGX-ST in accordance with Chapter 13 of the Listing Manual Section B: Rules of Catalist of the SGX-ST.

## 3 Basis of preparation

The condensed interim financial statements for the nine months ended 30 September 2023 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 2022.

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 2024 and which the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

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

- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (Amendments to SFRS(I) 10 and SFRS(I) 1-28)
- *Classification of Liabilities as Current or Non-current* (Amendments to SFRS(I) 1-1)
- *Classification of Liabilities as Current or Non-current – Deferral of Effective Date* (Amendments to SFRS(I) 1-1)
- *Lease Liability in a Sale and Leaseback* (Amendments to SFRS(I) 1-16)
- *Non-current Liabilities with Covenants* (Amendments to SFRS(I) 1-1)
- *Supplier Finance Arrangements* (Amendments to SFRS(I) 1-7 and SFRS(I) 7)
- *Lack of Exchangeability* (Amendments to SFRS(I) 1-21)

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

### 3.2 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 2022.

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

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

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

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

##### *Cash flow forecast*

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

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

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

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

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

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

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

##### *Impairment of trade 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. No loss allowance for trade receivables of the Group was recognised as at 30 September 2023 and 31 December 2022.



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

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

##### *Impairment of trade receivables from subsidiary corporations*

Impairment loss are measured based on the loss pattern of the receivables and credit risk of the exposure. During the financial year ended 31 December 2022, the Company has recognised loss allowance of US\$923,000 on trade receivables from subsidiary corporations due to uncertainty of recovery. No loss allowance was recognised as at 30 September 2023.

### **4 Seasonal operations**

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

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

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

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

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

## 5.1 Reportable segments

<b>3 months ended 30 September 2023</b>	<b>Energy and power services US\$'000</b>	<b>Others US\$'000</b>	<b>Total US\$'000</b>
<b>REVENUE</b>			
External revenue	1,676	–	1,676
<b>RESULT</b>			
Reportable segment results from operating activities	1,078	–	1,078
Finance cost	(675)	(144)	(819)
Gain on disposal of property, plant and equipment	17	–	17
Share of results of joint ventures	–	–	–
Reportable segment income/(loss) before income tax	420	(144)	276
Tax expense	(116)	–	(116)
Reportable segment income/(loss) for the period	304	(144)	160
Unallocated finance cost			(163)
Unallocated finance income			122
Unallocated expenses			(404)
Loss for the period			(285)
<b>OTHER SEGMENTAL INFORMATION</b>			
Reportable segment assets	41,801	434	42,235
Unallocated assets			305
Total assets			42,540
Reportable segment liabilities	33,006	50,966	83,972
Unallocated liabilities			1,542
Total liabilities			85,514
Capital expenditure	20	–	20
Depreciation expenses	307	–	307
Unallocated depreciation expenses			–
Total depreciation expenses			307

## 5.1 Reportable segments (cont'd)

<b>3 months ended 30 September 2022</b>	<b>Energy and power services US\$'000</b>	<b>Others US\$'000</b>	<b>Total US\$'000</b>
<b>REVENUE</b>			
External revenue	1,973	–	1,973
<b>RESULT</b>			
Reportable segment results from operating activities	1,073	–	1,073
Finance cost	(540)	(325)	(865)
Share of results of joint ventures	–	–	–
Reportable segment profit/(loss) before income tax	533	(325)	208
Tax expenses	(106)	–	(106)
Reportable segment profit/(loss) for the period	427	(325)	102
Unallocated finance cost			(179)
Unallocated finance income			80
Unallocated expenses			(45)
Loss for the period			(42)
<b>OTHER SEGMENTAL INFORMATION</b>			
Reportable segment assets	39,090	1,751	40,841
Unallocated assets			567
Total assets			41,408
Reportable segment liabilities	31,380	49,377	80,757
Unallocated liabilities			3,448
Total liabilities			84,205
Capital expenditure	21	–	21
Depreciation expenses	510	–	510
Unallocated depreciation expenses			20
Total depreciation expenses			530

## 5.1 Reportable segments (cont'd)

<b>9 months ended 30 September 2023</b>	<b>Energy and power services US\$'000</b>	<b>Others US\$'000</b>	<b>Total US\$'000</b>
<b>REVENUE</b>			
External revenue	4,772	–	4,772
<b>RESULT</b>			
Reportable segment results from operating activities	2,942	–	2,942
Finance cost	(2,278)	(308)	(2,586)
Gain on disposal of property, plant and equipment	17	–	17
Share of results of joint ventures	–	–	–
Reportable segment profit/(loss) before income tax	681	(308)	373
Tax expenses	(332)	–	(332)
Reportable segment profit/(loss) for the period	349	(308)	41
Unallocated finance cost			(734)
Unallocated finance income			367
Unallocated expenses			(42)
Loss for the period			(368)
<b>OTHER SEGMENTAL INFORMATION</b>			
Reportable segment assets	41,801	434	42,235
Unallocated assets			305
Total assets			42,540
Reportable segment liabilities	33,006	50,966	83,972
Unallocated liabilities			1,542
Total liabilities			85,514
Capital expenditure	31	–	31
Depreciation expenses	916	–	916
Unallocated depreciation expenses			6
Total depreciation expenses			922

## 5.1 Reportable segments (cont'd)

<b>9 months ended 30 September 2022</b>	<b>Energy and power services US\$'000</b>	<b>Others US\$'000</b>	<b>Total US\$'000</b>
<b>REVENUE</b>			
External revenue	6,343	—	6,343
<b>RESULT</b>			
Reportable segment results from operating activities	3,758	—	3,758
Finance cost	(1,405)	(928)	(2,333)
Impairment of property, plant and equipment	(7,861)	—	(7,861)
Share of results of joint ventures	—	—	—
Reportable segment profit/(loss) before income tax	(5,508)	(928)	(6,436)
Tax expenses	(291)	—	(291)
Reportable segment profit/(loss) for the period	(5,799)	(928)	(6,727)
Unallocated finance cost			(501)
Unallocated finance income			217
Unallocated expenses			(1,057)
Loss for the period			(8,068)
<b>OTHER SEGMENTAL INFORMATION</b>			
Reportable segment assets	39,090	1,751	40,841
Unallocated assets			567
Total assets			41,408
Reportable segment liabilities	31,380	49,377	80,757
Unallocated liabilities			3,448
Total liabilities			84,205
Capital expenditure	46	—	46
Depreciation expenses	1,267	—	1,267
Unallocated depreciation expenses			67
Total depreciation expenses			1,334

## 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	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022	30.09.2023	30.09.2022
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Primary geographical markets</b>						
Sri Lanka	727	859	—	—	727	859
China	949	1,114	—	—	949	1,114
	<u>1,676</u>	<u>1,973</u>	<u>—</u>	<u>—</u>	<u>1,676</u>	<u>1,973</u>
<b>Major products/service line</b>						
Sale of energy and power generation services	<u>1,676</u>	<u>1,973</u>	<u>—</u>	<u>—</u>	<u>1,676</u>	<u>1,973</u>
<b>Timing of revenue recognition</b>						
At a point in time	<u>1,676</u>	<u>1,973</u>	<u>—</u>	<u>—</u>	<u>1,676</u>	<u>1,973</u>

	Energy and power Services		Others		Total	
	9 months ended		9 months ended		9 months ended	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022	30.09.2023	30.09.2022
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Primary geographical markets</b>						
Sri Lanka	2,314	3,420	—	—	2,314	3,420
China	2,458	2,923	—	—	2,458	2,923
	<u>4,772</u>	<u>6,343</u>	<u>—</u>	<u>—</u>	<u>4,772</u>	<u>6,343</u>
<b>Major products/service line</b>						
Sale of energy and power generation services	<u>4,772</u>	<u>6,343</u>	<u>—</u>	<u>—</u>	<u>4,772</u>	<u>6,343</u>
<b>Timing of revenue recognition</b>						
At a point in time	<u>4,772</u>	<u>6,343</u>	<u>—</u>	<u>—</u>	<u>4,772</u>	<u>6,343</u>

## 6 Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the group as at 30 September 2023 and 31 December 2022:

	Amortised cost US\$'000	Other financial liabilities US\$'000	Total carrying amount US\$'000
<b>Group</b>			
<b>30 September 2023</b>			
<b>Financial assets not measured at fair value</b>			
Trade and other receivables <sup>(1)</sup>	15,437	–	15,437
Cash and cash equivalents	6,045	–	6,045
<b>Financial liabilities not measured at fair value</b>			
Trade and other payables	–	(44,477)	(44,477)
Secured bank loans	–	(21,399)	(21,399)
<b>31 December 2022</b>			
<b>Financial assets not measured at fair value</b>			
Trade and other receivables <sup>(1)</sup>	16,669	–	16,669
Cash and cash equivalents	3,188	–	3,188
<b>Financial liabilities not measured at fair value</b>			
Trade and other payables	–	(47,332)	(47,332)
Secured bank loans	–	(22,415)	(22,415)

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

	Amortised cost US\$'000	Other financial liabilities US\$'000	Total carrying amount US\$'000
<b>Company</b>			
<b>30 September 2023</b>			
<b>Financial assets not measured at fair value</b>			
Trade and other receivables <sup>(1)</sup>	7,166	–	7,166
Cash and cash equivalents	134	–	134
<b>Financial liabilities not measured at fair value</b>			
Trade and other payables	–	(43,995)	(43,995)
Amounts due to subsidiaries	–	(27,934)	(27,934)
Financial liabilities	–	(24,687)	(24,687)

<sup>(1)</sup> 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
<b>31 December 2022</b>			
<b>Financial assets not measured at fair value</b>			
Trade and other receivables <sup>(1)</sup>	6,680	—	6,680
Cash and cash equivalents	40	—	40
<b>Financial liabilities not measured at fair value</b>			
Trade and other payables	—	(42,116)	(42,116)
Amounts due to subsidiaries	—	(27,515)	(27,515)
Financial liabilities	—	(26,068)	(26,068)

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

## 7 Loss before income tax

The following items have been included in arriving at loss before income tax:

	Group			
	3 months ended		9 months ended	
	30.09.2023 (3Q 2023) US\$'000	30.09.2022 (3Q 2022) US\$'000	30.09.2023 (9M 2023) US\$'000	30.09.2022 (9M 2022) US\$'000
Net finance cost	860	694	2,953	2,617
Depreciation of property, plant and equipment	150	442	439	1,057
Depreciation of right-of-use assets	157	88	483	277
Gain on disposal of property, plant and equipment	(17)	—	(17)	—
Gain on disposal of assets held for sale	—	—	(1,130)	—
Impairment loss on:				
- property, plant and equipment	—	—	—	7,861
- right of use asset	—	—	—	—

### 7.1 Related party transactions

	Group			
	3 months ended		9 months ended	
	30.09.2023 (3Q 2023) US\$'000	30.09.2022 (3Q 2022) US\$'000	30.09.2023 (9M 2023) US\$'000	30.09.2022 (9M 2022) US\$'000
<b>Transactions with shareholders</b>				
Management fees paid/payable	—	—	—	—
Interest paid/payable	—	270	138	800



## 8 Income tax expense

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

	Group			
	3 months ended		9 months ended	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022
	(3Q 2023)	(3Q 2022)	(9M 2023)	(9M 2022)
	US\$'000	US\$'000	US\$'000	US\$'000
Current income tax expense	153	96	455	308
Deferred income tax expense relating to origination and reversal of temporary differences	(37)	10	(123)	(17)
	116	106	332	291

## 9 Net Asset Value

	Group		Company	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
	US\$ cents	US\$ cents	US\$ cents	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	(0.31)	(0.31)	(0.56)	(0.55)

## 10 Property, plant and equipment

During the nine months ended 30 September 2023, the Group acquired plant and equipment amounting to US\$31,000 (30 September 2022: US\$46,000) and disposed of plant and equipment amounting to US\$17,000 (30 September 2022: US\$143,000).

### Impairment Loss

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

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

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

	<b>Hydro Plants CGUs</b>		<b>Solar Plant CGU</b>	
	<b>30.09.2023</b>	<b>31.12.2022</b>	<b>30.09.2023</b>	<b>31.12.2022</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
Property, plant and equipment	5,888	6,192	377	410
Rights of use assets – power generation equipment	–	–	10,561	11,499
Rights of use assets – land use rights	–	–	1,710	1,871
Rights of use assets – office premises	115	47	–	–
	<b>6,003</b>	<b>6,239</b>	<b>12,648</b>	<b>13,780</b>

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

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

	<b>Hydro Plants CGUs</b>		<b>Solar Plant CGU</b>	
	<b>30.09.2023</b>	<b>31.12.2022</b>	<b>30.09.2023</b>	<b>31.12.2022</b>
Projection period	21 years	22 years	20 years	21 years
Tariff rates				
- During existing contracted period	Actual FY2023 tariff rates with an average annual upward revision of 5%	Actual FY2022 tariff rates with an average annual upward revision of 5%	Actual contracted tariff rates	Actual contracted tariff rates
- Post-contractual renewal period	Renewal tariff rate recommended by authority	Renewal tariff rate recommended by authority	Actual industry tariff rates	Actual industry tariff rates

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

	Hydro Plants CGUs		Solar Plant CGU	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
Projected utilisation rate	Average of past 7 years historical plant factor	Average of past 7 years historical plant factor	N.A.	N.A.
Timing of receipt of subsidies	N.A.	N.A.	Estimated to receive progressively from 2024	Estimated to receive progressively from 2023
Projected efficiency rate	N.A.	N.A.	Average 20 years projected efficiency rate	Average 21 years projected efficiency rate
Pre-tax discount rate	22%	22%	8.5%	8.5%

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

Based on the cash flow projections, the derived recoverable amounts of the Hydro Plants CGUs have significantly reduced primarily due to weakening of Sri Lankan Rupee and high discount rate used in view of the prevailing economic situation in Sri Lanka. Accordingly, the impairment losses were identified and allocated to the individual assets of the Hydro Plants CGUs and Solar Plant CGU as follows:

	Hydro Plants CGUs		Solar Plant CGU	
	30.09.2023 US\$'000	30.09.2022 US\$'000	30.09.2023 US\$'000	30.09.2022 US\$'000
Property, plant and equipment	—	7,861	—	—
Right-of use assets	—	—	—	—
	—	7,861	—	—

The impairment charge of US\$Nil million (30 September 2022: US\$7.9 million) is derived based on the value-in-use of the CGUs. With the improving economic situation in Sri Lanka, there were no impairment indicators identified by the Company in the financial period ended 30 September 2023. Accordingly, no impairment losses on the Group's CGUs were identified.

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

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

## 11 Trade and other receivables

	----- Group -----		----- Company -----	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Non-current</b>				
Prepayments	523	548	–	–
	523	548	–	–
<b>Current</b>				
Trade receivables – third parties	5,586	7,100	–	–
Trade receivables – amounts due from subsidiaries	–	–	10,515	9,264
Allowance for impairment loss	(2,306)	(2,306)	(3,711)	(3,711)
Net trade receivables	3,280	4,794	6,804	5,553
Accrued trade receivables	11,455	10,433	–	–
Amounts due from joint ventures (non-trade)	150	150	150	150
Prepayments	194	131	17	9
Deposits paid	23	4	23	4
Tax recoverable	569	562	–	–
Deferred consideration receivable	–	419	–	419
Other receivables	529	869	189	554
	16,200	17,362	7,183	6,689
	16,723	17,910	7,183	6,689

As at 31 December 2022, the amount of US\$450,000 is recognised in other receivables as receivable due from former joint venture partners of the Rising Sun Energy Pvt. Ltd. (“**RSE**”) Group. The full amount of US\$450,000 had been received by the Group in January 2023.

Accrued trade receivables relates to the remaining government subsidies in relation to the China photovoltaic power plant. As at 30 September 2023, the Group had not received the full entitled government subsidies which has accumulated to US\$11,455,000 (31 December 2022: US\$10,433,000). The Group had only received progressively some of the outstanding subsidies till June 2018.

As at 31 December 2022, deferred consideration receivable of US\$419,000 relates to an amount due from the RSE investor in relation to the sale of RSE upon the satisfaction of all post-completion obligations by the Group. The full amount of US\$419,000 had been received by the Group in January 2023.

Non-trade amounts due from joint ventures of US\$150,000 (31 December 2022: US\$150,000) are unsecured, interest-free and repayable on demand.

## 12 Trade and other payables

	----- Group -----		----- Company -----	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Non-current</b>				
Staff retirement liabilities	94	74	—	—
	94	74	—	—
<b>Current</b>				
Trade payables	13	19	—	—
Loan from a shareholder	27,841	27,704	27,841	27,704
Non-trade amounts due to:				
- subsidiaries	—	—	27,934	27,515
- a related party	1,585	1,585	1,585	1,585
- joint ventures	186	173	186	173
Accrued operating expenses	2,037	1,732	630	491
Accrued interest payable	12,776	11,995	11,828	10,683
Other payables	4,945	4,050	1,925	1,480
	49,383	47,258	71,929	69,631
Total trade and other payables	49,477	47,332	71,929	69,631

Loan from a shareholder of the Group, amounting to US\$27,841,000 (31 December 2022: US\$27,704,000), is unsecured and bears principal interest at a fixed rate of 5.0% (31 December 2022: 5.0%) per annum.

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

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

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

As at 30 September 2023, an amount of US\$926,000 (31 December 2022: US\$836,000) is recognised in other payables as Value-Added Tax (VAT) payable on government subsidy in relation to the China photovoltaic power plant.

### 13 Financial liabilities

	----- Group -----		----- Company -----	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Non-current</b>				
Secured lease liabilities	7	–	–	–
	7	–	–	–
<b>Current</b>				
Secured bank loans	21,399	22,415	22,067	15,298
Secured lease liabilities	13,631	14,499	–	–
Intra-group financial guarantees	–	–	2,620	10,770
	35,030	36,914	24,687	26,068
Total financial liabilities	35,037	36,914	24,687	26,068

All the bank loans are secured by corporate guarantees from the Company, first legal charge on the Group's assets, legal assignment of the rental proceeds from the Group's assets, assignment of insurances in respect of the Group's assets in the bank'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 banks.

Included in cash and cash equivalents is an amount of US\$6,032,000 (31 December 2022: US\$3,066,000) being restricted or earmarked by the banks for various facilities granted.

#### *Default of secured lease liabilities*

As at 30 September 2023 and 31 December 2021, the Group had not met its obligation to maintain sufficient fund for the next two instalment payments. As the lease liabilities can be called for repayment upon notification by the lessor, the lease liabilities are classified to current liabilities. As at the date of this condensed interim financial statements, there were no notifications from the lessor for the lease to be settled on demand basis.

The lease liabilities are secured by the Group's assets with carrying amounts of US\$10,561,000 (31 December 2022: US\$11,499,000).

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

In prior years, the Group had not met its loan obligations and/or breached its loan covenants for certain secured term loans. As the affected loans can be called for repayment upon notification by the banks, those term loans were classified to current liabilities. As at 30 September 2022, the Group remains in default for these secured term loans. As at the date of this condensed interim financial statements, other than the notices received by the Group as announced on 14 October 2021 and 3 February 2023, there were no notifications from banks for the affected loans to be settled on demand basis.

On 31 October 2020, a standstill agreement in relation to the obligations for a financial guarantee amounting to US\$2,086,000 (31 December 2021: US\$2,165,000) issued by a financial institution expired and remained unpaid. The financial institution did not extend the standstill agreement which expired on 31 October 2020. Accordingly, the financial guarantee obligation remains classified as current liabilities as at 30 September 2023.

## 14 Share capital

	Group and Company			
	30.09.2023		31.12.2022	
	No. of shares '000	Amount US\$'000	No. of shares '000	Amount US\$'000
<b>Issued and fully paid, with no par value</b>				
At 1 January	13,659,329	274,553	13,659,329	274,553
Conversion of warrants to ordinary shares	—	—	—	—
At 30 September / 31 December	13,659,329	274,553	13,659,329	274,553

There was no change in the Company's share capital from 1 July 2023 to 30 September 2023.

As at 30 September 2023 and 30 September 2022, the Company had 13,659,328,535 ordinary shares in issue and 1,044,324,863 outstanding convertibles convertible into one ordinary share each.

Out of the above-said, as at 30 September 2023 and 30 September 2022, 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 30 September 2023 and 30 September 2022.

As at 30 September 2023, the issued and paid-up share capital excluding treasury shares of the Company comprised 13,659,328,535 (31 December 2022: 13,659,328,535) ordinary shares.

## 15 Subsequent events

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

- (a) The Company had on 18 February 2023 applied to the Singapore High Court for leave to convene scheme meeting and for a moratorium under Section 210(10) of the Companies Act. On 11 April 2023, the Court had granted orders in relation to grant of leave application to convene the scheme meeting no later than 11 July 2023 and moratorium for a period of 3 months commencing from 11 April 2023. At the scheme meeting held on 7 June 2023 with quorum via proxy, the scheme creditors have approved the Scheme dated 12 April 2023.
- (b) The Group had on 6 June 2023 entered into a deed of settlement with holders of REPS in relation to the settlement of outstanding arrangements under the REPS subscription agreement and terminate the deed of charge.
- (c) The Court had on 7 July 2023, granted an Order of Court sanctioning the Scheme and the Company had lodged a copy of the extracted Order of Court with the Registrar of Companies. Thereafter, the Scheme become binding on the Company and the participating creditors. The Company continues to work toward the fulfilment of conditions precedents to effect the Scheme of Arrangement.
- (d) The Company had on 13 October 2023, entered into a supplemental agreement with the Investor to extend the Longstop Date of the New CSA from 17 October 2023 to 31 March 2024.

## 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 30 September 2023 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 nine-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 2022 ("FY2022") 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 2022 ("FY2022") was with respect to material uncertainties related to going concern.

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

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

## Income Statement Review

### 3Q 2023 vs 3Q 2022

The Group's revenue for the three months ended 30 September 2023 ("3Q 2023") decreased by US\$297,000 from US\$1,973,000 as compared to the corresponding three months ended 30 September 2022 ("3Q 2022") mainly due to decrease in generation output for the Sri Lanka Mini Hydro Power Plants ("MHPPs") as a result of less rain fall compared to 3Q 2022 coupled with scheduled downtime at certain plants. The decrease in revenue by US\$165,000 to US\$949,000 for China's operation was mainly due to decrease in generation output as a result of lower sun-hour experienced for 3Q 2023.

The Group's cost of sales for 3Q 2023 decreased by US\$302,000 to US\$598,000 as compared to 3Q 2022. The decrease in cost of sales was mainly due to the lower depreciation expenses recognised as a result of impairment on property, plant and equipment assets.



As a result of the above, the Group's gross profit for 3Q 2023 increased by US\$5,000 to US\$1,078,000 as compared to 3Q 2022.

Other operating income in 3Q 2023 was primarily due to gain on disposal of motor vehicles in overseas office.

Administrative and marketing expenses in 3Q 2023 decreased by US\$167,000 to US\$433,000 as compared to 3Q 2022 mainly due to the Group's on-going effort in reducing costs, mainly consist of salaries and legal and professional fees.

Finance income in 3Q 2023 increased by US\$42,000 to US\$122,000 as compared to 3Q 2022 mainly due to interest income on the fixed deposits and cash balance held by the Group in Sri Lanka.

Finance costs in 3Q 2023 decreased by US\$62,000 to US\$982,000 as compared to 3Q 2022 mainly due to higher interest rate charged on the Group's borrowings, partially offset by the cessation of interest charge by a shareholder, namely Ezion Holdings Limited.

Income tax expense in 3Q 2023 increased by US\$10,000 as compared to 3Q 2022 is mainly due to tax rate in Sri Lanka increasing from 14% to 30%.

### **9M 2023 vs 9M 2022**

The Group's revenue for the nine months ended 30 September 2023 ("9M 2023") decreased by US\$1,571,000 from US\$6,343,000 to US\$4,772,000 as compared to the corresponding nine months ended 30 September 2022 ("9M 2022") mainly due to decrease in generation output for the MHPPs as a result of less rainfall compared to 9M 2022 and schedule downtime at certain plants. The decrease in revenue by US\$465,000 to US\$2,458,000 for China's operation was mainly due to a decrease in generation output as a result of lower sun-hour experienced for 9M 2023.

The Group's cost of sales for 9M 2023 decreased by US\$755,000 to US\$1,830,000 as compared to 9M 2022 due to lower depreciation expenses recognised as a result of impairment on property, plant and equipment assets in 2Q 2022. As a result of the above, the Group's gross profit for 9M 2023 decreased by US\$816,000 to US\$2,942,000 as compared to 9M 2022.

Other operating income in 9M 2023 primarily due to the gain on disposal of AHTS vessels of US\$1,130,000.

Administrative and marketing expenses in 9M 2023 decreased by US\$692,000 to US\$1,494,000 as compared to 9M 2022 mainly due to the Group's on-going effort in reducing costs.

There is no impairment loss recognised on the property, plant and equipment in 9M 2023. Other operating expenses of US\$7,861,000 in 9M 2022 was due to impairment loss recognised for the property, plant and equipment in that period.

Finance income in 9M 2023 increased by US\$150,000 to US\$367,000 as compared to 9M 2022 mainly due to interest income on the fixed deposits and cash balance held by the Group in Sri Lanka.

Finance costs in 9M 2023 increased by US\$486,000 to US\$3,320,000 as compared to 9M 2022 mainly due to the increase in interest charge during the period, partially offset by the cessation of interest charge of the loan from a shareholder.

Income tax expense in 9M 2023 increased by US\$41,000 as compared to 9M 2022 mainly due to tax rate in Sri Lanka increasing from 14% to 30%.

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

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

The Group's Non-current Assets amounted to US\$19,861,000 as at 30 September 2023. The decrease of US\$1,427,000 as compared to 31 December 2022 was mainly due to translation loss on the rights-of-use assets owned by the Group's China's operation as a result of weaker Renminbi (RMB), coupled with the depreciation expenses of property, plant and equipment and right-of-use assets during 9M 2023.

### **Current Assets**

The Group's Current Assets amounted to US\$22,679,000 as at 30 September 2023. The increase of US\$1,462,000 as compared to 31 December 2022 was mainly due to the increase in cash and cash equivalents arising from the collection of trade and other receivables from a customer of the Group's Sri Lanka operation, partially offset by the receipt of retention sum in January 2023 upon the satisfaction of all post-completion obligations by the Group on the sale of India Solar project as set out in the Company's announcement dated 24 December 2020. There were no assets held for sale for the period ended 30 September 2023 following the completion of disposal of the 2 AHTS vessels.

### **Total Liabilities**

The Group's Total Liabilities amounted to US\$85,514,000 as at 30 September 2023. The increase of US\$105,000 as compared to 31 December 2022 was mainly due to increase in trade and other payables as a result of an increase in other payables mainly for the increase in professional fees relating to corporate restructuring as well as accrual of interest expense for the 9M 2023. The decrease in financial liabilities amounted to US\$1,877,000 was due to the repayment of borrowings to lenders. Financial liabilities (non-current) increased by US\$7,000 was mainly due to recognition of lease liabilities for head office in Sri Lanka.

## **Statement of Cash Flows Review**

### **3Q 2023 vs 3Q 2022**

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

The Group's net cash from operating activities in 3Q 2023 was US\$1,658,000. This was mainly due to cash collection from the customer in Sri Lanka.

#### **Cash Flow from Investing Activities**

The Group's net cash from investing activities in 3Q 2023 was US\$118,000. This was mainly due to interest income received.

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

The Group's net cash used in financing activities in 3Q 2023 was US\$1,841,000. This was mainly due to the net repayment of borrowings and interest expense and payment of lease liabilities. The increase in restricted cash was attributes to the collection from customer which has been restricted or earmarked by the banks for various facilities granted.

### **9M 2023 vs 9M 2022**

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

The Group's net cash from operating activities of US\$4,214,000 in 9M 2023 was largely attributable to collection from the customer in Sri Lanka, coupled with collection of municipal subsidies in relation to PRC Solar.

#### **Cash Flow from Investing Activities**

The Group's net cash from investing activities in 9M 2023 was US\$1,753,000. This was mainly due to the receipt of sales proceeds from the sale of the assets held for sale amounting US\$1,400,000 and partially attributed to interest income of US\$367,000.

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

The Group's net cash used in financing activities in 9M 2023 was US\$6,076,000. This was mainly due to the repayment of borrowings and interest expense during the period. The increase in restricted cash was attributes to the collection from customer which has been restricted or earmarked by the banks for various facilities granted.

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

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

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

Please refer to the same paragraph in the Group's Condensed Interim Financial Statements for the three months ended 31 March 2023 dated 14 November 2023 for the commentary.

**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 9M 2023, no dividend has been declared or recommended for the financial period.

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

The Group had not obtained a general and specific mandate from shareholders for interested person transactions ("IPTs") since it has lapsed on 31 July 2023. However, there were no IPTs during the period from 1 July 2023 to 30 September 2023.

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

The Company did not acquire and dispose any shares in any companies during 3Q 2023.

**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**

On behalf of 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 30 September 2023 to be false or misleading in any material aspect.

On behalf of the Board of Directors

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

.....  
Simon de Villiers Rudolph  
Independent Non-Executive Director

**BY ORDER OF THE BOARD**

\_\_\_\_\_  
**Zhan Aijuan**  
**Company Secretary**  
**14 November 2023**

*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.*