

FAST ENERGY HOLDINGS BERHAD

(Registration No.: 200401009317 (647820-D))

Incorporated in Malaysia

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2022**

FAST ENERGY HOLDINGS BERHAD

Registration No.: 200401009317 (647820-D)

Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2022**

	(Unaudited)			(Unaudited)		
	3 months ended (Quarter)			6 months ended (Cumulative)		
	30.06.2022	30.06.2021	%	30.06.2022	30.06.2021	%
	RM'000	RM'000	chg	RM'000	RM'000	chg
Revenue	88,641	65,059	36.2%	139,188	69,878	99.2%
Operating expenses	(90,105)	(65,790)		(141,629)	(71,830)	
Operating loss	(1,464)	(731)	100.3%	(2,441)	(1,952)	25.0%
Other operating income	1,766	79		2,059	65	
	302	(652)	-146.3%	(382)	(1,887)	-79.8%
Share of profit from joint venture	233	-		464	-	
Share of results of associate company, net of tax	200	275		478	275	
Finance costs	(13)	(6)		(24)	(12)	
Profit/(Loss) before taxation from continuing operations	722	(383)	-288.6%	536	(1,624)	-133.0%
Taxation	(434)	(62)		(499)	(63)	
Net profit/(loss) after tax from continuing operations	288	(445)		37	(1,687)	
(Loss)/Profit after tax from discontinuing operations	740	554		(721)	249	
Net profit/(loss) after taxation	1,028	109	33.5%	(684)	(1,438)	-52.4%
Other comprehensive income:	-	-		-	-	
Total comprehensive income/(expense)	1,028	109		(684)	(1,438)	
Profit/(loss) attributable to:						
Owners of the Company	1,028	109	843.1%	(684)	(1,438)	-52.4%
Total comprehensive income/(loss) attributable to:						
Owners of the Company	1,028	109	843.1%	(684)	(1,438)	-52.4%
Basic earnings/(loss) per share attributable to owners of the parent:						
- Continuing operations	0.04	(0.11)		0.01	(0.44)	
- Discontinuing operations	0.12	0.14		(0.11)	0.06	

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.)

FAST ENERGY HOLDINGS BERHAD

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022**

	(Unaudited) As at 30.06.2022 RM'000	(Audited) As at 31.12.2021 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	5,493	4,490
Investment in associate	27,448	26,970
Amount owing by joint venture partner	10,685	10,123
Other investment	-	40
Right-of-use asset	238	328
Goodwill on acquisition	-	363
	<u>43,864</u>	<u>42,314</u>
Current assets		
Inventories	-	1,172
Trade and other receivables	71,079	51,213
Amount owing by associated company	-	10,920
Amount owing by joint venture partner	3,200	6,064
Tax recoverable	90	301
Fixed deposits with licensed banks	-	2,052
Cash and bank balances	2,853	9,321
Non-current asset held-for-sale	11,391	-
	<u>88,613</u>	<u>81,043</u>
TOTAL ASSETS	<u>132,477</u>	<u>123,357</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	125,149	116,754
Discount on equity	(5,336)	(5,336)
Warrant reserve	5,336	5,336
Accumulated losses	(8,923)	(8,239)
Total equity	<u>116,226</u>	<u>108,515</u>
Non-current liabilities		
Finance lease liabilities	-	851
Lease liability	201	126
Deferred taxation	499	130
	<u>700</u>	<u>1,107</u>
Current liabilities		
Trade and other payables	10,592	13,341
Finance lease liabilities	1,231	177
Tax payable	-	37
Lease liability	-	180
Liabilities relating to non-current asset held-for-sale	3,728	-
	<u>15,551</u>	<u>13,735</u>
Total liabilities	<u>16,251</u>	<u>14,842</u>
TOTAL EQUITY AND LIABILITIES	<u>132,477</u>	<u>123,357</u>
Net assets per share attributable to equity holders of the parent (sen)	<u>15.8</u>	<u>18.7</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.)

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2022**

	Share Capital RM'000	Discount on Equity RM'000	Warrant Reserve RM'000	Retained Earnings/ (Accumulated Losses) RM'000	Equity Attributable to Owners of the Parent RM'000
Balance at 1 January 2021	39,920	-	-	(2,559)	37,361
Net loss for the period	-	-	-	(1,438)	(1,438)
Issue of shares	27,581	-	-	-	27,581
Private placement	28,233	-	-	-	28,233
Balance as at 30 June 2021	95,734	-	-	(3,997)	91,737
Balance at 1 January 2022	116,754	(5,336)	5,336	(8,239)	108,515
Net loss for the period	-	-	-	(684)	(684)
Issue of new shares	8,395	-	-	-	8,395
Balance as at 30 June 2022	125,149	(5,336)	5,336	(8,923)	116,226

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.)

FAST ENERGY HOLDINGS BERHAD

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2022**

	(Unaudited) 6 Months Ended	
	30.06.2022	30.06.2021
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit/(Loss) before taxation		
- Continuing operations	536	(1,624)
- Discontinuing operations	(155)	1,389
<u>Adjustments for:</u>		
Non-cash items	409	(545)
Non-operating items	(43)	(32)
Operating profit/(Loss) before working capital changes	<u>747</u>	<u>(812)</u>
<u>Changes in working capital:</u>		
Net change in current assets	(12,220)	(33,307)
Net change in current liabilities	448	(870)
Repayment of lease liabilities	(105)	(84)
Cash used in operations	<u>(11,130)</u>	<u>(35,073)</u>
Tax (paid)/refunded	451	(611)
Net cash used in operating activities	<u>(10,679)</u>	<u>(35,684)</u>
Cash Flows From Investing Activities		
Rental income	27	27
Interest received:		
- Continuing operations	1	4
- Discontinuing operations	16	1
Purchase of property, plant and equipment	(4,069)	(764)
Acquisition of stake in associate company	-	(26,250)
Proceeds from disposal of subsidiary company	-	108
Net cash used in investing activities	<u>(4,025)</u>	<u>(26,874)</u>
Cash Flow From Financing Activities		
Proceeds from issue of new shares	8,395	55,813
Net increase of hire purchase creditors	520	306
Interest paid	-	(15)
Repayment of lease liability	(73)	-
Net cash generated from financing activities	<u>8,842</u>	<u>56,104</u>
NET DECREASE CASH AND CASH EQUIVALENTS	<u>(5,862)</u>	<u>(6,454)</u>
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF YEAR	<u>11,301</u>	<u>17,728</u>
CASH AND CASH EQUIVALENTS AS AT END OF YEAR	<u>5,439</u>	<u>11,274</u>
<u>Cash and cash equivalents comprise:</u>		
Deposits with licensed banks	-	1,070
Cash and bank balances	2,853	10,574
Cash and cash equivalents of non-current assets held-for-sale	2,657	-
	<u>5,510</u>	<u>11,644</u>
Less : Fixed deposits pledged to a licensed bank	(71)	(70)
Deposits with maturity period of more than three months	-	(300)
	<u>5,439</u>	<u>11,274</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.)

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NOTES TO THE QUARTERLY REPORT – 30 JUNE 2022

A. EXPLANATORY NOTES AS PER MFRS 134 – INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The interim financial report is unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board (“MASB”) and Rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for the ACE Market (“ACE LR”).

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial reports. These explanatory notes attached provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2021.

A2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the most recent audited financial statement for the financial year ended 31 December 2021 except for the adoption of the following Malaysian Financial Reporting Standards (“MFRS”) and amendments to certain MFRSs and Interpretations that are issued but not yet effective as disclosed below:

Description	Effective for annual periods beginning on or after
Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018-2020)	1 January 2022
Amendments to MFRS 3, Business Combinations - Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 9, Financial Instruments (Annual Improvements to MFRS Standards 2018-2020)	1 January 2022
Amendments to Illustrative Examples accompanying MFRS 16, Leases (Annual Improvements to MFRS Standards 2018-2020)	1 January 2022
Amendments to MFRS 116, Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRS 141, Agriculture (Annual Improvements to MFRS Standards 2018-2020)	1 January 2022
MFRS 17, Insurance Contracts	1 January 2023
Amendments to MFRS 17, Insurance Contracts	1 January 2023
Amendments to MFRS 101, Presentation of Financial Statements - Classification of Liabilities as Current or Non-Current and Disclosures of Accounting Policies	1 January 2023
Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112, Income Taxes – Deferred Tax Related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The directors expect that the adoption of the above accounting standards and interpretations will have no material impact on the Financial Statements in the year of initial application.

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NOTES TO THE QUARTERLY REPORT – 30 JUNE 2022

A. EXPLANATORY NOTES AS PER MFRS 134 – INTERIM FINANCIAL REPORTING

A3. Auditor's Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2021 was not qualified.

A4. Comments about Seasonal or Cyclical Factors

The principal businesses of the Group are not affected by seasonality factors. As with any business currently, its performance is dependent on the economic cycle that is dependent on the national recovery plan during these pandemic times.

A5. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the quarter under review.

A6. Significant Estimates and Changes in Estimates

There were no significant estimates nor changes in the estimates of amounts reported that have a material effect on the results in the current quarter under review.

A7. Changes in Debt and Equity Securities

There were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter under review.

A8. Dividend Paid or Proposed

There were no dividends nor proposed during the quarter under review.

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NOTES TO THE QUARTERLY REPORT – 30 JUNE 2022

A. EXPLANATORY NOTES AS PER MFRS 134 – INTERIM FINANCIAL REPORTING

A9. Discontinued Operations

The discontinued operations related to the cessation of the Company's mould cleaning rubber sheets and LED epoxy encapsulant business segment following the signing of a share sale agreement on 12 May 2022 for the disposal of 100% equity interest in Cape Technology Sdn Bhd ("Cape"). The disposal is expected to be completed within three (3) months from the signing of the share sale agreement, if the extension of 3 months is not exercised. As at the date of this report, a deposit of 10% had been received pursuant to the signing of the share sale agreement and the transaction is pending completion.

Accordingly, the Group had presented and disclosed in these interim financial statements (including comparative information) the results of Cape, Oriem Technology Sdn Bhd ("Oriem") and Techfast Precision Sdn Bhd ("TPSB") under discontinued operations in accordance with MFRS 5: Non-Current Assets Held for Sale and Discontinued Operations), separately from its continuing operations. The disposal of Oriem and TPSB was completed during the financial year ended 31 December 2021.

The results of discontinuing operations are as follows:

	6 months ended (Cumulative)		
	30.06.2022	30.06.2021	%
	RM'000	RM'000	chg
Revenue	10,835	16,454	-34.1%
Operating expenses	(9,134)	(15,321)	
Operating profit	1,701	1,133	50.1%
Other operating income	180	259	
	1,881	1,392	35.1%
Finance costs	(7)	(3)	
Profit before taxation from discontinuing operations	1,874	1,389	34.9%
Taxation	(566)	(437)	
Net profit/(loss) after tax from discontinuing operations	1,308	952	37.4%
Loss on sale of discontinuing operations	(2,029)	(703)	
Profit/(Loss) for the year	(721)	249	-389.6%

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NOTES TO THE QUARTERLY REPORT – 30 JUNE 2022**A. EXPLANATORY NOTES AS PER MFRS 134 – INTERIM FINANCIAL REPORTING****A10. Segmental Information**

	Investment Holding RM'000	Bunkering, vessel chartering and petroleum trading RM'000	Renewable energy RM'000	Adjustment and elimination RM'000	Consolidation RM'000
6 Months Ended					
30.06.2022					
External sales	-	139,048	140	-	139,188
Inter-segment revenue	300	-	-	(300)	-
Total	300	139,048	140	(300)	139,188
Operating segment profit/(loss)	(12,170)	1,518	(19)	10,289	(382)
Share of joint venture profit	-	464	-	-	464
Share of results of associate, net of tax	-	-	-	478	478
Finance cost	(7)	(9)	(8)	-	(24)
Profit/(loss) before taxation	(12,177)	1,973	(27)	10,767	536
Taxation	-	(499)	-	-	(499)
Net profit/(loss) after taxation from continuing operations	(12,177)	1,474	(27)	10,767	37
Profit/(loss) from discontinuing operations					(721)
Net profit/(loss) after taxation					(684)
Segment assets	113,988	88,197	4,036	(85,135)	121,086
Non-current assets held-for-sale					11,391
					132,477
Segment liabilities	1,040	66,391	2,089	(56,997)	12,523
Liabilities relating to non- current assets held-for-sale					3,728
					16,251
6 Months Ended					
30.06.2021					
External sales	-	69,501	-	377	69,878
Inter-segment revenue	1,200	-	-	(1,200)	-
Total	1,200	69,501	-	(823)	69,878
Operating segment profit/(loss)	(3,785)	276	-	1,622	(1,887)
Share of results of associate, net of tax	-	-	-	275	275
Finance cost	(12)	-	-	-	(12)
Profit/(loss) before taxation	(3,797)	276	-	1,897	(1,624)
Taxation	-	(63)	-	-	(63)
Net profit/(loss) after taxation from continuing operations	(3,797)	213	-	1,897	(1,687)
Profit/(loss) from discontinuing operations					249
Net profit/(loss) after taxation					(1,438)
Segment assets	98,327	39,014	-	(62,414)	74,927
Unallocated corporate asset					363
					75,290
Segment liabilities	433	38,687	-	(38,544)	576

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NOTES TO THE QUARTERLY REPORT – 30 JUNE 2022

A. EXPLANATORY NOTES AS PER MFRS 134 – INTERIM FINANCIAL REPORTING

A11. Valuation of Property, Plant and Equipment

The valuations of property, plant and equipment have been brought forward, without amendment, from the financial year ended 31 December 2021.

A12. Subsequent Events

There were no material events subsequent to the end of the current quarter that have not been reflected in the financial statements, which are likely to substantially affect the results of the current quarter under review.

A13. Changes in Composition of the Group

There were no changes in the composition of the Group that occurred in the quarter under review.

A14. Contingent Liabilities

There were no contingent liabilities as at the end of the quarter under review.

A15. Capital Commitments

There were no capital commitments for the purchase of property, plant and equipment not provided for in the interim condensed financial statements as at the end of the quarter under review.

A16. Related Party Transactions

There were no other related party transactions which would have a material impact on the financial position and the business of the Group during the current quarter, other than those disclosed below:

	<u>3 months ended (Quarter)</u>		<u>6 months ended (Cumulative)</u>	
	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>
Related Party Transactions	RM'000	RM'000	RM'000	RM'000
Company connected to a director				
Professional fee payable to:				
- ML Taxation Services Sdn Bhd	38	3	38	4

The directors are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties.

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NOTES TO THE QUARTERLY REPORT – 30 JUNE 2022

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance

2nd Quarter 2022 vs 2nd Quarter 2021

The Group revenue from continuing operations for the second quarter ended 30 June 2022 was RM88.64 million compared to RM65.06 million for the corresponding quarter in the previous year. This increase in revenue was mainly due to increase in the Group's oil bunkering and petroleum trading business segment.

The Group recorded a profit before taxation ("PBT") from continuing operations of RM0.72 million compared to a loss of RM0.38 million in the corresponding quarter last year. Profit for the current quarter from continuing operations included the Company's share of profit from joint venture of RM0.23 million and share of results of associate company of RM0.20 million for the current quarter.

Discontinued operations posted a net profit of RM0.74 million compared to RM0.55 million for the same period last year.

Half year 2022 vs half year 2021

The Group revenue from continuing operations for the half year ended 30 June 2022 was RM139.19 million compared to RM69.88 million recorded for the corresponding quarter in the previous year. This increase in revenue was mainly due to increase in the Group's oil bunkering and petroleum trading business segment.

The Group recorded PBT from continuing operations of RM0.54 million compared to a loss of RM1.62 million in the corresponding period last year. The PBT recorded was mainly due to unrealised foreign exchange gains recorded by the oil bunkering business coupled with the Company's share of joint venture profit of RM0.46 million and share of associate company's results of RM0.48 million.

Discontinued operations posted a net loss of RM0.72 million compared to a net profit of RM0.25 million for the same period last year. The net loss included impairment losses with respect of the discontinued operations.

Overall, the Group recorded net loss of RM0.68 million for the half year ended 30 June 2022 compared to loss of RM1.44 million for the same half year period last year.

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NOTES TO THE QUARTERLY REPORT – 30 JUNE 2022**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B2. Comment on Material Change in Profit Before Taxation of Current Quarter Compared with the Immediate Preceding Quarter**

	(Unaudited)		%
	3 months ended (Quarter)		
	30.06.2022	31.03.2022	
	RM'000	RM'000	chg
Revenue	88,641	50,547	75.4%
Operating expenses	(90,105)	(51,521)	
Operating loss	(1,464)	(974)	50.3%
Other operating income	1,766	292	
	302	(682)	-144.3%
Share of profit from joint venture	233	230	
Share of results of associate, net of tax	200	278	
Finance costs	(13)	(12)	
Profit/(Loss) before taxation	722	(186)	<i>N/A</i>
Income tax expense	(434)	(65)	
Profit/(Loss) after taxation from continuing operations	288	(251)	<i>N/A</i>
Profit/(Loss) after tax from discontinuing operations	740	(1,461)	
Net profit/(loss) after taxation	1,028	(1,712)	<i>-160.0%</i>
Other comprehensive income:	-	-	
Total comprehensive income/(loss)	1,028	(1,712)	
Profit/(loss) attributable to:			
Owners of the Company	1,028	(1,712)	<i>-160.0%</i>
Total comprehensive income/(loss) attributable to:			
Owners of the Company	1,028	(1,712)	<i>-160.0%</i>

In the second quarter ended 30 June 2022, the Group made a net profit before taxation from continuing operations of RM0.72 million compared to a loss of RM0.19 million for the preceding quarter ended 31 March 2022. The profit was mainly due to the unrealised foreign exchange gain recorded by the oil bunkering business segment.

Discontinued operations recorded a profit of RM0.74 million compared to a loss of RM1.46 million for the preceding first quarter ended 31 March 2022. Losses in the first quarter included impairment losses on discontinued operations.

Overall, the Group recorded net profit after taxation of RM1.03 million for the second quarter ended 30 June 2022 which was an improvement from loss of RM1.71 million recorded in the first quarter ended 31 March 2022.

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NOTES TO THE QUARTERLY REPORT – 30 JUNE 2022

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B3. Prospects For The Financial Year Ending 31 December 2022

Oil Bunkering, Vessel Chartering and Petroleum Trading Segment

Maritime trade had rebounded in the year 2021 in tandem with recovery in merchandise trade and world output. While medium term outlook remains positive, growth is subject to mounting uncertainties over inflationary concerns in the world economy. Nevertheless, maritime transport remains an essential sector for the continued delivery of critical supplies and global trade during the recovery stages from a global pandemic.

To further enhance the earnings of the Group, the Company proposed to acquire another 175,000 ordinary shares in CCK Petroleum Sdn Bhd (“CCKSB”), representing a 35% equity interest. As at the date of this report, CCKSB is a 35%-owned associate company of the Company. Upon completion of the proposed acquisition, Fast Energy will hold 70% equity interest in CCKSB and accordingly, CCKSB will become a subsidiary. This proposed acquisition is subject to the approval from shareholders at the forthcoming Extraordinary General Meeting.

Premised on the above and the growing demand for marine fuel oils as global trade and shipping activities gain momentum following reopening of economies, Management is cautiously optimistic on the overall prospects of this business segment barring any unforeseen circumstances.

Renewable Energy Segment

The Company sees growth opportunities in the renewable energy space as it is without a doubt, the future of energy consumption. Overall, the renewable energy business globally was resilient during the pandemic because most large scale renewable energy projects are on long term contracts and provide zero marginal cost generation as sun and wind are free. There is also a growing B2B segment which involves installation of solar panels on rooftops of factories and supermarkets for self-consumption.

There is still plenty of room for solar energy in Malaysia since the total share of non-hydro renewables is still small. While there are challenges for solar renewable energy, Management will continue its efforts to grow this business segment of the Group.

Rubber Sheets and Epoxy Segment

With the signing of the share sale agreement for the disposal of 100% equity interest in Cape Technology Sdn Bhd, the Group will be focusing on the oil bunkering, petroleum trading and renewable energy business segments going forward.

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NOTES TO THE QUARTERLY REPORT – 30 JUNE 2022

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B4. Profit Forecast or Profit Guarantee

This is not applicable as no profit forecast was published.

B5. Income Tax Expense

	<u>3 months ended (Quarter)</u>		<u>6 months ended(Cumulative)</u>	
	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Continuing operations:				
Malaysian income tax	(65)	62	-	63
Deferred taxation	499	-	499	-
Total income tax expense	<u>434</u>	<u>62</u>	<u>499</u>	<u>63</u>
Discontinuing operations:				
Malaysian income tax	287	239	566	437
Total income tax expense	<u>721</u>	<u>301</u>	<u>1,065</u>	<u>500</u>

The disproportionate tax charge of the Group is due to certain expenses of the Group companies which are not deductible for tax purposes and there is no Group relief over the loss making company within the Group.

B6. Corporate Proposals

On 18 May 2022, the Company announced the following corporate proposals:

- (i) proposed consolidation of every 6 existing ordinary shares in Fast Energy held by the shareholders of Fast Energy into 1 ordinary share in Fast Energy;
- (ii) a private placement of up to 35% of the total number of issued shares of Fast Energy to third party investors. The proposed private placement is not undertaken in accordance with a general mandate pursuant to Sections 75 and 76 of the Companies Act 2016. As such, the proposed private placement is subject to specific shareholder approval pursuant to Rule 6.06 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad; and
- (iii) acquisition of 175,000 ordinary shares in CCK Petroleum Sdn Bhd ("**CCKSB**"), which represents 35.0% equity interest in CCKSB from Mohd Faizul bin Nasir for RM28,000,000. The purchase consideration will be satisfied via a combination of RM23,972,660 in cash and RM4,027,340 via the issuance of 11,800,000 new ordinary shares in Fast Energy at an issue price of RM0.3413 per Fast Energy share after the completion of the proposed share consolidation. CCKSB is now a 35% owned associate company of Fast Energy. Upon completion of the proposed acquisition of additional shares, Fast Energy will hold 70% equity interest in CCKSB and CCKSB will become a subsidiary company, accordingly.

It is the intention of the Company to implement the proposed private placement and proposed acquisition of additional equity interest in CCKSB after the completion of the proposed share consolidation. The above proposals are pending the approval of shareholders to be sought at the forthcoming Extraordinary General Meeting scheduled for 30 August 2022.

FAST ENERGY HOLDINGS BERHAD

Registration No.: 200401009317 (647820-D)

Incorporated in Malaysia

NOTES TO THE QUARTERLY REPORT – 30 JUNE 2022**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

B7. Utilisation of Proceeds from Corporate Proposals

Proceeds from earlier corporate proposals had been fully utilised as reported in the unaudited quarterly report for the first quarter ended 31 March 2022.

B8. Group Borrowings

	As at 30.06.2022 RM '000	As at 31.12.2021 RM '000
Finance lease liabilities		
Repayable within one year denominated in Ringgit Malaysia	1,231	177
Repayable after one year denominated in Ringgit Malaysia	-	851
	<u>1,231</u>	<u>1,028</u>

B9. Changes in Material Litigation

The Company is not engaged in any material litigation either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the Group as at the date of this report.

B10. Dividend Policy

A dividend policy of the Company was established and took effect from the financial year ended 31 December 2017. Fast Energy targets a payout ratio of at least 40% of its audited consolidated profit after taxation attributable to shareholders for each financial year, after excluding any income that is capital in nature.

FAST ENERGY HOLDINGS BERHAD

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Incorporated in Malaysia

NOTES TO THE QUARTERLY REPORT – 30 JUNE 2022**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B11. Earnings / (Loss) Per Share (“EPS”)**

(a) Basic loss per share

	3 months ended (Quarter)		6 Months Ended (Cumulative)	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
Net profit/(loss) attributable to owners of the Company (RM '000):				
- Continuing operations	288	(445)	37	(1,687)
- Discontinuing operations	740	554	(721)	249
	<u>1,028</u>	<u>109</u>	<u>(684)</u>	<u>(1,438)</u>
Weighted average number of ordinary shares in issue ('000)	641,316	387,077	641,316	387,077
Basic earnings/(loss) per share (sen):				
- Continuing operations	0.04	(0.11)	0.01	(0.44)
- Discontinuing operations	0.12	0.14	(0.11)	0.06
Basic earnings/(loss) per share (sen)	<u>0.16</u>	<u>0.03</u>	<u>(0.10)</u>	<u>(0.38)</u>

(b) Diluted earnings per share

The earnings per share has not been adjusted for the potential impact arising from the conversion of warrants to ordinary shares as the effect will anti-dilutive.

B12. Notes to the Statement of Comprehensive Income

Profit/(Loss) before taxation is arrived at after crediting/(charging) the following income/(expense) items:

	3 months ended (Quarter)		6 Months Ended(Cumulative)	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	RM'000	RM'000	RM'000	RM'000
Interest income	9	267	21	312
Interest expense	(20)	(4)	(35)	(8)
Depreciation and amortisation	(342)	(230)	(574)	(453)
Provision for obsolete stocks	-	-	-	(93)
Impairment of assets	-	-	(2,029)	-
Foreign exchange gain/(loss)	1,995	(51)	2,309	295

By order of the Board

Tan Tong Lang

Company Secretary

Dated: 23 August 2022