

FAST ENERGY HOLDINGS BERHAD

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

Incorporated in Malaysia

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022**

FAST ENERGY HOLDINGS BERHAD

Registration No.: 200401009317 (647820-D)

Incorporated in Malaysia

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

	(Unaudited)			(Unaudited)		
	3 months ended (Quarter)			9 months ended (Cumulative)		
	30.09.2022	30.09.2021	%	30.09.2022	30.09.2021	%
	RM'000	RM'000	chg	RM'000	RM'000	chg
Revenue	55,879	48,614	14.9%	195,067	118,492	64.6%
Operating expenses	(58,330)	(52,289)		(199,957)	(124,121)	
Operating loss	(2,451)	(3,675)	-33.3%	(4,890)	(5,629)	-13.1%
Other operating income	1,837	186		3,896	251	
	(614)	(3,489)	-82.4%	(994)	(5,378)	-81.5%
Share of profit from joint venture	243	-		707	-	
Share of results of associate company, net of tax	(25)	261		453	536	
Finance costs	(12)	(5)		(36)	(16)	
Profit/(Loss) before taxation from continuing operations	(408)	(3,233)		130	(4,858)	
Taxation	(527)	(42)		(1,027)	(105)	
Net profit/(loss) after tax from continuing operations	(935)	(3,275)		(897)	(4,963)	
Profit/(Loss) after tax from discontinuing operations	(225)	517		(947)	766	
Net loss after taxation	(1,160)	(2,758)	-57.9%	(1,844)	(4,197)	-56.1%
Other comprehensive income:	-	-		-	-	
Total comprehensive expense	(1,160)	(2,758)		(1,844)	(4,197)	
Loss attributable to:						
Owners of the Company:						
- From continuing operations	(935)	(3,275)		(897)	(4,963)	
- From discontinued operations	(225)	517		(947)	766	
	(1,160)	(2,758)		(1,844)	(4,197)	
Total comprehensive loss attributable to:						
Owners of the Company:						
- From continuing operations	(935)	(3,275)		(897)	(4,963)	
- From discontinued operations	(225)	517		(947)	766	
	(1,160)	(2,758)		(1,844)	(4,197)	
Basic loss per share attributable to owners of the parent:		<i>(restated)</i>			<i>(restated)</i>	
- Continuing operations	(0.76)	(2.66)		(0.73)	(4.04)	
- Discontinuing operations	(0.18)	0.42		(0.77)	0.62	
	(0.94)	(2.24)		(1.50)	(3.42)	

(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

Registration No.: 200401009317 (647820-D)

Incorporated in Malaysia

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

	(Unaudited) As at 30.09.2022 RM'000	(Audited) As at 31.12.2021 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	6,955	4,490
Investment in associate	27,423	26,970
Amount owing by joint venture partner	11,233	10,123
Other investment	-	40
Right-of-use asset	194	328
Goodwill on acquisition	-	363
	<u>45,805</u>	<u>42,314</u>
Current assets		
Inventories	-	1,172
Trade and other receivables	64,095	51,214
Amount owing by associated company	11,020	10,920
Amount owing by joint venture partner	1,682	6,064
Tax recoverable	76	301
Fixed deposits with licensed banks	-	2,051
Cash and bank balances	4,380	9,321
	<u>81,253</u>	<u>81,043</u>
TOTAL ASSETS	<u>127,058</u>	<u>123,357</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	126,581	116,754
Discount on equity	(5,336)	(5,336)
Warrant reserve	5,336	5,336
Accumulated losses	(10,083)	(8,239)
Total equity	<u>116,498</u>	<u>108,515</u>
Non-current liabilities		
Finance lease liabilities	-	851
Lease liability	156	126
Deferred taxation	965	130
	<u>1,121</u>	<u>1,107</u>
Current liabilities		
Trade and other payables	8,275	13,341
Finance lease liabilities	544	177
Tax payable	620	37
Lease liability	-	180
	<u>9,439</u>	<u>13,735</u>
Total liabilities	<u>10,560</u>	<u>14,842</u>
TOTAL EQUITY AND LIABILITIES	<u>127,058</u>	<u>123,357</u>
Net assets per share attributable to equity holders of the parent (sen)	<u>94.8</u>	<u>88.0</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.)

FAST ENERGY HOLDINGS BERHAD

Registration No.: 200401009317 (647820-D)

Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 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 as at 1 January 2021	39,920	-	-	(2,559)	37,361
Net loss for the period	-	-	-	(4,197)	(4,197)
Issue of shares	27,580	-	-	-	27,580
Private placement	28,233	-	-	-	28,233
Balance as at 30 September 2021	95,733	-	-	(6,756)	88,977
Balance as at 1 January 2022	116,754	(5,336)	5,336	(8,239)	108,515
Net loss for the period	-	-	-	(1,844)	(1,844)
Share options vested under ESOS	1,506	-	-	-	1,506
Issue of new shares	4,477	-	-	-	4,477
Private placement	3,844	-	-	-	3,844
Balance as at 30 September 2022	126,581	(5,336)	5,336	(10,083)	116,498

(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

Registration No.: 200401009317 (647820-D)

Incorporated in Malaysia

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

	(Unaudited) 9 months ended	
	30.09.2022	30.09.2021
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit/(Loss) before taxation		
- Continuing operations	130	(3,326)
- Discontinuing operations	2,324	(189)
<u>Adjustments for:</u>		
Non-cash items	160	4,299
Non-operating items	(50)	(9)
Operating profit before working capital changes	2,564	775
<u>Changes in working capital:</u>		
Net change in current assets	(14,007)	(47,420)
Net change in current liabilities	(1,295)	5,799
Cash used in operations	(12,738)	(40,846)
Tax (paid)/refunded	(154)	(1,031)
Net cash used in operating activities	(12,892)	(41,877)
Cash Flows From Investing Activities		
Rental income	27	-
Interest received:		
- Continuing operations	2	9
- Discontinuing operations	20	1
Purchase of property, plant and equipment	(6,417)	(789)
Acquisition of stake in associate company	-	(26,250)
Proceeds from disposal of subsidiary company	4,317	108
Net cash used in investing activities	(2,051)	(26,921)
Cash Flow From Financing Activities		
Proceeds from issue of new shares	8,321	55,813
Net increase/(Repayment) of hire purchase creditors	(103)	225
Interest paid	(46)	-
Repayment of lease liability	(150)	(127)
Net cash generated from financing activities	8,022	55,911
NET DECREASE CASH AND CASH EQUIVALENTS	(6,921)	(12,887)
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF YEAR	11,301	17,728
CASH AND CASH EQUIVALENTS AS AT END OF YEAR	4,380	4,841
<u>Cash and cash equivalents comprise:</u>		
Deposits with licensed banks	-	2,270
Cash and bank balances	4,380	1,961
Cash and cash equivalents of non-current assets held-for-sale	-	1,220
	4,380	5,451
Less : Fixed deposits pledged to a licensed bank	-	(70)
Deposits with maturity period of more than three months	-	(540)
	4,380	4,841

(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.)

FAST ENERGY HOLDINGS BERHAD

Registration No.: 200401009317 (647820-D)

Incorporated in Malaysia

NOTES TO THE QUARTERLY REPORT – 30 SEPTEMBER 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.

FAST ENERGY HOLDINGS BERHAD

Registration No.: 200401009317 (647820-D)

Incorporated in Malaysia

NOTES TO THE QUARTERLY REPORT – 30 SEPTEMBER 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.

FAST ENERGY HOLDINGS BERHAD

Registration No.: 200401009317 (647820-D)

Incorporated in Malaysia

NOTES TO THE QUARTERLY REPORT – 30 SEPTEMBER 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 self-clinching fastener business segments. This followed the disposal of wholly-owned subsidiary company, namely Cape Technology Sdn Bhd, which was completed on 2 September 2022 and the disposals of subsidiary companies Oriem Technology Sdn Bhd and Techfast Precision Sdn Bhd completed during the financial year ended 31 December 2021.

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 results of discontinuing operations are as follows:

	(Unaudited)		
	9 months ended		
	30.09.2022	30.09.2021	%
	RM'000	RM'000	chg
Revenue	14,250	23,771	-40.1%
Operating expenses	(12,098)	(22,115)	
Operating profit	2,152	1,656	
Other operating income	182	397	
Finance costs	2,334	2,053	
	(10)	(8)	
Profit before taxation from discontinuing operations	2,324	2,045	13.6%
Taxation	(669)	(576)	
Net profit/(loss) after tax from discontinuing operations	1,655	1,469	12.7%
Loss on sale of discontinued operations	(2,602)	(703)	
Profit/(Loss) for the year	(947)	766	-223.6%

FAST ENERGY HOLDINGS BERHAD

Registration No.: 200401009317 (647820-D)

Incorporated in Malaysia

NOTES TO THE QUARTERLY REPORT – 30 SEPTEMBER 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
9 Months Ended					
30.09.2022					
External sales	-	194,852	215	-	195,067
Inter-segment revenue	400	-	-	(400)	-
Total	400	194,852	215	(400)	195,067
Operating segment profit/(loss)	(14,426)	3,280	(40)	10,192	(994)
Share of joint venture profit	-	707	-	-	707
Share of results of associate, net of tax	-	-	-	453	453
Finance cost	(10)	(13)	(13)	-	(36)
Profit/(loss) before taxation	(14,436)	3,974	(53)	10,645	130
Taxation	-	(1,027)	-	-	(1,027)
Net profit/(loss) after taxation from continuing operations	(14,436)	2,947	(53)	10,645	(897)
Profit/(loss) from discontinuing operations					(947)
Net profit/(loss) after taxation					(1,844)
Segment assets	112,318	92,494	3,974	(81,728)	127,058
Segment liabilities	195	69,214	2,052	(60,901)	10,560
9 Months Ended					
30.09.2021					
External sales	-	118,116	-	376	118,492
Inter-segment revenue	1,350	-	-	(1,350)	-
Total	1,350	118,116	-	(974)	118,492
Operating segment profit/(loss)	(4,483)	900	-	(1,795)	(5,378)
Share of results of associate, net of tax	-	-	-	536	536
Finance cost	(17)	-	-	1	(16)
Profit/(loss) before taxation	(4,500)	900	-	(1,258)	(4,858)
Taxation	-	(105)	-	-	(105)
Net profit/(loss) after taxation from continuing operations	(4,500)	795	-	(1,258)	(4,963)
Profit/(loss) from discontinuing operations					766
Net profit/(loss) after taxation					(4,197)
Segment assets	97,784	51,442	-	(69,020)	80,206
Unallocated corporate asset					363
Discontinued operations assets					11,167
Non-current assets held-for-sale					8,525
					100,261
Segment liabilities	489	50,785	-	(45,407)	5,867
Discontinued operations liabilities					2,992
Liabilities relating to non- current assets held-for-sale					2,425
					11,284

FAST ENERGY HOLDINGS BERHAD

Registration No.: 200401009317 (647820-D)

Incorporated in Malaysia

NOTES TO THE QUARTERLY REPORT – 30 SEPTEMBER 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

On 14 October 2022, the Company issued 12,000,000 ordinary shares at 12.48 sen per share pursuant to a private placement exercise.

On 19 October 2022, the Company issued 11,800,000 ordinary shares as part consideration for the purchase of additional 35% equity interest in CCK Petroleum Sdn Bhd. The Company already owns 35% equity stake which it had purchased on 24 March 2021.

On 4 November 2022, the Company issued 7,500,000 ordinary shares at 10.19 sen per share pursuant to a private placement exercise.

On 15 November 2022, the Company issued 8,000,000 ordinary shares at 8.67 sen per share pursuant to a private placement exercise.

On 21 November 2022, the Company issued 5,500,000 ordinary shares at 8.98 sen per share pursuant to a private placement exercise.

There were no other 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

On 2 September 2022, the disposal of Cape Technology Sdn Bhd (“Cape”) was completed following the receipt of full settlement of the disposal consideration. Accordingly, Cape ceased as a wholly-owned subsidiary of the Group.

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.

FAST ENERGY HOLDINGS BERHAD

Registration No.: 200401009317 (647820-D)

Incorporated in Malaysia

NOTES TO THE QUARTERLY REPORT – 30 SEPTEMBER 2022**A. EXPLANATORY NOTES AS PER MFRS 134 – INTERIM FINANCIAL REPORTING**

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:

	3 months ended (Quarter)		9 months ended (Cumulative)	
	30.09.2022	30.09.2021	30.09.2022	30.09.2021
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	2	11	40	37

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.

FAST ENERGY HOLDINGS BERHAD

Registration No.: 200401009317 (647820-D)

Incorporated in Malaysia

NOTES TO THE QUARTERLY REPORT – 30 SEPTEMBER 2022

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

B1. Review of Performance

3rd Quarter 2022 vs 3rd Quarter 2021

The Group revenue from continuing operations for the third quarter ended 30 September 2022 was 14.9% higher at RM55.88 million compared to RM48.61 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 loss before taxation from continuing operations of RM0.41 million compared to a loss of RM3.23 million in the corresponding quarter last year. Loss for the current quarter from continuing operations included a non-cash expense arising from the vesting of employee share options of RM1.43 million, partially offset by unrealised foreign exchange gain of about RM1.84 million and the Company's share of profit from joint venture of RM0.24 for the current quarter.

Discontinued operations posted a net loss of RM0.23 million compared to a profit of RM0.52 million for the same period last year.

Overall, the Group recorded a net loss of RM1.16 million compared to a loss of RM2.76 million for the quarter under review.

3rd Quarter 2022 YTD vs 3rd Quarter 2021 YTD

The Group revenue from continuing operations for the nine months period ended 30 September 2022 was RM195.07 million compared to RM118.49 million recorded for the corresponding period 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 from continuing operations of RM0.13 million compared to a loss of RM4.86 million in the corresponding period last year. The results for the period under review included a non-cash expense arising from the vesting of employee share options of about RM1.51 million that was partially offset by unrealised foreign exchange gains of about RM3.89 million recorded by the oil bunkering business coupled with the Company's share of joint venture profit of RM0.71 million and share of associate company's profit of RM0.45 million.

Discontinued operations posted a net loss of RM0.95 million compared to a net profit of RM0.77 million for the same period last year.

Overall, the Group recorded net loss of RM1.84 million for the nine months period ended 30 September 2022 compared to loss of RM4.20 million for the same period last year.

FAST ENERGY HOLDINGS BERHAD

Registration No.: 200401009317 (647820-D)

Incorporated in Malaysia

NOTES TO THE QUARTERLY REPORT – 30 SEPTEMBER 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)		
	30.09.2022	30.06.2022	
	RM'000	RM'000	chg
Revenue	55,879	88,641	-37.0%
Operating expenses	(58,330)	(90,105)	
Operating loss	(2,451)	(1,464)	
Other operating income	1,837	1,766	
	(614)	302	-303.3%
Share of profit from joint venture	243	233	
Share of results of associate, net of tax	(25)	200	
Finance costs	(12)	(13)	
Profit/(Loss) before taxation	(408)	722	-156.5%
Income tax expense	(527)	(434)	
Profit/(Loss) after taxation from continuing operations	(935)	288	-424.7%
Profit/(Loss) after tax from discontinuing operations	(225)	740	
Net profit/(loss) after taxation	(1,160)	1,028	-212.8%
Other comprehensive income:	-	-	
Total comprehensive income/(loss)	(1,160)	1,028	
Profit/(loss) attributable to:			
Owners of the Company	(1,160)	1,028	
Total comprehensive income/(loss) attributable to:			
Owners of the Company	(1,160)	1,028	

In the third quarter ended 30 September 2022, the Group made a loss before taxation from continuing operations of RM0.41 million compared to profit before tax of RM0.72 million for the preceding quarter ended 30 June 2022. Loss for the quarter included a non-cash expense related to employee share options vested of about RM1.43 million that was partly offset by unrealised foreign exchange gain of RM1.84 million in the current quarter under review.

Discontinued operations recorded a loss of RM0.23 million compared to a profit of RM0.74 million for the preceding second quarter ended 30 June 2022.

Overall, the Group recorded net loss of RM1.16 million for the third quarter ended 30 September 2022 compared to a net profit after tax of RM1.03 million for the second quarter ended 30 June 2022.

FAST ENERGY HOLDINGS BERHAD

Registration No.: 200401009317 (647820-D)

Incorporated in Malaysia

NOTES TO THE QUARTERLY REPORT – 30 SEPTEMBER 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 was in the process of completing the acquisition of 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 was approved by the shareholders at the Extraordinary General Meeting held on 30 August 2022.

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.

B4. Profit Forecast or Profit Guarantee

This is not applicable as no profit forecast was published.

FAST ENERGY HOLDINGS BERHAD

Registration No.: 200401009317 (647820-D)

Incorporated in Malaysia

NOTES TO THE QUARTERLY REPORT – 30 SEPTEMBER 2022**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B5. Income Tax Expense**

	3 months ended (Quarter)		(Cumulative)	
	30.09.2022	30.09.2021	30.09.2022	30.09.2021
	RM'000	RM'000	RM'000	RM'000
Continuing operations:				
Malaysian income tax	57	42	57	105
Deferred taxation	466	-	965	-
	<u>523</u>	<u>42</u>	<u>1,022</u>	<u>105</u>
Underprovision for tax in prior year	4	-	5	-
Total income tax expense	<u>527</u>	<u>42</u>	<u>1,027</u>	<u>105</u>
Discontinuing operations:				
Malaysian income tax	103	139	669	587
Total income tax expense	<u>630</u>	<u>181</u>	<u>1,696</u>	<u>692</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

The Employee Share Option Scheme ("ESOS") which was approved by shareholders at an Extraordinary General Meeting held on 11 March 2021 was implemented on 31 March 2021. The ESOS shall be in force for a period of five (5) years until 31 March 2026.

Changes in the number of options to subscribe to unissued ordinary shares during the period ended 30 September were as follows:

Grant Date	No. of options over ordinary shares				
	at 1.1.2022	Granted	(Exercised)	(Lapsed)	at 30.09.2022
8-Feb-22	-	118,452,016	-	(118,452,016)	-
14-Mar-22	-	118,455,976	(89,452,016)	(29,003,960)	-

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

FAST ENERGY HOLDINGS BERHAD

Registration No.: 200401009317 (647820-D)

Incorporated in Malaysia

NOTES TO THE QUARTERLY REPORT – 30 SEPTEMBER 2022

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

- (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.

The above proposals were approved by shareholders at an Extraordinary General Meeting held on 30 August 2022.

On 28 September 2022, 737,402,457 ordinary shares in the Company were consolidated into 122,897,709 ordinary shares pursuant to the proposed share consolidation. Accordingly, 87,194,496 outstanding warrants were also adjusted to 14,532,219 warrants.

The Company had completed four (4) tranches of private placements on 14 October, 4 November, 15 November and 21 November 2022, as detailed in item A12: Subsequent Events.

On 19 October 2022, the Company issued 11,800,000 ordinary new shares at an issue price of RM0.3413 per share as part consideration for the acquisition of additional shares in CCKSB. A total of RM18,972,660 in cash has also been paid to the vendor and an outstanding balance of RM5,000,000 was withheld which would be used to offset any shortfall in the profit guarantee pursuant to the share sale agreement.

B7. Utilisation of Proceeds from Corporate Proposals

Utilisation of proceeds from the private placement subsequent to the end of the third quarter ended 30 September will be reported in the following quarterly report.

B8. Group Borrowings

	As at 30.09.2022 RM '000	As at 31.12.2021 RM '000
Finance lease liabilities		
Repayable within one year denominated in Ringgit Malaysia	544	177
Repayable after one year denominated in Ringgit Malaysia	-	851
	<u>544</u>	<u>1,028</u>

FAST ENERGY HOLDINGS BERHAD

Registration No.: 200401009317 (647820-D)

Incorporated in Malaysia

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

B11. Earnings / (Loss) Per Share (“EPS”)

(a) Basic loss per share

	3 months ended		9 months ended	
	(Quarter)		(Cumulative)	
	30.09.2022	30.09.2021	30.09.2022	30.09.2021
Net profit/(loss) attributable to owners of the Company (RM '000):				
- Continuing operations	(935)	(3,275)	(897)	(4,963)
- Discontinuing operations	(225)	517	(947)	766
	<u>(1,160)</u>	<u>(2,758)</u>	<u>(1,844)</u>	<u>(4,197)</u>
Weighted average number of ordinary shares in issue ('000)	122,898	122,898	122,898	122,898
Basic earnings/(loss) per share (sen):		<i>(restated)</i>		<i>(restated)</i>
- Continuing operations	(0.76)	(2.66)	(0.73)	(4.04)
- Discontinuing operations	(0.18)	0.42	(0.77)	0.62
Basic loss per share (sen)	<u>(0.94)</u>	<u>(2.24)</u>	<u>(1.50)</u>	<u>(3.42)</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.

FAST ENERGY HOLDINGS BERHAD

Registration No.: 200401009317 (647820-D)

Incorporated in Malaysia

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

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)		9 months ended(Cumulative)	
	30.09.2022	30.09.2021	30.09.2022	30.09.2021
	RM'000	RM'000	RM'000	RM'000
Interest income	6	9	22	17
Interest expense	(14)	(15)	(46)	(31)
Depreciation and amortisation	(311)	(364)	(803)	(1,011)
Provision for obsolete stocks	-	-	-	(238)
Gain/(Loss) on disposal of quoted/unquoted investments	(2,602)	-	(2,602)	-
Impairment of assets	-	(3,114)	-	(3,839)
Foreign exchange gain/(loss)	1,896	231	4,090	469

By order of the Board

Tan Tong Lang

Company Secretary

Dated: 30 November 2022