

FUTURE ENERGY SOURCE COMPANY LIMITED



THIRD QUARTER (Q3) REPORT

For the Third (3rd) Quarter ended December 31, 2023 for the financial year
April 1, 2023 to March 31, 2024

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FESCO

Port Maria

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1. Report to Ordinary Shareholders

Directors' Statement

The Board of Directors of Future Energy Source Company Limited ("FESCO" or the "Company") takes pleasure in presenting the Company's unaudited financial statements for the third (3rd) quarter ended December 31, 2023 for the financial year April 1, 2023 to March 31, 2024.

Overview

We are pleased to report that the Company has achieved its best quarterly performance to date. The Company's performance reflects an increase in gross profit, operating profit (EBIT) and EBITDA whilst acquiring and integrating an additional LPG filling plant (FESGAS Naggo Head), improving its brand awareness, and increasing its advertising, depreciation and interest expenditures. The Company achieved:

1. Gross profit: J\$423.21 million up J\$182.82 million or 76.0% vs Q3 December 2022
2. EBIT: J\$190.66 million up J\$35.07 million or 22.5% vs Q3 December 2022
3. EBITDA: J\$248.15 million up J\$85.56 million or 52.6% vs Q3 December 2022
4. Net profit: J\$149.25 million down J\$4.07 million or 2.7% vs Q3 December 2022
5. YTD (9 month's) Net Profit: J\$465.95 million up J\$31.56 million or 7.3%
6. Book value of equity: J\$1.768 billion, which is up 35.8% since the last financial year ended March 31, 2023 and up 51.8% or J\$602.92 million when compared to Q3 December 30, 2022.

Further, the Company was able to:

1. Add its 21st FESCO branded retail service station to its network, FESCO Port Maria, in mid-December;
2. Acquire, integrate and operate its 2nd LPG filling plant facility, FESGAS Naggo Head;
3. Secure approval for its 2nd company owned and company operated service station, FESCO OVAL on Spanish Town Road;
4. Become the authorised distributor of Castrol motor oils for Jamaica;
5. Continue its service station network expansion efforts and work-in-progress Capex/investments.

The Passing of a Director

Trevor Barnes, a founding director, the Company's largest shareholder and the operator of two (2) FESCO branded service stations in St. Catherine, passed away on October 24, 2023 at the University Hospital of the West Indies, surrounded by his loving family. Trevor was a strong supporter of local businesses, which is reflected in FESCO's emphasis on brand Jamaica. He believed in the vision of FESCO and was instrumental in the Company's early buildout of its human resources. Trevor was an astute business leader, family man and friend to many; he will be remembered for his entrepreneurial spirit, his love for sports, his compassion for others displayed through his many philanthropic endeavours and his deep and abiding Christian faith. Trevor's memory will be both honoured and cherished.

Financial Highlights:

For the quarter ended December 31, 2023, FESCO recorded Turnover/Revenues of J\$7,589.02 million which reflects a 13.0% or J\$875.65 million year over year increase. Several factors affect revenue/turnover with the supply price of fuel being a major component.

On average, this quarter's refinery prices have remained relatively flat for gasoline and have decreased significantly for diesel. Gasoline prices increased by between 0.75% and 1.9% or J\$1.35- J\$3.47 per litre and decreased by J\$33.38 – J\$34.04 for diesel relative to the similar period last year Q3 ending December 31, 2022.

Accordingly, FESCO's growth in Turnover for the quarter (Q3) ended December 2023, relative to Q3 December 2022, reflects significant growth in litres of fuel sold. Please refer tables below for details:

Petrojam Fuel Prices (Kingston)							
	Start of Q3	End of Q3	Q3 December 2023 Average Price	Start of Q3	End of Q3	Q3 December 2022 Average Price	Average Price Change Vs Previous Year
	October 1, 2023	December 31, 2023	J\$	October 1, 2022	December 31, 2022	J\$	change J\$
87	190.58	168.45	179.52	193.16	163.16	178.16	1.35
90	196.66	174.56	185.61	197.14	167.14	182.14	3.47
ADO	189.78	170.99	180.39	220.26	208.59	214.43	(34.04)
ULSD	197.34	179.68	188.51	227.25	216.52	221.88	(33.38)

FESCO has no control over the supply price of fuel and, instead, focuses more on quantity of fuel sold and gross profit.

	Unaudited	Unaudited	Unaudited	Unaudited					Audited
	3rd Quarter 3months	3rd Quarter 3months	YTD 3rd Quarter 9months	YTD 3rd Quarter 9months	Difference +/-	Growth %	Difference +/-	Growth %	12 months
	ended 31-Dec-23	ended 31-Dec-22	ended 31-Dec-23	ended 31-Dec-22	Q3 Dec 2023 vs Q3 Dec 2022 \$	Q3 Dec 2023 vs Q3 Dec 2022 %	YTD Q3 Dec 2023 vs YTD Q3 Dec 2022 \$	YTD Q3 Dec 2023 vs YTD Q3 Dec 2022 %	April 2022- March 2023 31-Mar-23
Turnover	7,589,018,838	6,713,364,582	21,354,320,804	20,141,288,848	875,654,256	13.0%	1,213,031,956	6.0%	26,282,165,790
Cost of sales	(7,165,805,514)	(6,472,969,184)	(20,212,596,427)	(19,494,641,136)	(692,836,330)	10.7%	(717,955,291)	3.7%	(25,394,347,783)
Gross profit	423,213,324	240,395,398	1,141,724,377	646,647,712	182,817,926	76.0%	495,076,665	76.6%	887,818,007
Other Income	-	-	-	-	-	-	-	-	3,732,315
Operating and administrative expenses &	(232,556,251)	(84,805,559)	(573,190,128)	(215,549,326)	(147,750,692)	174.2%	(357,640,802)	165.9%	(307,287,423)
Impairment losses on financial assets	-	-	-	-	-	-	-	-	(17,863,251)
Operating profit	190,657,073	155,589,839	568,534,249	431,098,386	35,067,234	22.5%	137,435,863	31.9%	566,399,648
Finance income, net	(41,408,470)	(2,271,875)	(102,580,673)	3,297,226	(39,136,595)	1722.7%	(105,877,899)	-3211.1%	8,115,292
Profit before taxation	149,248,603	153,317,964	465,953,576	434,395,612	(4,069,361)	-2.7%	31,557,964	7.3%	574,514,940
Taxation	-	-	-	-	-	-	-	-	(3,248,187)
Net profit for the period, being total comprehensive	149,248,603	153,317,964	465,953,576	434,395,612	(4,069,361)	-2.7%	31,557,964	7.3%	571,266,753
EBIT	190,657,073	155,589,839	568,534,249	431,098,386	35,067,234	22.5%	137,435,863	31.9%	566,399,648
Depreciation	(53,649,631)	(7,003,527)	(142,492,072)	(20,986,721)	(46,646,104)	666.0%	(121,505,351)	579.0%	(28,416,394)
Amortisation of Right of use	(3,844,709)	-	(6,285,271)	(548,321)	(3,844,709)	-	(5,736,950)	1046.3%	(548,321)
EBITDA	248,151,413	162,593,366	717,311,592	452,633,428	85,558,047	52.6%	264,678,164	58.5%	595,364,363
Shareholders' Equity	1,767,910,501	1,164,986,170	1,767,910,501	1,164,986,170	602,924,331	51.8%	602,924,331	51.8%	1,301,857,312
Non Current Assets	3,117,638,034	2,450,750,402	3,117,638,034	2,450,750,402	666,887,632	27.2%	666,887,632	27.2%	2,771,328,826
Current Assets	1,786,780,661	1,677,185,598	1,786,780,661	1,677,185,598	109,595,063	6.5%	109,595,063	6.5%	1,055,447,990
Current Liabilities	1,366,541,270	1,023,955,556	1,366,541,270	1,023,955,556	342,585,714	33.5%	342,585,714	33.5%	753,495,827
Net Current Assets	420,239,391	653,230,042	420,239,391	653,230,042	(232,990,651)	-35.7%	(232,990,651)	-35.7%	301,952,163
Current Ratio	1.31	1.64	1.31	1.64					1.40
Debt (Long Term)	1,623,096,200	1,937,726,850	1,623,096,200	1,937,726,850					1,771,423,677
Operating Expenses as a %	54.95%	35.28%	50.20%	33.33%					34.61%
Operating Expenses (excl. Depreciation) as a % of GP	42.27%	32.36%	37.72%	30.09%					31.41%
Debt/Equity (Static)	0.92	1.66	0.92	1.66					1.36

FESCO recorded gross profit of J\$423.21 million for the quarter which reflects growth of 76.0% or J\$182.82 million year over year. The Company's YTD Q3 2023/2024 gross profit of J\$1,141.72 surpasses the gross profits earned for the entire year ended March 2023 by 28.6% or J\$253.91 million and exceeds its YTD Q3 2022/2023 gross profits by J\$495.08 million. The improvement in gross profit reflects both increasing throughput (measured in litres of fuel sold) and diversification of product offerings (fuel types including LPG) and services (increased retail presence).

Operating Expenses of J\$232.56 million, for the period, is up J\$147.75 million versus the similar period last year or 174.2%. This expansion of expenses directly reflects the expanded:

1. Operating locations including the additions of: FESCO Kitson Town, FESGAS Bernard Lodge and FESGAS Naggo Head;
2. Asset base which includes significant LPG and service station assets;

3. Operational scope (which now includes increased retailing and manufacturing);
4. Early stage new business costs including but not limited to:
 - a. business acquisition;
 - b. property acquisition and development costs; and
 - c. business integration costs.

The Company is committed to and has expanded its Marketing and Advertising expenditure to create brand awareness for its "FESGAS" branded LPG products, among other initiatives. For the quarter, the Company's advertising expenditure was J\$14.06 million which is up 149.4% or J\$8.43 million compared to Q3 December 2022. The Company's Q3 (2023) YTD advertising expenditure of J\$42.92 million exceeds last year's Q3 (2022) YTD expenditure by J\$29.62 million.

Staff costs YTD of J\$184.66 million, which is up YTD \$J112.40 million from J\$72.26 million last year, reflects the expansion of our staff complement (up from 53 to 129) and is consistent and reflective of our expanded operations, operating locations and operating scope and remains relatively efficient as it is just 32.2% of overall expenditure (2023: 32.2% vs 2022: 33.5%) and just 16.2% of gross profit (2023: 16.2% vs 2022: 11.2%).

Other Expenses which includes but is not limited to expenses such as security, insurance, listing fees and trust services (JSE and JCSD), motor vehicle expenses, and irrecoverable GCT YTD of J\$119.88 million, which is up YTD \$J68.39 million from J\$51.50 million last year million, reflects the Company's expanded operations, growing asset base as well as one-off charges. Other Expenses YTD is 20.9% of overall expenditure (2023: 20.9% vs 2022: 23.9%), and is YTD 10.5% of gross profit (2023: 10.5% vs 2022: 8.0%).

The Company's LPG operation is capital intensive as it relates to its fixed asset requirements to establish and fulfil the business' services and operation. Accordingly, depreciation and interest expense will in the forming period, and the remainder of this financial year, outweigh its medium and long term "weight" relative to gross profit exemplified by depreciation YTD totalling J\$142.94 million and J\$53.65 million for the quarter versus J\$20.99 million for Q3 YTD December 2022 and J\$7.0 million for the quarter (Q3 December 2022). Similarly, interest expenses (net) YTD of J\$102.58 million has increased year over year by J\$105.88 million.

In summary, staff costs, bank charges, advertising, and asset based expenses including but not limited to depreciation, insurance, and security continue to be our main expense items. Our operations continue to be efficient, represented by our total operating expenses being approximately 50.2% of gross profit YTD. Notably, for this stage of our LPG business development, the Company's total operating expenses excluding depreciation is just 37.7% of gross profits YTD. The Company's expense profile is changing and will reflect its expanded and evolving scope of operations. The Company's expenditure and revenue targets are in line with its internal forecast and mix of established and early stage business expenses.

	Unaudited 3Months 3rd Quarter Ended December 2023			Unaudited 3Months 3rd Quarter Ended December 2022					Unaudited YTD 9 Months 3rd Quarter Ended December 2023	Unaudited YTD 9 Months 3rd Quarter Ended December 2022	
Gross Profits (GP)	423,213,324			240,395,398					1,141,724,377	646,647,712	
	3rd Quarter Ended December 2023	% of Total Exp	% of GP	3rd Quarter Ended December 2022	% of Total Exp	% of GP	+/- %	+/- \$	3rd Quarter Ended December 2023	3rd Quarter Ended December 2022	+/- \$
Expenses											
Accounting fees	-	0.0%	0.0%	1,588,000	1.9%	0.7%	-100.0%	(1,588,000)	640,000	2,549,000	(1,909,000)
Advertising and Promotion	14,064,909	6.0%	3.3%	5,638,557	6.6%	2.3%	149.4%	8,426,352	42,924,387	13,301,744	29,622,643
Audit fees	1,500,000	0.6%	0.4%	-	0.0%	0.0%		1,500,000	6,824,000	1,900,000	4,924,000
Bank Charges	7,339,656	3.2%	1.7%	5,832,184	6.9%	2.4%	25.8%	1,507,472	20,088,618	16,473,213	3,615,405
Depreciation	53,649,631	23.1%	12.7%	7,003,527	8.3%	2.9%	666.0%	46,646,104	142,492,072	20,986,721	121,505,351
Amortisation of Right of use asset	3,844,709	1.7%	0.9%	-	0.0%	0.0%		3,844,709	6,285,271	548,321	5,736,950
Director fees	-	0.0%	0.0%	930,000	1.1%	0.4%	-100.0%	(930,000)	8,205,000	2,785,000	5,420,000
Donation	3,263,230	1.4%	0.8%	1,044,534	1.2%	0.4%	212.4%	2,218,696	4,514,332	2,229,250	2,285,082
Office Expenses	2,635,859	1.1%	0.6%	4,482,790	5.3%	1.9%	-41.2%	(1,846,931)	6,121,429	8,245,347	(2,123,918)
Legal & Professional fees	1,330,000	0.6%	0.3%	262,900	0.3%	0.1%	405.9%	1,067,100	10,178,274	2,749,300	7,428,974
Repairs and Maintenance	2,716,834	1.2%	0.6%	5,379,006	6.3%	2.2%	-49.5%	(2,662,173)	6,545,076	11,885,850	(5,340,774)
Staff Costs	77,949,562	33.5%	18.4%	27,518,359	32.4%	11.4%	183.3%	50,431,203	184,659,336	72,259,218	112,400,118
Utilities	5,594,208	2.4%	1.3%	3,331,554	3.9%	1.4%	67.9%	2,262,654	13,832,034	8,141,253	5,690,781
Other Expenses	58,667,652	25.2%	13.9%	21,794,148	25.7%	9.1%	169.2%	36,873,504	119,880,298	51,495,109	68,385,189
Subtotal	232,556,249	100.0%	55.0%	84,805,559	100.0%	35.3%	174.2%	147,750,690	573,190,126	215,549,326	357,640,800
Total Expenses Excluding Depreciation	178,906,618		42.3%	77,802,032		32.4%	130.0%	101,104,586	430,698,054	194,562,605	236,135,449

For the quarter, FESCO recorded operating profit or EBIT of J\$190.66 million which reflects a 22.5% or J\$35.07 million, year over year increase. Earnings before interest, taxes, depreciation and amortisation EBITDA was J\$248.15 million up J\$85.56 million or 52.6% from J\$162.59 million earned in Q3 December 2022.

For the quarter (3 months), FESCO incurred finance costs (net) of J\$41.41 million which reflects interest costs related to its debt/bonds etc., net of interest income and foreign exchange gains.

For the quarter ended December 2023 profit after taxes of J\$149.25 million reflects a slight decline of 2.7% or J\$4.07 million, year over year. Year to date (YTD) December 2023 net profit of J\$465.95 million is up J\$31.56 million or 7.3% compared to J\$434.40 million for December 2022.

Book Value or Shareholders' Equity as at December 2023, has increased to sum J\$1.768 billion, up from J\$1.30 billion as at March 31, 2023 which reflects increased profitability and profit retention.

The Company remains significantly, and sufficiently liquid represented by its current ratio of 1.31 (December 31, 2023). As at December 31, 2023, the Company's Debt to Equity (D/E) (long term-static) is 0.92 versus 1.36 from March 31, 2023. The improved ratios (current ratio and D/E) reflect long term debt repayment of both principal and interest, and increased retained earnings (undistributed profits).

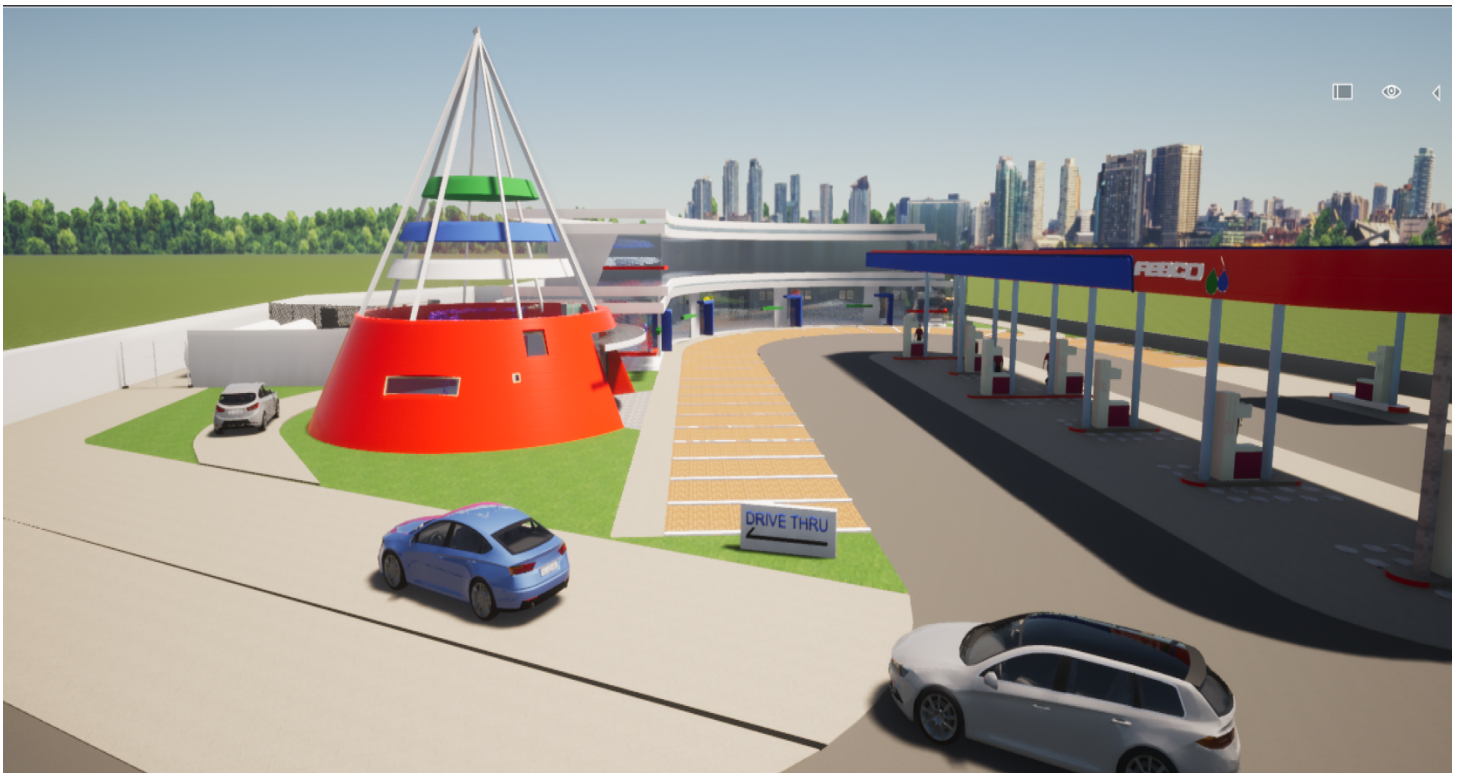


A look ahead

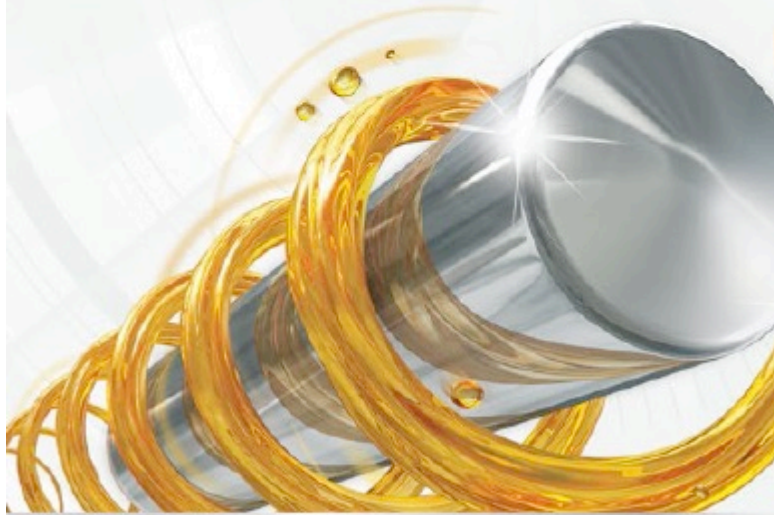
FESCO continues to monitor the moderating inflationary forces within the economy, the recent interest “freeze” by the central bank, the near full employment in many sectors of the economy, a resilient and expanding tourism product among other factors affecting consumer consumption as well as our allocation of investment capital. The Company must also navigate industry-related margin contractionary forces and consolidation within the industry. The Company remains mindful of opportunities for growth and further investment. Internal or self-funding via profit generation, profit retention, at this time, has proven to be the most efficient and cost effective source of capital to fund growth.

The Company recently received approval for its proposed service station on Spanish Town Road, FESCO Oval. FESCO Oval will be a company owned and company operated service station (COCO) and will increase our retail presence within the Kingston and St Andrew (KSA) region. The development promises to showcase the creativity, forward thinking, mindfulness, commitment to community and the immense potential of Jamaica and Jamaicans and we believe it exemplifies our tag line and motto, “Proudly Jamaican”. The development will take approximately fifteen (15) months to execute and we anticipate its opening during Q2 2025 (i.e. July 2025 – September 2025).

Finally, the Company will continue to make investments in real assets and equipment to support expanding its service station businesses and network, its industrial client base, and LPG business.



JAMAICA CHOOSES CASTROL



AUTHORIZED DISTRIBUTOR
FESCO



2. Top 10 Shareholders

	Shareholder	Number of Shares	% of Issued Shares
1	Trevor Barnes	351,712,348	14.0685%
2	Errol McGaw	349,531,982	13.9813%
3	Barita Investmnet Ltd - Long A/C	265,798,415	10.6319%
4	Trevor Heaven Holdings Ltd.	219,768,155	8.7907%
5	Tweedside Holdings	215,862,436	8.6345%
6	Junior Williams	134,738,750	5.3896%
7	Neville Allen	134,330,478	5.3732%
8	Jeremy Barnes	95,000,000	3.8000%
9	Anna Williams -Bacchus	75,211,154	3.0084%
10	Roy Davidson	66,250,000	2.6500%
		<u>1,908,203,718</u>	<u>76.3281%</u>

Issued Shares

2,500,000,000

3. Shareholdings of Directors and Senior Managers

Shareholdings of Directors, Officers & Connected Parties

DIRECTORS	Personal Shareholdings	Connected Parties' Shareholdings	Total	% of Issued Shares
Trevor Barnes	351,712,348	44,784,098	396,496,446	15.8599%
Jeremy Barnes	95,000,000	284,475	95,284,475	3.8114%
Harry Campbell	1,239,510	-	1,239,510	0.0496%
Hugh Coore	12,985,088	258,987,017	271,972,105	10.8789%
Gloria DeClou	270,000	-	270,000	0.0108%
Lyden Heaven	7,548,956	261,867,650	269,416,606	10.7767%
Vernon James	4,000,000	-	4,000,000	0.1600%
Errol McGaw	349,531,982	42,940,522	392,472,504	15.6989%
Eaton Parkins	39,569,544	11,867	39,581,411	1.5833%
Belinda Williams	250,000	-	250,000	0.0100%
Junior Williams	134,738,750	42,920,522	177,659,272	7.1064%
SENIOR MANAGERS				% of Issued Shares
Karen Jones	375,602	-	375,602	0.0150%
Omar Morgan	-	-	-	0.0000%
Rowena Nelson	378,063		378,063	0.0151%
Khalil Stephenson'			-	0.0000%
Kareem Gordon	13,428		13,428	0.0005%
Stefan Lynshue			-	0.0000%
Annette Lewis	8,299		8,299	0.0003%
Andre Royes	-	-	-	-
COMPANY SECRETARY				% of Issued Shares
Kayola Muirhead	-	808,069	808,069	0.0323%

Issued Shares 2,500,000,000

Combined Directors' Holdings	996,846,178	39.874%
Combined Connected Party Holdings	480,094,063	19.204%
Combined Holdings	1,476,940,241	59.078%

4. Unaudited Financial Statements

Future Energy Source Company Limited



3rd Quarter Results

For the Third (3rd) Quarter ended December 31, 2023 for the financial year
April 1, 2023 to March 31, 2024

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Statement of Financial Position

For the Third (3rd) Quarter ended December 31, 2023

FUTURE ENERGY SOURCE COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
FOR THIRD (3rd) QUARTER DECEMBER 31, 2023

	Unaudited 9 Months Ended 31-Dec-23 \$	Unaudited 9 Months Ended 31-Dec-22 \$	Audited 12 Months Ended 31-Mar-23 \$
ASSETS			
NON-CURRENT ASSETS:			
Property, Plant and Equipment	2,954,536,515	2,450,750,402	2,746,177,340
Right - of - use Assets	163,101,519	-	
Finance Lease	-	-	25,151,486
	<u>3,117,638,034</u>	<u>2,450,750,402</u>	<u>2,771,328,826</u>
CURRENT ASSETS			
Inventories	141,864,942	85,700,420	94,885,856
Prepayments & Receivables	1,090,189,643	933,612,586	660,259,672
Due from Related Parties	255,146,522	205,971,239	
Taxation Recoverable	-	-	6,821,387
Current portion Finance lease	-	-	5,602,595
Cash and Cash Equivalents	299,579,553	451,901,353	287,878,480
	<u>1,786,780,660</u>	<u>1,677,185,598</u>	<u>1,055,447,990</u>
TOTAL ASSETS	<u>4,904,418,694</u>	<u>4,127,936,000</u>	<u>3,826,776,816</u>
EQUITIES & LIABILITIES			
SHAREHOLDER' EQUITY			
Share Capital	228,327,973	228,327,973	228,327,973
Retained Earnings	1,539,582,528	936,658,197	1,073,529,339
TOTAL EQUITY	<u>1,767,910,501</u>	<u>1,164,986,170</u>	<u>1,301,857,312</u>
NON-CURRENT LIABILITIES			
Long term Loan	1,623,096,200	1,937,726,850	1,766,908,066
Lease Liabilities	142,355,112	-	
Due to Related Parties	-	-	
Deferred Tax Liabilities	4,515,611	1,267,424	4,515,611
	<u>1,769,966,923</u>	<u>1,938,994,274</u>	<u>1,771,423,677</u>
CURRENT LIABILITIES			
Payables and Accruals	1,098,955,030	996,056,452	510,442,376
Short term loans	-	-	
Current portion of Long term loan	267,586,240	25,331,898	243,053,451
Current portion of finance lease	-	-	
Taxation Payable	-	2,567,206	
	<u>1,366,541,270</u>	<u>1,023,955,556</u>	<u>753,495,827</u>
TOTAL EQUITY AND LIABILITIES	<u>4,904,418,694</u>	<u>4,127,936,000</u>	<u>3,826,776,816</u>

Approved for issue by the Board of Directors on February 13, 2024 and signed on its behalf by:


 Director
 Trevor Heaven


 Director
 Jeremy Barnes

Statement of Comprehensive Income

For the Third (3rd) Quarter ended December 31, 2023

FUTURE ENERGY SOURCE COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THIRD (3rd) QUARTER DECEMBER 31, 2023

	Unaudited 3 Months Ended 31-Dec-23 ₹	Unaudited 3 Months Ended 31-Dec-22 ₹	YTD Unaudited 9 Months Ended 31-Dec-23 ₹	YTD Unaudited 9 Months Ended 31-Dec-22 ₹	Audited 12 Months Ended 31-Mar-23 ₹
TURNOVER	7,589,018,838	6,713,364,582	21,354,320,804	20,141,288,848	26,282,165,790
COST OF SALES	(7,165,805,514)	(6,472,969,184)	(20,212,596,427)	(19,494,641,136)	-25,394,347,783
GROSS PROFIT	423,213,324	240,395,398	1,141,724,377	646,647,712	887,818,007
OTHER INCOME					3,732,315
OPERATING AND ADMINISTRATIVE EXPENSES	(232,556,251)	(84,805,559)	(573,190,128)	(215,549,326)	(307,287,423)
IMPAIRMENT LOSSES ON FINANCIAL ASSETS	-				(17,863,251)
	190,657,073	155,589,839	568,534,249	431,098,386	566,399,648
NET FINANCE INCOME/ (COSTS)	(41,408,470)	(2,271,875)	(102,580,673)	3,297,226	8,115,292
PROFIT BEFORE TAXATION	149,248,603	153,317,964	465,953,577	434,395,612	574,514,940
TAXATION	-				(3,248,187)
NET PROFIT	149,248,603	153,317,964	465,953,577	434,395,612	571,266,753
The weighted average stock units Issued	2,500,000,000	2,500,000,000	2,500,000,000	2,500,000,000	2,500,000,000
Earnings per Stock Unit attributable to Stockholders of the company	0.05970	0.06133	0.18638	0.17376	0.229

Statement of Changes in Equity

For the Third (3rd) Quarter ended December 31, 2023

FUTURE ENERGY SOURCE COMPANY LIMITED
STATEMENT OF EQUITY
FOR THIRD (3rd) QUARTER DECEMBER 31, 2023

	Number of stock units	Share Capital \$	Retained Earnings \$	Total \$
Balance at 1 April 2022	2,500,000,000	228,327,973	542,262,586	770,590,559
Dividend			(40,000,000)	(40,000,000)
Total Comprehensive Income		-	571,277,309	571,277,309
Balance as at 31 March 2023	2,500,000,000	228,327,973	1,073,539,895	1,301,867,868
Total Comprehensive Income	-	-	465,953,577	465,953,577
Balance as at 31 December 2023	2,500,000,000	228,327,973	1,539,493,472	1,767,821,445

Statement of Cash Flows

For the Third (3rd) Quarter ended December 31, 2023

FUTURE ENENERGY SOURCE COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THIRD (3rd) QUARTER DECEMBER 31, 2023

	Unaudited 9 Months Ended 31-Dec-23 \$	Unaudited 9 Months Ended 31-Dec-22 \$
CASH RESOURCES WERE PROVIDED BY/(USED IN)		
Cash Flows from operating Activities		
Profit before Taxation	465,953,577	434,395,612
Adjusting for:		
Depreciation	142,492,072	20,986,721
Amortisation on right of use assets	6,285,271	548,321
Foreign Exchange Losses	-	2,130,971
(Gain)/ Loss on disposal of Property, Plant and Equipment	1,299,072	(1,418,848)
Lease Interest Expense	5,434,675	15,650
Mortgage Interest Expense	12,589,942	12,882,463
Interest Expense/ Finance Costs	102,593,104	-
Interest Income	(15,370,623)	(18,326,311)
	721,277,090	451,214,579
Changes in operating assets and liabilities:		
Increase in Inventories	(46,979,086)	(36,671,926)
Increase in Receivables	(429,929,971)	(653,370,137)
Decrease in Tax Recoverable	6,821,387	3,037,656
Increase in payables	592,446,559	245,156,846
Due from Related Parties	(255,146,522)	(18,830,880)
Taxation Payable	(0)	(0)
Current portion - Finance Lease	5,602,595	7,476,571
Cash provided by operating activities	594,092,052	(1,987,291)
Income Tax Paid	-	-
Interest received	15,370,623	18,326,311
Interest paid	(120,617,722)	(12,898,113)
Net Cash used in operating activities	488,844,953	3,440,907
Cash from Investing Activities		
Purchase of property, plant and Equipment	(350,851,247)	(1,336,370,590)
Proceed from disposal of Property, Plant & Equipt	7,330,000	4,502,550
Unquoted Investment	-	-
Cash (used) Investing Activities	(343,521,247)	(1,331,868,040)
Cash flows fom Financing Activities		
Issue of shares	-	-
Dividend Paid	-	(40,000,000)
Long term loans, net	(2,069,832)	932,258,739
Short term loans net	-	(157,110,333)
Loan principal payments	(157,229,029)	(80,578,607)
Lease principal payments	(2,195,325)	-
Finance Lease Receivable net	25,151,486	(733,029)
Cash provided/(used) by financing activities	(136,342,700)	653,836,770
Net increase in cash and cash equivalent during the period	8,981,006	(674,590,363)
Effect of foreign exchange on cash and bank	2,720,069	(2,130,971)
Cash and cash equivalent at the beginning of the period	287,878,480	1,128,622,690
Cash and cash equivalent at the end of the period	299,579,553	451,901,354
Represented by:		
Cash and Cash Equivalents	299,579,553	451,901,354
	299,579,553	451,901,354

Notes to the Financial Statements

Expenses:

	3rd Quarter Ended December 2023	3rd Quarter Ended December 2022	3rd Quarter Ended December 2023	3rd Quarter Ended December 2022
<u>Expenses</u>				
Accounting fees	-	1,588,000	640,000	2,549,000
Advertising and Promotion	14,064,909	5,638,557	42,924,387	13,301,744
Audit fees	1,500,000	-	6,824,000	1,900,000
Bank Charges	7,339,656	5,832,184	20,088,618	16,473,213
Depreciation	53,649,631	7,003,527	142,492,072	20,986,721
Amortisation of Right of use asset	3,844,709	-	6,285,271	548,321
Director fees	-	930,000	8,205,000	2,785,000
Donation	3,263,230	1,044,534	4,514,332	2,229,250
Office Expenses	2,635,859	4,482,790	6,121,429	8,245,347
Legal & Professional fees	1,330,000	262,900	10,178,274	2,749,300
Repairs and Maintenance	2,716,834	5,379,006	6,545,076	11,885,850
Staff Costs	77,949,562	27,518,359	184,659,336	72,259,218
Utilities	5,594,208	3,331,554	13,832,034	8,141,253
Other Expenses	58,667,652	21,794,148	119,880,298	51,495,109
Subtotal	232,556,249	84,805,559	573,190,126	215,549,326