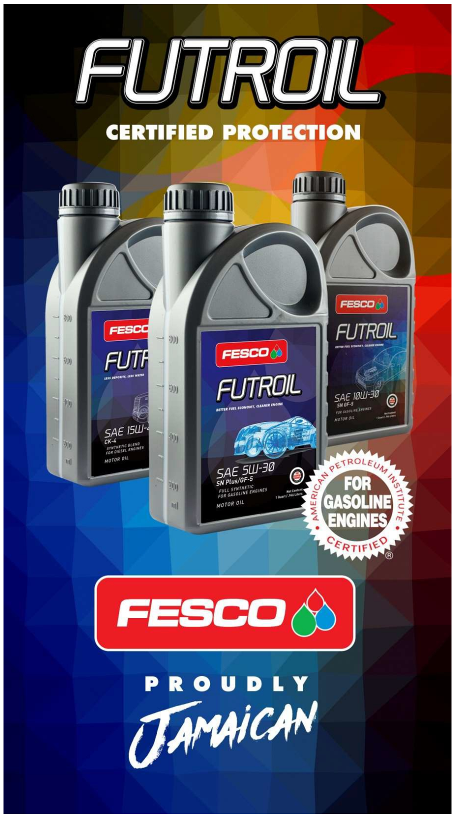
Future Energy Source Company Limited

Quarterly Report June 2026

FOR THE YEAR 2026/2027

Q1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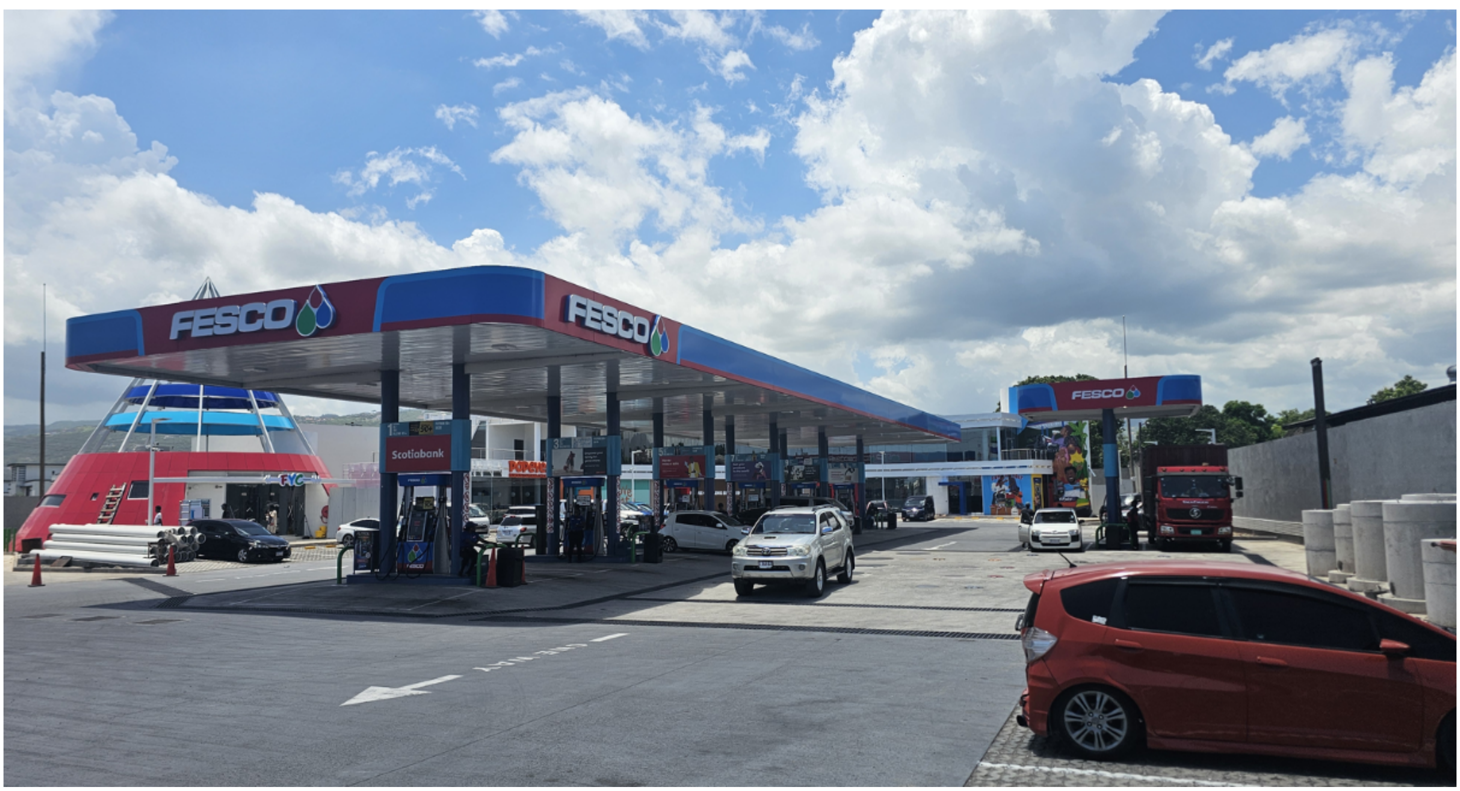
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To improve shareholder service and ensure the timely and secure delivery of dividend payments, in partnership with our Registrar and Paying Agent, Jamaica Central Securities Depository Limited (JCSD), we are transitioning from dividend cheque payments to direct deposits to shareholders' bank accounts.

- **Faster access to funds:** Dividends are credited directly to your bank account on the payment date
- **Enhanced security:** Eliminates the risk of lost, stolen, misplaced or fraudulent cheque transactions
- **Greater convenience:** No need to visit a financial institution to deposit dividend cheques
- **Improved payment tracking:** Funds can be easily verified through your bank statements and account records
- **Environmentally friendly:** Reduces paper usage

Submit your direct deposit instructions before the next Dividend Payment either:

1. electronically through the JCSD Client Portal. Shareholders may access the portal and complete the required registration by visiting: jcsdportal.jamstockex.com;

OR

2. using the JCSD's Investor Instruction form which is available on Future Energy's website fescoja.com or the Jamaica Stock Exchange's website jamstockex.com and submit to their stockbroker or directly to the JCSD.

If you have any questions, please contact our Registrar, the JCSD at 1(876)967-3271 or email jcsdrs@jamstockex.com.

1. Performance Snapshot

- **Turnover** reached a new quarter's peak of **J$10.2 Billion**, an increase of 41.4% compared with the J$7.2 Billion achieved in Q1 June 2025.
- **Gross Profit** expanded by 27.6% to **J$552.6 Million**.
- **Gross Profit Margin** compressed to **5.41%** a decrease from 6.59% achieved for FY 2026 *(audited 12 months*).
- **Operating Expense Ratio:** remained efficient at **57.09%** versus 61.51% for the similar period last year (Q1 June 2025)and versus **57.39%** for the financial year ended March 31, 2026 *(audited 12 months*).
- **EBITDA for the Quarter** grew by 29.3% to **J$305.4 Million**, up from J$236.2 Million achieved in Q1 June 2025.
- **Profit before Taxation (PBT) for the Quarter** grew by 20.2%, reaching **J$167.5 Million**, up by J$28.2 Million in the prior fiscal period Q1 June 2025.
- **Net Profit for the Quarter** grew by 5.2%, reaching **J$146.6 Million**, up from J$139.4 Million in the prior fiscal period Q1 June 2025.
- **Corporate Taxes for the Quarter** up from J$0 to **J$20.9 Million.**

2. Report to Ordinary Shareholders

Directors' Statement

The Board of Directors of Future Energy Source Company Limited ("Future Energy" or the "Company") takes pleasure in presenting the Company's unaudited first (1st) quarter financial statements as at June 30, 2026, for the financial year April 1, 2026, to March 31, 2027.

Management Discussion and Analysis (MD&A)

Managing Director's Report

The first quarter of the financial year ending March 2027 marked a strong start for the Company, as it delivered record revenues, continued earnings growth, strengthened its asset base, and advanced several strategic expansion initiatives, despite experiencing significant fuel margin compression across the retail petroleum sector. The performance achieved during the quarter demonstrates operational discipline, growth through increased sales volumes, network expansion and prudent capital allocation.

Operating Environment

The quarter's operating environment featured elevated fuel supply costs, persistent inflationary pressures, higher financing costs, and competitive downstream market conditions. Since February 2026, the petroleum retail sector has been experiencing sustained pressure on fuel margins, resulting in reduced per-litre profitability across several fuel categories. Despite these challenges, Future Energy successfully leveraged its expanding retail network, and operational efficiencies to deliver improved profitability and cash generation.

The Company stayed true to its strategic focus to grow fuel throughput, expand the FESCO™ service station network, invest in LPG and industrial infrastructure, and strengthen organizational capabilities to support future growth.

	Unaudited	Unaudited	Audited	3 Months	3 Months
	1st Quarter	1st Quarter	Full Year		
	3months	3months	*12 months*	*Growth %*	*Difference +/-*
	ended	ended	*ended*	*Quarter ended June 2026 vs Quarter ended June 2025*	*Quarter ended June 2026 vs Quarter ended June 2025*
	30-Jun-26	30-Jun-25	31-Mar-26	%	$
Turnover	10,213,274,904	7,225,430,108	32,566,866,514	*41.4%*	2,987,844,796
Gross profit	552,607,228	432,981,632	2,144,877,964	*27.6%*	119,625,596
Gross Profit Margin	5.41%	5.99%	6.59%	*-0.6%*	
Operating profit	230,531,327	168,739,614	901,132,404	*36.6%*	61,791,713
Finance (expense)/income, net	(63,002,036)	(29,366,376)	(178,930,412)	*114.5%*	(33,635,660)
Profit before taxation	167,529,291	139,373,238	722,201,992	*20.2%*	28,156,053
Taxation	(20,941,161)	-	(55,392,323)		(20,941,161)
Net profit for the period	146,588,130	139,373,238	666,809,669	*5.2%*	7,214,892
Total Comprehensive Income	146,588,130	139,373,238	666,809,669	*5.2%*	7,214,892
EBIT	230,531,327	168,739,614	901,132,404	*36.6%*	61,791,713
EBITDA	305,380,127	236,221,253	1,186,672,455	*29.3%*	69,158,874
Shareholders' Equity	3,462,795,491	2,858,770,930	3,316,207,361	*21.1%*	604,024,561
Non Current Assets	4,896,630,975	4,570,138,685	4,767,682,792	*7.1%*	326,492,290
Current Assets	1,935,654,333	1,417,317,421	1,493,868,228	*36.6%*	518,336,912
Current Liabilities	1,311,865,548	1,120,111,767	1,358,469,063	*17.1%*	191,753,781
Net Current Assets	623,788,784	297,205,654	135,399,165	*109.9%*	326,583,130
Current Ratio	1.48	1.27	1.10		
Debt (Long Term)	1,761,744,918	1,748,071,426	1,311,199,361	*0.8%*	13,673,492
Overdraft & Other Short Borrowings	367,896,191		225,393,451		
CPLTD	295,067,496	273,000,000	632,969,530	*8.1%*	22,067,496
Operating Expenses as a % of GP	57.09%	61.51%	57.39%		
Operating Expenses (excl. Depreciation)as a % of GP	44.99%	47.74%	45.56%		
Debt/Equity (Static)	0.70	0.71	0.65		

Financial Performance Review

Revenue Growth

Revenue for the quarter increased significantly to **J$10.21 billion**, representing growth of **41.4%** compared with **J$7.23 billion** in the corresponding period of the prior financial year. This increase of approximately **J$2.99 billion** reflects higher fuel pricing and continued growth in fuel volumes sold across the Company's network. Revenue growth demonstrates Future Energy's continued ability to expand market penetration and capture increased customer demand despite a highly competitive operating environment.

Future Energy has no control over the supply price of fuel; instead the Company focuses on quantity of fuel sold and gross profit.

Please refer price table below:

Petrojam Fuel Prices (Kingston)							
	Start of Q1	End of Q1	Q1 June 2026 Average Price	Start of Q1	End of Q1	Q1 June 2026 Average Price	Average Price Change Vs Previous Year
	April 1, 2026	June 30, 2026	J$	April 1, 2025	June 30, 2025	J$	change J$
87	167.88	193.13	180.51	152.64	160.86	156.75	23.76
90	175.33	200.58	187.95	160.66	168.01	164.33	23.62
ADO	180.25	201.25	190.75	156.58	166.21	161.40	29.36
ULSD	187.10	217.54	202.32	164.94	172.21	168.57	33.75

Gross Profit

Gross profit increased by **27.6%** to **J$552.6 million**, compared with **J$433.0 million** in the prior-year quarter. While gross profit expanded meaningfully, gross profit margin declined to **5.41%**, compared with **5.99%** in the corresponding prior period and **6.59%** for fiscal year 2025/26. This reflects the impact of industry-wide margin compression resulting from higher fuel supply costs and changing market dynamics.

Notwithstanding the margin pressures, the Company's focus on increasing fuel throughput and expanding its asset base enabled gross profit growth that materially exceeded the increase in operating expenses.

Operating Profit and EBITDA

Operating profit (EBIT) rose to **J$230.5 million**, an increase of **36.6%** over the prior-year's quarter. EBITDA increased by **29.3%** to **J$305.4 million**, reflecting improved operating leverage and disciplined expense management despite continued investment in growth initiatives.

The growth in EBITDA is particularly noteworthy because it was achieved while the Company:

- Continued development of management and operational personnel;
- Expanded company-operated service station operations with the addition of FESCO Oval at 459 Spanish Town Road, Kingston 11;
- Increased investment in LPG infrastructure and service station assets;
- Advanced several dealer-operated service station development projects.

Net Finance Costs

Net finance costs increased to **J$63.0 million** from **J$29.4 million** in the prior year, reflecting higher borrowing levels associated with strategic capital investments, bond refinancing and network expansion activities. Long-term debt increased from **J$1.31 billion** at March 2026 to **J$1.76 billion** at June 2026, which was matched with a concomitant reduction in CPLTD (current portion of long-term debt), as a new bond was issued in June 2026, in part, to refinance the $1 Billion bond that had a balloon payment due March 2027.

Management is focused on balancing debt utilization with shareholder returns while maintaining a prudent capital structure.

Profit Before Tax and Net Profit

Profit before taxation reached **J$167.5 million**, representing growth of **20.2%** compared with the prior-year's quarter. Net profit increased to **J$146.6 million**, up **5.2%** year-over-year despite the introduction of a **J$20.9 million corporate income tax charge** during the quarter.

The Company having been listed on the Junior Market of the Jamaica Stock Exchange for more than five (5) years no longer benefits from 100% corporate income tax exemption, which has an impact on the growth of net earnings. However, the ability to increase net profit while absorbing taxation charges illustrates the strength of the underlying business and the effectiveness of its growth strategy.

Earnings per share increased to **J$0.0586** compared with **J$0.0557** quarter on quarter.

Expense Management and Operating Efficiency

Operating and administrative expenses increased by **18.5%** to **J$315.5 million**. The increase was primarily attributable to:

- Expansion of company-operated locations;
- Increased staff complement and management capacity;
- Higher security and insurance costs associated with a larger asset base;
- Increased depreciation resulting from infrastructure expansion; and
- Continued investment in operational standardization and integration initiatives.

Importantly, expense growth remained below gross profit growth, resulting in improved operating efficiency. The operating expense ratio improved to **57.1% of gross profit**, compared with **61.5%** in the prior-year quarter. Excluding depreciation, operating expenses represented only **45.0% of gross profit**, an improvement from **47.7%** in the prior-year period.

Staff costs of **J$115.9 million** remain the largest expense category and reflect the Company's deliberate investment in human capital to support growth. Nevertheless, staff costs remain efficient at approximately **21.0% of gross profit**, broadly consistent with historical levels.

	Unaudited 3 Months 1st Quarter Ended June 2026			Unaudited 3 Months 1st Quarter Ended June 2025			Audited 12Months Year ended March 31, 2026			Growth Q1 2026 vs Q1 2025 (%)	Growth Q1 2026 vs Q1 2025 ($)
Gross Profits (GP)	552,607,228			432,981,632			2,144,877,964				
<u>Expenses</u>	1st Quarter Ended June 2026	% of Total Exp	% of GP	1st Quarter Ended June 2025	% of Total Exp	% of GP	Year Ended March 2026	% of Total Exp	% of GP	Growth Q1 2026 vs Q1 2025 (%)	Growth Q1 2026 vs Q1 2025 ($)
Advertising and Promotion	6,113,475	1.9%	1.1%	6,335,240	2.4%	1.5%	31,969,693	2.6%	1.5%	-3.5%	(221,766)
Audit fees	2,627,625	0.8%	0.5%	2,495,625	0.9%	0.6%	9,550,000	0.8%	0.4%	5.3%	132,000
Bank Charges	10,890,534	3.5%	2.0%	6,962,469	2.6%	1.6%	38,843,611	3.2%	1.8%	56.4%	3,928,065
Depreciation	66,874,081	21.2%	12.1%	59,605,767	22.4%	13.8%	253,641,175	20.6%	11.8%	12.2%	7,268,314
Amortisation of Right of use asset	7,974,719	2.5%	1.4%	7,875,872	3.0%	1.8%	31,898,876	2.6%	1.5%	1.3%	98,847
Director fees	2,252,500	0.7%	0.4%	2,642,500	1.0%	0.6%	9,550,000	0.8%	0.4%	-14.8%	(390,000)
Donation	545,500	0.2%	0.1%	6,160,138	2.3%	1.4%	21,178,058	1.7%	1.0%	-91.1%	(5,614,638)
Office Expenses	2,489,522	0.8%	0.5%	2,981,159	1.1%	0.7%	49,224,324	4.0%	2.3%	-16.5%	(491,636)
Legal & Professional fees	10,640,113	3.4%	1.9%	7,702,141	2.9%	1.8%	59,297,644	4.8%	2.8%	38.1%	2,937,972
Loss on Disposal of PPE	-	0.0%	0.0%	-	0.0%	0.0%	1,979,242	0.2%	0.1%		-
Motor Vehicle Expenses	14,453,721	4.6%	2.6%	15,678,881	5.9%	3.6%	58,313,510	4.7%	2.7%	-7.8%	(1,225,161)
Insurance	9,845,892	3.1%	1.8%	6,876,109	2.6%	1.6%	28,581,198	2.3%	1.3%	43.2%	2,969,783
Repairs and Maintenance	3,358,272	1.1%	0.6%	3,290,281	1.2%	0.8%	14,787,308	1.2%	0.7%	2.1%	67,992
Security	23,408,654	7.4%	4.2%	17,269,129	6.5%	4.0%	90,173,534	7.3%	4.2%	35.6%	6,139,525
Staff Costs	115,908,260	36.7%	21.0%	90,059,029	33.8%	20.8%	455,805,160	37.0%	21.3%	28.7%	25,849,231
Utilities	8,369,189	2.7%	1.5%	10,259,209	3.9%	2.4%	41,279,791	3.4%	1.9%	-18.4%	(1,890,020)
Other Expenses	29,731,270	9.4%	5.4%	20,126,320	7.6%	4.6%	34,782,615	2.8%	1.6%	47.7%	9,604,950
Subtotal	**315,483,325**	100.0%	**57.1%**	**266,319,868**	100.0%	**61.5%**	**1,230,855,739**	100.0%	**57.4%**	**18.5%**	**49,163,457**
Impairment Losses	12,000,000		2.2%	3,098,319		0.7%	37,098,319		1.7%	287.3%	8,901,681
Total Expenses	**327,483,325**		**59.3%**	**269,418,188**		**62.2%**	**1,267,954,058**		**59.1%**	**21.6%**	**58,065,138**
Total Expenses Excluding Depreciation	**248,609,245**		**45.0%**	**206,714,102**		**47.7%**	**977,214,564**		**45.6%**	**20.3%**	**41,895,143**

Financial Position and Liquidity

Asset Growth

Total assets increased to **J$6.83 billion**, representing growth of approximately **9.1%** compared with March 31, 2026. Property, plant and equipment increased to **J$4.58 billion**, reflecting continued investment in service stations, LPG infrastructure, and other growth-supporting assets.

Current assets increased significantly to **J$1.94 billion**, driven by growth in receivables, inventories, and cash balances, reflecting the higher level of business activity.

Shareholders' Equity

Shareholders' equity increased to **J$3.46 billion**, compared with **J$3.32 billion** at March 31, 2026. Growth was driven primarily by retained earnings generated during the quarter and reflects the Company's continued capacity to create shareholder value through profitable operations.

Liquidity

The Company's liquidity position strengthened materially during the quarter.

Key indicators include:

- Net current assets of **J$623.8 million** compared with **J$135.4 million** at March 2026.
- Current ratio of **1.48 times**, compared with **1.10 times** at fiscal year-end.
- Cash and cash equivalents increased to **J$455.8 million**.

These metrics demonstrate that Future Energy remains well-positioned to meet its obligations while supporting ongoing strategic investments.

Cash Flow Performance

Operating activities generated **J$152.4 million** in net cash during the quarter despite increases in working capital requirements associated with higher levels of sales activity.

The Company invested approximately **J$176.8 million** in property, plant and equipment. These investments align with management's strategy of expanding retail, LPG, and commercial infrastructure capabilities.

Financing activities generated approximately **J$106.9 million**, largely reflecting additional long-term borrowings used to support strategic growth investments.

Strategic Progress

During the quarter, management made meaningful progress on several strategic initiatives, including:

- Commencement of operations of FYC™ Express Convenience Store at FESCO Oval – Spanish Town Road.
- Expansion of LPG storage, dispensing, and industrial asset infrastructure.
- Advancement of dealer-operated service station developments at Runaway Bay and Cinnamon Hill locations and the start of operations at FESCO Sheffield.
- Continued strengthening of management resources, organizational capability, and ongoing investment in operational efficiency.
- Delivery of community support programmes.

These initiatives are expected to contribute to future revenue growth, improved market coverage, enhanced shareholder value and positive community impact.

Outlook

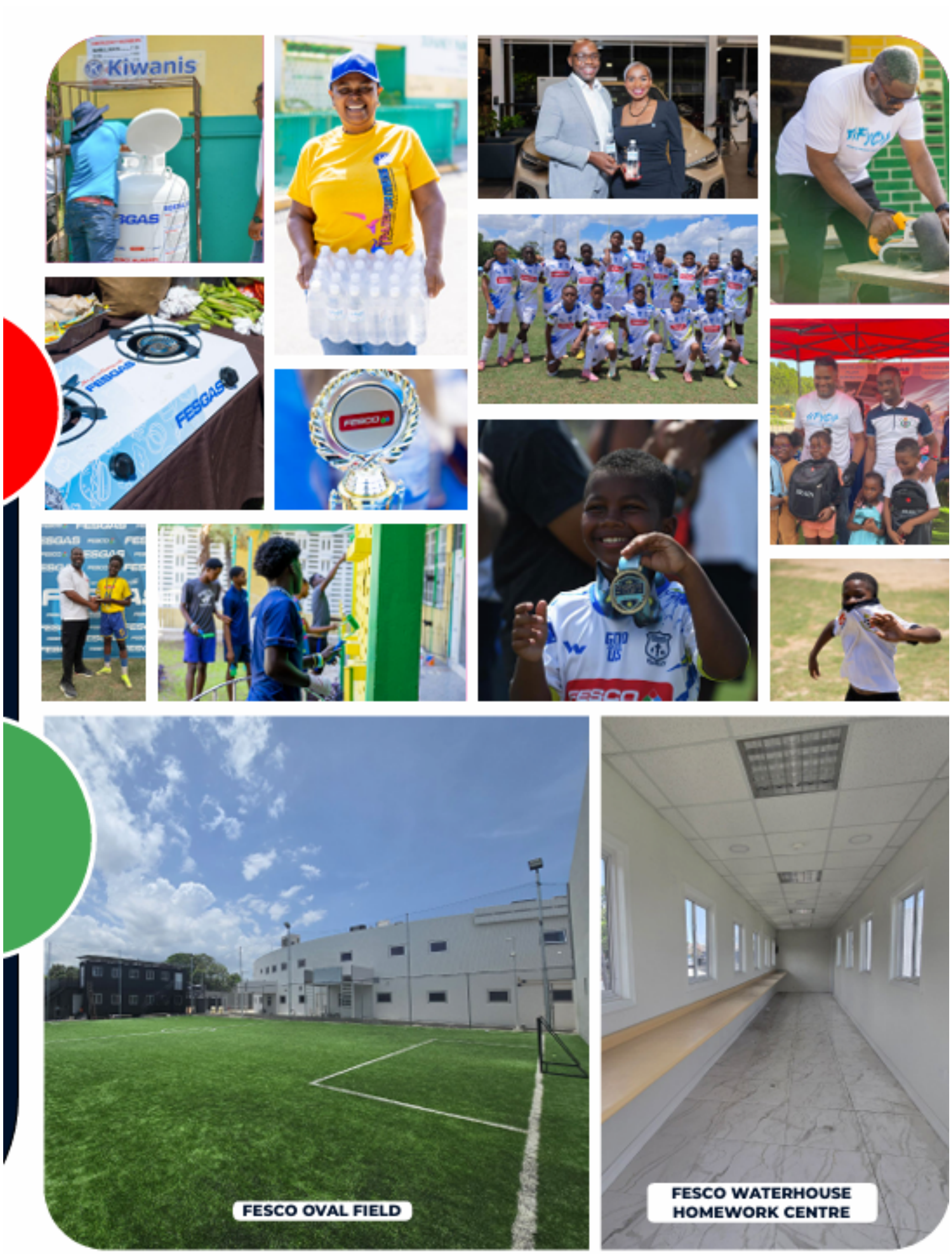
Looking ahead to the second quarter and the remainder of the 2026/27 financial year, management remains cautiously optimistic. While interest rates, inflation, and geopolitical uncertainties continue to present risks, Future Energy's expanding network, disciplined operating model, strong liquidity position, and targeted capital investment programme, position the Company for continued growth.

The Company expects additional dealer-operated locations to commence operations during the financial year and intends to continue investing selectively in strategic assets that strengthen its retail, commercial, and LPG businesses.

Barring major economic disruptions, adverse regulatory developments, or natural disasters, management anticipates continued year-over-year growth in profitability and shareholder value through the remainder of the financial year.

Conclusion

Future Energy's first-quarter performance reflects the strength of its business model, effective execution of its growth strategy, and commitment to operational excellence. Record revenues, double-digit growth in EBITDA and operating profit, a stronger balance sheet, and continued investment in strategic infrastructure reinforce management's confidence in the Company's long-term prospects. We remain focused on sustainable growth, disciplined capital allocation, and delivery of superior value to shareholders, customers, employees, and the communities we serve.


Kiwanis
FESGAS
FESGAS
FESCO OVAL FIELD
FESCO WATERHOUSE
HOMEWORK CENTRE

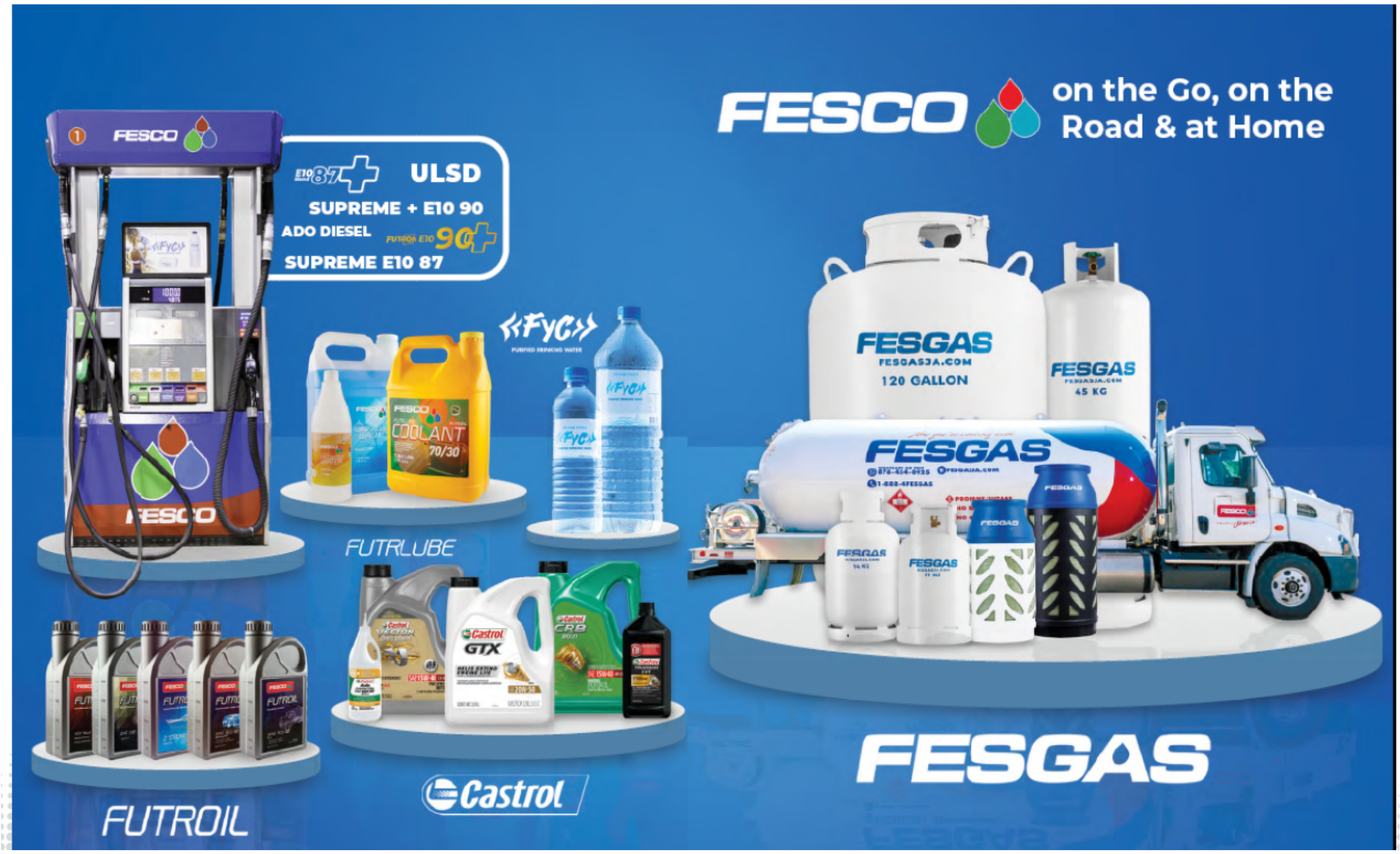
3. Top 10 Shareholders

	Shareholder	Number of Shares	% of Issued Shares
1	Errol McGaw	351,756,658	14.0703%
2	Trevor Barnes & Arva Barnes	351,712,348	14.0685%
3	Barita Investment Ltd - Long A/C	290,339,790	11.6136%
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	134,645,561	5.3858%
8	Jeremy Barnes	92,995,856	3.7198%
9	Anna Williams -Bacchus	63,305,028	2.5322%
10	Roy Davidson	57,100,000	2.2840%
		1,912,224,582	76.4890%

Issued Shares	2,500,000,000

4. Shareholdings of Directors and Senior Managers

DIRECTORS	Personal Shareholdings	Connected Parties' Shareholdings	Total	% of Issued Shares
Jeremy Barnes	92,995,856	284,475	93,280,331	3.7312%
Harry Campbell	1,239,510	-	1,239,510	0.0496%
Hugh Coore	39,355,606	244,639,443	283,995,049	11.3598%
Gloria DeClou	270,000	-	270,000	0.0108%
Lyden Heaven	10,094,770	248,954,642	259,049,412	10.3620%
Vernon James	100,000	-	100,000	0.0040%
Errol McGaw	351,756,658	29,525,558	381,282,216	15.2513%
Eaton Parkins	13,603,038	11,867	13,614,905	0.5446%
Belinda Williams	250,000	-	250,000	0.0100%
Junior Williams	134,738,750	28,419,139	163,157,889	6.5263%
COMPANY SECRETARY				**% of Issued Shares**
Kayola Muirhead	-	808,069	808,069	0.0323%
SENIOR MANAGERS				**% of Issued Shares**
Rowena Nelson	378,063		378,063	0.0151%
Kareem Gordon	13,428		13,428	0.0005%
Stefan Lynshue			-	0.0000%
Annette Lewis	8,299		8,299	0.0003%
Leneito Chambers	-		-	0.0000%
Howard Coxe	-		-	0.0000%
Rose Allen	-		-	0.0000%
Stefan Ebanks	-		-	0.0000%
Kevin Faulkner	-		-	0.0000%
Renee Cole	-		-	0.0000%
Jodi-Ann Baillie	-		-	0.0000%


FESCO on the Go, on the Road & at Home
ULSD
SUPREME + E10 90
ADO DIESEL
SUPREME E10 87
FYC
FUTRLUBE
FESGAS
120 GALLON
FUTROIL
Castrol
FESGAS

5. Unaudited Financial Statements

Future Energy Source Company Limited

1st Quarter Results

For the three (3) months ending June 30, 2026

Of the financial year

April 1, 2026 to March 31, 2027

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Statement of Financial Position

For the 1st Quarter ended June 2026 for the Financial Year April 2026 - March 31, 2027

FUTURE ENERGY SOURCE COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
FOR FIRST (1ST) QUARTER JUNE 30, 2026

	Unaudited 3 Months Ended 30-Jun-26	Unaudited 3 Months Ended 30-Jun-25	Audited 12 Months Ended 31-Mar-26
ASSETS	$	$	$
NON-CURRENT ASSETS:			
Property, Plant and Equipment	4,577,712,473	4,272,924,553	4,467,747,528
Right - of - use Assets	148,138,750	180,136,475	156,113,472
Investment Security	87,505,050	28,005,050	68,005,050
Finance Lease	83,274,702	89,072,607	75,816,742
	4,896,630,975	4,570,138,685	4,767,682,792
CURRENT ASSETS			
Inventories	359,109,198	284,996,299	239,940,592
Trade and other receivables	1,120,713,552	847,215,914	980,717,124
Due from Related Parties	-	-	
Taxation Recoverable	-	-	6,460,445
Current portion Finance lease	-	-	9,230,352
Cash and Cash Equivalents	455,831,583	285,105,208	257,519,715
	1,935,654,333	1,417,317,421	1,493,868,228
TOTAL ASSETS	**6,832,285,307**	**5,987,456,105**	**6,261,551,020**
EQUITIES & LIABILITIES			
SHAREHOLDER' EQUITY			
Share Capital	228,327,973	228,327,973	228,327,973
Revaluation Reserve	545,173,455	545,173,455	545,173,455
Retained Earnings	2,689,294,063	2,085,269,501	2,542,705,933
TOTAL EQUITY	3,462,795,491	2,858,770,930	3,316,207,361
NON-CURRENT LIABILITIES			
Long term Loan	1,761,744,918	1,748,071,426	1,311,199,361
Lease Liabilities	186,541,078	206,556,033	166,336,963
Due to Related Parties	-	-	
Deferred Tax Liabilities	109,338,272	53,945,949	109,338,272
	2,057,624,268	2,008,573,408	1,586,874,596
CURRENT LIABILITIES			
Payables and Accruals	628,140,700	845,384,375	473,392,956
Short term loans	21,029,784	-	21,162,836
Current portion of Long term loan	295,067,496	273,000,000	632,969,530
Current portion of lease liability	-	-	26,713,126
Taxation Payable	20,941,161		-
Bank Overdraft	346,686,407	1,727,392	**204,230,615**
	1,311,865,548	1,120,111,767	1,358,469,063
TOTAL EQUITY AND LIABILITIES	**6,832,285,307**	**5,987,456,105**	**6,261,551,020**

Approved for issue by the Board of Directors on August 13, 2026 and signed on its behalf by:

Director
Trevor Heaven

Director
Jeremy Barnes

Statement of Comprehensive Income

For the 1st Quarter ended June 2026 for the Financial Year April 2026 - March 31, 2027

FUTURE ENERGY SOURCE COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR FIRST (1ST) QUARTER JUNE 30, 2026

	Unaudited 3 Months Ended 30-Jun-26 $	Unaudited 3 Months Ended 30-Jun-25 $	YTD Unaudited 3 Months Ended 30-Jun-26 $	Audited 12 Months Ended 31-Mar-26 $
TURNOVER	**10,213,274,904**	**7,225,430,108**	**10,213,274,904**	**32,566,866,514**
COST OF SALES	(9,660,667,675)	(6,792,448,476)	(9,660,667,675)	(30,421,988,550)
GROSS PROFIT	552,607,228	432,981,632	552,607,228	2,144,877,964
OTHER INCOME	5,407,424	5,176,170	5,407,424	24,208,498
OPERATING AND ADMINISTRATIVE EXPENSES	**(315,483,325)**	**(266,319,868)**	**(315,483,325)**	**(1,230,855,739)**
IMPAIRMENT LOSSES ON FINANCIAL ASSETS	(12,000,000)	(3,098,319)	(12,000,000)	(37,098,319)
	230,531,327	168,739,614	230,531,327	901,132,404
NET FINANCE INCOME/ (COSTS)	(63,002,036)	(29,366,376)	(63,002,036)	(178,930,412)
PROFIT BEFORE TAXATION	**167,529,291**	**139,373,238**	**167,529,291**	**722,201,992**
TAXATION	**(20,941,161)**	**-**	**(20,941,161)**	(55,392,323)
NET PROFIT	**146,588,130**	**139,373,238**	**146,588,130**	666,809,669
The weighted average stock units Issued	**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	**0.0586**	**0.0557**	**0.0586**	**0.2667**

Statement of Changes in Equity

For the 1st Quarter ended June 2026 for the Financial Year April 2026 - March 31, 2027

FUTURE ENERGY SOURCE COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR FIRST (1ST) QUARTER JUNE 30, 2026

	Number of stock units	Share Capital	Revaluation Reserve	Retained Earnings	Total
		$	$	$	$
Balance as at April 1, 2025	2,500,000,000	228,327,973	545,173,455	1,945,896,264	2,719,397,692
Year to date Net Profit			-	139,373,238	139,373,238
Balance as at 30 June 2025	**2,500,000,000**	**228,327,973**	**545,173,455**	**2,085,269,502**	**2,858,770,930**
Balance as at April 1, 2026	2,500,000,000	228,327,973	545,173,455	2,542,705,933	3,316,207,361
Net Profit for the Quarter	-	-		146,588,130	146,588,130
Balance as at 30 June 2026	**2,500,000,000**	**228,327,973**	**545,173,455**	**2,689,294,063**	**3,462,795,491**

Statement of Cash Flows

For the 1st Quarter ended June 2026 for the Financial Year April 2026 - March 31, 2027

FUTURE ENEGERGY SOURCE COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR FIRST (1ST) QUARTER JUNE 30, 2026

	Unaudited 3 Months Ended 30-Jun-26	Unaudited 3 Months Ended 30-Jun-25	Audited 12 Months Ended 31-Mar-26
CASH RESOURCES WERE PROVIDED BY/(USED IN)	$	$	$
Cash Flows from operating Activates			
Profit before Taxation	167,529,291	139,373,238	722,201,992
Adjusting for:			
Depreciation	66,874,081	59,605,767	253,641,175
Amortisation on right of use assets	7,974,719	7,875,872	31,898,876
Impairment losses on financial assets	12,000,000	3,098,319	37,098,319
Property, plant and equipment transferred to inventories and right Of use assets	-	-	(22,269,868)
Foreign Exchange (Gain)/Losses	(49,916.3)	1,101,923.4	2,784,179
Lease Interest Expense	3,850,353	4,115,817	15,809,590
(Gain)/ Loss on disposal of Property, Plant and Equipment	-		1,979,242
Interest Expense	62,440,509	27,333,274	171,908,061
Interest Income	(3,238,910)	(3,184,638)	(11,571,418)
	317,380,127	239,319,572	1,203,480,148
Changes in operating assets and liabilities:			
(Increase)/ Decrease in Inventories	(119,168,606)	(36,077,926)	8,977,781
(Increase)/ Decrease in Receivables	(151,996,428)	(76,854,131)	(247,631,752)
(Increase)/ Decrease in Tax Recoverable	6,460,445	10,249,531	-
Increase/ (Decrease) in payables	154,747,744	87,257,279	(284,719,448)
Current portion - Finance Lease	9,230,352	6,242,698	
Restricted cash and cash equivalent	(1,152,783)	(8,219,912)	(18,175,664)
Cash provided by operating activities	215,500,851	221,917,111	661,931,065
Income Tax Paid	-	-	3,789,086
Interest received	3,238,910	3,184,638	11,749,510
Interest paid	(66,290,862)	(31,053,052)	(187,732,343)
Net Cash used in operating activities	152,448,899	194,048,697	489,737,318
Cash from Investing Activities			
Purchase of property, plant and Equipment	(176,839,023)	(322,730,226)	(701,597,088)
Proceed from disposal of Property, Plant & Equip	-	-	10,299,104
Purchase of investment in security	(19,500,000)	-	(40,000,000)
Finance lease Receivable (net)	(7,457,960)	(4,925,677)	5,342,534
Cash (used) Investing Activities	(203,796,983)	(327,655,902)	(725,955,450)
Cash flows from Financing Activities			
Dividend Paid	-	-	(70,000,000)
Long term loans, net	112,643,523	152,615,063	85,454,796
Short term loans net	(133,052)	-	21,162,836
Lease principal payments	(5,609,011)	(5,066,482)	(18,572,426)
Cash provided/(used) by financing activities	106,901,460	147,548,581	18,045,206
Net increase in cash and cash equivalent during the period	55,553,376	13,941,376	(218,172,926)
Effect of foreign exchange on cash and bank	(850,083)	-5,990,840	(2,784,179)
Cash and cash equivalent at the beginning of the period	(94,402,082)	126,555,023	126,555,023
Cash and cash equivalent at the end of the period	**(39,698,789)**	**134,505,559**	**(94,402,082)**
Represented by:			
Cash and Cash Equivalents ***	306,987,618	136,232,952	109,828,533
Bank Overdraft	(346,686,407)	(1,727,392)	(204,230,615)
	(39,698,789)	**134,505,559**	**(94,402,082)**

*** For the purposes of the statement of cash flows, cash and cash equivalents comprise the following:

	2027	2026
Total cash	455,831,583	257,519,715
Restricted cash	(148,843,965)	(147,691,182)
	306,987,618	109,828,533

Notes to the Financial Statements

Expenses:

	QTD Unaudited 3 Months Ended 30-Jun-26 $	Unaudited 3 Months Ended 30-Jun-25 $	YTD Audited 12 Months Ended 31-Mar-26 $
ADMINISTRATIVE AND OTHER EXPENSES			
Advertising and Promotion	6,113,475	6,335,240	31,969,693
Audit fees	2,627,625	2,495,625	9,550,000
Bank Charges	10,890,534	6,962,469	38,843,611
Depreciation	66,874,081	59,605,767	253,641,175
Amortisation of Right of use asset	7,974,719	7,875,872	31,898,876
Director fees	2,252,500	2,642,500	9,550,000
Donation	545,500	6,160,138	21,178,058
Office Expenses	2,489,522	2,981,159	49,224,324
Legal & Professional fees	10,640,113	7,702,141	59,297,644
Loss on Disposal of property plant equipmen	-	-	1,979,242
Motor Vehicle Expenses	14,453,721	15,678,881	58,313,510
Insurance	9,845,892	6,876,109	28,581,198
Repairs and Maintenance	3,358,272	3,290,281	14,787,308
Security	23,408,654	17,269,129	90,173,534
Staff Costs	115,908,260	90,059,029	455,805,160
Utilities	8,369,189	10,259,209	41,279,791
Other Expenses	29,731,270	20,126,320	34,782,615
	315,483,325	266,319,868	1,230,855,739