Future Energy Source Company Limited

Quarterly Report
September 2026

FOR THE YEAR 2026/2027

Q2



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PROUDLY
GOOD FOOD
BEGINS HERE
PROUDLY
FESCO
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Fuelled by
RESILIENCE
FESCO
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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

The second quarter and first half of FY2026/27 delivered another period of strong growth for Future Energy Source Company Limited ("Future Energy" or "the Company"), driven by increased fuel throughput, continued network expansion, disciplined cost management and strategic investment execution.

Key Highlights

- Turnover increased to **J$11.15 billion** for the quarter, representing growth of **33.0%** over Q2 September 2025.
- Half-year turnover reached **J$21.37 billion**, an increase of **36.8%** year-over-year.
- Gross Profit increased by **21.2%** for the quarter to **J$680.0 million**.
- Half-year Gross Profit increased by **24.0%** to **J$1.233 billion**.
- EBITDA increased by **24.2%** for the quarter to **J$394.2 million**.
- Half-year EBITDA increased by **25.0%** to **J$692.2 million**.
- Operating Profit (EBIT) increased by **26.7%** for the quarter and **30.7%** year-to-date.
- Profit Before Tax increased by **19.6%** for the quarter and **19.9%** year-to-date.
- Net Profit increased by **4.7%** for the quarter and **4.9%** year-to-date, despite the introduction of corporate taxation, increased interest expense and greater provisioning for expected credit losses (ECL).
- Shareholders' Equity increased to **J$3.68 billion**, representing growth of **20.0%** over the prior year.
- Current Ratio strengthened to **1.74 times**, compared with **1.10 times** at March 2026.
- Net Current Assets improved substantially to **J$757.3 million**, compared with **J$135.4 million** at March 2026.

2. Report to Ordinary Shareholders

Directors' Statement

The Board of Directors of Future Energy Source Company Limited is pleased to present the Company's unaudited financial statements for the six-month period ended September 30, 2026.

The Company continued its strong growth trajectory during the period, delivering record half-year revenues, improved operating profitability, strengthened liquidity and continued expansion of its retail, commercial and LPG business segments.

The results demonstrate the resilience of the Company's business model and management's continued commitment to disciplined execution, operational excellence and creation of long-term shareholder value.

Management Discussion and Analysis (MD&A)

Managing Director's Report

Executive Overview

Future Energy's performance in the second quarter and first half of the 2026/27 financial year represents another significant growth milestone.

Despite ongoing fuel margin compression, elevated global fuel supply prices and interest rates, inflationary pressures and increased taxation, the Company delivered record half-year revenues of **J$21.37 billion**, EBITDA of **J$692.2 million**, and net profit of **J$362.0 million**.

Growth was achieved through:

- increased fuel volumes sold across the FESCO network;
- additional company-operated and dealer-operated locations;
- continued expansion of LPG and commercial operations;
- effective cost controls and operational efficiency initiatives; and
- strategic investments in infrastructure and management capabilities.

The Company remains focused on long-term value creation through disciplined expansion, asset growth and operational excellence.

Operating Environment

The downstream petroleum market remained intensely competitive throughout the quarter ended September 2026, with industry participants continuing to operate in a challenging and volatile environment. Market conditions were characterized by persistent pressure on profitability, higher operating costs, and continued uncertainty within global energy markets.

Key challenges affecting the sector during the period included:

- continued compression of retail fuel margins that limit the ability of marketers to offset increases in operating costs;
- elevated international petroleum product prices, resulting in higher inventory carrying costs and increased working capital requirements;
- sustained increases in borrowing costs, which negatively impacted financing expenses across the industry;
- ongoing inflationary pressures on labour, insurance, utilities, security, and other operating expenditures and
- continued geopolitical tensions and supply chain uncertainties, contributing to volatility in global energy markets and fuel pricing.

During the quarter, average product supply prices from the Petrojam refinery remained significantly above prior-year levels, reflecting the continued impact of higher global crude oil and refined product prices.

We reiterate that Future Energy's financial performance is not primarily driven by fluctuations in fuel supply prices, over which the Company has limited influence. Instead, management is focused on the factors within its control, namely growing fuel throughput volumes, optimizing operational efficiency, expanding non-fuel revenue streams, maintaining disciplined cost management, and maximizing gross profit generation. These initiatives continue to underpin the Company's strategy for delivering sustainable earnings growth and long-term shareholder value despite ongoing market volatility.

Management believes that Future Energy's integrated operating model, expanding retail network, and disciplined focus on operational execution, position the Company to effectively navigate the current market environment while capitalizing on opportunities for continued growth and market share expansion.

Petrojam Fuel Prices (Kingston)							
	Start of Q2	**End of Q2**	**Q2 Sep 2026 Average Price**	**Start of Q2**	**End of Q2**	**Q2 Sep 2025 Average Price**	**Average Price Change Vs Previous Year**
	July 1, 2026	**Sep 30, 2026**	**J$**	**July 1, 2025**	**September 30, 2025**	**J$**	**change J$**
87	193.13	212.68	202.91	160.86	158.81	159.84	43.07
90	200.58	220.39	210.48	168.01	165.83	166.92	43.57
ADO	201.25	249.38	225.32	166.21	167.47	166.84	58.47
ULSD	217.54	268.59	243.06	172.21	173.74	172.97	70.09

Revenue Growth

Quarterly revenue grew to **J$11.15 billion**, representing year-over-year growth of **33.0%** compared with **J$8.39 billion** achieved during the corresponding period in 2025.

For the six-month period, turnover increased to **J$21.37 billion**, representing growth of **36.8%** or approximately **J$5.75 billion** over the prior year period.

The increase reflects:

- higher fuel supply prices;
- increased fuel volumes;
- growth in the FESCO station network; and
- expansion of LPG and commercial sales activities.

Management remains encouraged by the Company's ability to continue generating substantial topline growth despite increasingly competitive market conditions.

Gross Profit

Gross profit for the quarter increased to **J$680.0 million**, representing a strong **21.2% year-over-year increase** compared with Q2 September 2025. For the six-month period ended September 2026, gross profit reached **J$1.233 billion**, an increase of **24.0%** over the corresponding prior-year period. This performance reflects the continued expansion of the Company's retail network, higher fuel sales volumes, and the benefits of increased throughput across all channels.

Despite this strong growth in absolute gross profit, **gross profit margins continued to experience compression**, which reflects challenging market conditions and ongoing pressure on the economics of the fuel industry.

Period	Gross Profit Margin
Q2 September 2026	6.10%
Q2 September 2025	6.69%
Half Year September 2026	5.77%
Half Year September 2025	6.37%
FY2025/26	6.59%

The reduction in gross profit margins is primarily attributable to **industry-wide declines in retail fuel margins**, heightened competition within the downstream petroleum sector, and increased acquisition and logistics costs throughout the fuel supply chain. Additionally, fluctuations in international petroleum pricing and market pricing dynamics continued to place pressure on per-litre profitability across the sector.

Notwithstanding these margin challenges, the Company has successfully leveraged its expanding network and growing market presence to drive higher volumes across its operations. Increased fuel throughput, new station additions, and stronger sales activity have more than compensated for lower unit margins, enabling Future Energy to generate significant growth in gross profit dollars. This demonstrates the resilience and scalability of the Company's business model and underscores management's strategic focus on network expansion, operational efficiency, and market share growth, as key drivers of long-term value creation.

The Company's ability to consistently increase absolute gross profit amid a compressed margin environment highlights the strength of its operations and its capacity to deliver sustainable earnings growth through volume expansion and disciplined execution.

	Unaudited	Unaudited	Unaudited	Unaudited	Audited	3 Months	3 Months	6 Months (YTD)	6 Months (YTD)
	2nd Quarter	2nd Quarter	2nd Quarter	2nd Quarter	Full Year				
	3months	3months	6 months YTD	6 months YTD	12 months	Growth %	Difference +/-	Growth %	Difference +/-
	ended	ended	ended	ended	ended	Quarter ended Sep 2026 vs Quarter ended Sep 2025	Quarter ended Sep 2026 vs Quarter ended Sep 2025	Half Year ended Sep 2026 vs Half Year ended Sep 2025	Half Year ended Sep 2026 vs Half Year ended Sep 2025
	30-Sept-26	30-Sept-25	30-Sept-26	30-Sept-25	31-Mar-26	%	$	%	$
Turnover	11,151,938,664	8,387,249,679	21,365,213,568	15,612,679,787	32,566,866,514	33.0%	2,764,688,986	36.8%	5,752,533,781
Gross profit	680,024,756	560,979,275	1,232,631,985	993,960,907	2,144,877,964	21.2%	119,045,481	24.0%	238,671,077
Gross Profit Margin	6.10%	6.69%	5.77%	6.37%	6.59%	-0.6%			
Operating profit	315,450,274	249,037,124	545,981,601	417,776,738	901,132,404	26.7%	66,413,151	30.7%	128,204,864
Finance (expense)/income, net	(69,214,025)	(43,216,339)	(132,216,061)	(72,582,715)	(178,930,412)	60.2%	(25,997,686)	82.2%	(59,633,346)
Profit before taxation	246,236,249	205,820,784	413,765,541	345,194,023	722,201,992	19.6%	40,415,465	19.9%	68,571,518
Taxation	(30,779,531)	-	(51,720,693)	-	(55,392,323)		(30,779,531)		(51,720,693)
Net profit for the period	215,456,718	205,820,784	362,044,848	345,194,023	666,809,669	4.7%	9,635,934	4.9%	16,850,825
Total Comprehensive Income	215,456,718	205,820,784	362,044,848	345,194,023	666,809,669	4.7%	9,635,934	4.9%	16,850,825
EBIT	315,450,274	249,037,124	545,981,601	417,776,738	901,132,404	26.7%	66,413,151	30.7%	128,204,864
Depreciation	(70,739,013)	(60,493,122)	(130,344,780)	(120,098,889)	(253,641,175)	16.9%	(10,245,891)	8.5%	(10,245,891)
Amortisation of Right of use asset	(7,974,719)	(7,921,339)	(15,850,591)	(15,797,211)	(31,898,876)	0.7%	(53,380)	0.3%	(53,380)
EBITDA	394,164,006	317,451,585	692,176,973	553,672,838	1,186,672,455	24.2%	76,712,422	25.0%	138,504,135
Shareholders' Equity	3,678,252,210	3,064,591,714	3,678,252,210	3,064,591,714	3,316,207,361	20.0%	613,660,496	20.0%	613,660,496
Non Current Assets	5,147,838,179	4,637,282,947	5,147,838,179	4,637,282,947	4,767,682,792	11.0%	510,555,232	11.0%	510,555,232
Current Assets	1,775,896,996	1,353,000,670	1,775,896,996	1,353,000,670	1,493,868,228	31.3%	422,896,326	31.3%	422,896,326
Current Liabilities	1,018,607,271	901,510,768	1,018,607,271	901,510,768	1,358,469,063	13.0%	117,096,503	13.0%	117,096,503
Net Current Assets	757,289,725	451,489,902	757,289,725	451,489,902	135,399,165	67.7%	305,799,823	67.7%	305,799,823
Current Ratio	1.74	1.50	1.74	1.50	1.10				
Debt (Long Term)	1,936,798,493	1,768,972,003	1,936,798,493	1,768,972,003	1,311,199,361	9.5%	167,826,490	9.5%	167,826,490
Overdraft & Other Short Borrowings	361,761,258				225,393,451				
CPLTD	177,208,756	273,000,000	177,208,756	273,000,000	632,969,530	-35.1%	(95,791,244)	-35.1%	(95,791,244)
Operating Expenses as a % of GP	54.71%	55.96%	55.78%	58.38%	57.39%				
Operating Expenses (excl. Depreciation)as a % of GP	44.30%	45.18%	45.20%	46.29%	45.56%				
Debt/Equity (Static)	0.67	0.67	0.57	0.67	0.65				

Operating Profit and EBITDA

Future Energy continued to deliver strong operational earnings growth during the quarter, reflecting the benefits of its expanding retail network, improving operating efficiencies, and disciplined cost management.

Operating Profit (EBIT) increased by **26.7%** to **J$315.5 million** for the quarter ended September 2026, compared to **J$249.0 million** in the corresponding quarter of the previous year. This performance was driven by continued growth in fuel and non-fuel revenues, and sustained focus on operating execution across the Company's various operations.

For the six-month period, EBIT increased by **30.7%** to **J$546.0 million**, compared to **J$417.8 million** in the prior-year period. The improvement demonstrates the Company's ability to convert revenue growth into enhanced profitability while continuing to invest in strategic initiatives that support long-term expansion.

EBITDA performance remained particularly strong, highlighting the underlying cash-generating strength of the business:

Metric	Q2 Sept 2026	Q2 Sept 2025	Growth
EBITDA	J$394.2M	J$317.5M	24.2%

Year-to-date EBITDA increased to **J$692.2 million**, representing growth of **25.0%** over the comparable period in 2025. This sustained level of earnings growth reflects the resilience of the Company's operating model and its ability to scale profitably while executing key strategic priorities.

Notably, this EBITDA growth was achieved while the Company continued to invest significantly in initiatives designed to strengthen future earnings capacity and enhance long-term shareholder value. During the period, Future Energy:

- Continued the expansion of its retail service station network, increasing market presence and geographic coverage.
- Advanced investments in LPG storage, handling and distribution infrastructure to support growth in the Company's LPG business segment.
- Enhanced employee engagement and development programmes aimed at strengthening organizational culture, retention and productivity.
- Expanded management and operational capabilities to support a larger and more complex business footprint.
- Provided support for dealer-operated service station development projects, facilitating network growth and brand expansion.
- Continued investment in technology, operational systems, internal controls and business processes to improve efficiency, scalability and governance.

The combination of strong earnings growth and continued strategic investment demonstrates the Company's ability to simultaneously deliver short-term profitability while positioning the business for sustained long-term growth. Management remains focused on leveraging these investments to drive operational excellence, improve customer experience, and expand earnings across all business segments in future periods.

Finance Costs

Net finance costs increased to **J$69.2 million** during the quarter compared with **J$43.2 million** in the corresponding period of the prior year. For the half-year period, finance costs increased to **J$132.2 million**, compared with **J$72.6 million** in the prior year.

The increase primarily reflects:

- Increased utilization of growth and working capital facilities.
- Strategic debt funding associated with infrastructure investment.
- Refinancing activities undertaken during the previous quarter; **Bond #2 J$700.0** million redemption at **7.5%** and Bond #3 **J$600.0 million** issue at **9.5%.**

Management continues to focus on maintaining an appropriate balance between growth financing, liquidity and shareholder returns.

Profit Before Taxation and Net Profit

Profit Before Tax ("PBT") for the quarter increased significantly by **19.6%** to **J$246.2 million**, reflecting the continued strength of the Company's operating performance, disciplined cost management, and sustained growth across its expanding retail and commercial operations. For the six-month period, PBT reached **J$413.8 million**, representing a robust **19.9%** increase over the corresponding period in the prior year and demonstrating the Company's ability to deliver consistent earnings growth despite a highly competitive operating environment.

Net Profit for the quarter increased to **J$215.5 million**, compared with **J$205.8 million** in the corresponding quarter of 2025. For the six-month period, Net Profit advanced by **4.9%** to **J$362.0 million**, reflecting continued profitability growth while absorbing several strategic and non-operational costs that were not present at the same level in prior periods.

The comparatively lower growth rate in net earnings relative to operating profit was primarily attributable to:

- the commencement of corporate income taxation following the expiration of applicable tax incentives;
- higher finance costs associated with investments to support the Company's ongoing expansion strategy;
- continued strengthening of management, operational, safety, and administrative infrastructure to support a larger and more complex business platform; and
- increased provisioning for Expected Credit Losses (ECL) in accordance with prudent credit risk management practices and evolving accounting requirements.

Notwithstanding these headwinds, the Company's earnings performance remains particularly noteworthy. During the first half of the financial year, Future Energy successfully generated higher profitability while absorbing approximately **J$51.7 million** in corporate income taxes and **J$20.0 million** in ECL provisions. Excluding the impact of these items, underlying earnings growth would have been substantially stronger, underscoring the resilience of the Company's core business model and the effectiveness of its growth strategy.

The continued expansion in profitability, despite increased taxation, higher financing costs, and enhanced provisioning levels, demonstrates the scalability of the Company's operations, the strength of its retail network, and management's ability to convert growing revenues into sustainable shareholder value. These

results position the Company well to capitalize on future growth opportunities while maintaining a strong financial foundation and prudent risk management framework.

Expense Management and Operating Efficiency

Management remains highly focused on disciplined cost management.

Total operating expenses increased in line with the Company's expansion strategy but remained below the rate of gross profit growth.

Key observations include:

- Operating expenses represented **55.8% of gross profit**, compared with **58.4%** in the prior-year period.
- Operating expenses excluding depreciation represented **44.6% of gross profit**, compared with **46.3%** in the prior-year period.
- Staff costs increased to **J$258.9 million**, reflecting strategic investments in human capital and operational capability.
- Staff costs remain well controlled at approximately **21.0% of gross profit**, consistent with management targets.

Areas driving expense growth included:

- additional staffing requirements;
- security and monitoring costs associated with a larger asset base;
- insurance expenses;
- depreciation resulting from new infrastructure investments; and
- ongoing investments in compliance, operational systems and governance.

The continued improvement in operating efficiency demonstrates the scalability of the Company's operating model.

	Unaudited 3 Months 2nd Quarter Ended Sep 2026			Unaudited 3 Months 2nd Quarter Ended Sep 2025			Unaudited Half Year (6 Months) 2nd Quarter Ended Sep 2026			Unaudited alf Year (6 Months) 2nd Quarter Ended Sep 2025			Audited 12Months Year ended March 31, 2026		
Gross Profits (GP)	680,024,756			560,979,275			1,232,631,985			993,960,907			2,144,877,964		
Expenses	2nd Quarter Ended Sep 2026	% of Total Exp	% of GP	2nd Quarter Ended Sep 2025	% of Total Exp	% of GP	Half Year Ended Sep 2026	% of Total Exp	% of GP	Half Year Ended Sep 2025	% of Total Exp	% of GP	Year Ended March 2026	% of Total Exp	% of GP
Advertising and Promotion	15,573,221	4.2%	2.3%	13,396,643	4.3%	2.4%	21,686,695	3.2%	1.8%	19,731,883	3.4%	2.0%	31,969,693	2.6%	1.5%
Audit fees	2,495,625	0.7%	0.4%	2,495,625	0.8%	0.4%	5,123,250	0.7%	0.4%	4,991,250	0.9%	0.5%	9,550,000	0.8%	0.4%
Bank Charges	12,157,778	3.3%	1.8%	8,654,671	2.8%	1.5%	23,048,312	3.4%	1.9%	15,617,140	2.7%	1.6%	38,843,611	3.2%	1.8%
Depreciation	70,739,013	19.0%	10.4%	60,493,122	19.3%	10.8%	137,613,094	20.0%	11.2%	120,098,889	20.7%	12.1%	253,641,175	20.6%	11.8%
Amortisation of Right of use asset	7,974,719	2.1%	1.2%	7,921,339	2.5%	1.4%	15,949,438	2.3%	1.3%	15,797,211	2.7%	1.6%	31,898,876	2.6%	1.5%
Director fees	3,670,000	1.0%	0.5%	2,252,500	0.7%	0.4%	5,922,500	0.9%	0.5%	4,895,000	0.8%	0.5%	9,550,000	0.8%	0.4%
Donation	2,443,517	0.7%	0.4%	9,254,041	2.9%	1.6%	2,989,017	0.4%	0.2%	15,414,179	2.7%	1.6%	21,178,058	1.7%	1.0%
Office Expenses	3,747,665	1.0%	0.6%	2,122,824	0.7%	0.4%	6,237,187	0.9%	0.5%	5,103,982	0.9%	0.5%	49,224,324	4.0%	2.3%
Legal & Professional fees	11,601,850	3.1%	1.7%	9,973,156	3.2%	1.8%	22,241,962	3.2%	1.8%	17,675,296	3.0%	1.8%	59,297,644	4.8%	2.8%
Loss on Disposal of PPE	206	0.0%	0.0%		0.0%	0.0%	206	0.0%	0.0%		0.0%	0.0%	1,979,242	0.2%	0.1%
Motor Vehicle Expenses	16,016,689	4.3%	2.4%	14,313,139	4.6%	2.6%	30,470,409	4.4%	2.5%	29,992,020	5.2%	3.0%	58,313,510	4.7%	2.7%
Insurance	6,830,740	1.8%	1.0%	5,769,863	1.8%	1.0%	16,676,632	2.4%	1.4%	12,645,972	2.2%	1.3%	28,581,198	2.3%	1.3%
Repairs and Maintenance	6,321,784	1.7%	0.9%	3,262,132	1.0%	0.6%	9,680,056	1.4%	0.8%	6,552,413	1.1%	0.7%	14,787,308	1.2%	0.7%
Security	25,480,759	6.8%	3.7%	24,244,411	7.7%	4.3%	48,889,413	7.1%	4.0%	41,513,540	7.2%	4.2%	90,173,534	7.3%	4.2%
Staff Costs	142,985,706	38.4%	21.0%	113,209,331	36.1%	20.2%	258,893,966	37.7%	21.0%	203,268,360	35.0%	20.5%	455,805,160	37.0%	21.3%
Utilities	11,505,308	3.1%	1.7%	9,179,678	2.9%	1.6%	19,874,496	2.9%	1.6%	19,438,887	3.4%	2.0%	41,279,791	3.4%	1.9%
Other Expenses	32,473,042	8.7%	4.8%	27,383,101	8.7%	4.9%	62,204,312	9.0%	5.0%	47,509,421	8.2%	4.8%	34,782,615	2.8%	1.6%
Subtotal	**372,017,620**	100.0%	**54.7%**	**313,925,575**	100.0%	**56.0%**	**687,500,945**	100.0%	**55.8%**	**580,245,443**	100.0%	**58.4%**	**1,230,855,739**	100.0%	**57.4%**
Impairment Losses	8,000,000		1.2%	3,098,319		0.6%	20,000,000		1.6%	6,098,319		0.6%	37,098,319		1.7%
Total Expenses	**380,017,620**		**55.9%**	**317,023,894**		**56.5%**	**707,500,945**		**57.4%**	**586,343,763**		**59.0%**	**1,267,954,058**		**59.1%**
Total Expenses Excluding Depreciation	**301,278,607**		**44.3%**	**253,432,453**		**45.2%**	**549,887,852**		**44.6%**	**460,146,554**		**46.3%**	**977,214,564**		**45.6%**

Financial Position and Liquidity

Asset Growth

The Company's asset base continued to strengthen during the period. Total assets increased to approximately **J$6.92 billion**, consisting of:

- Non-current assets of **J$5.15 billion**

- Current assets of **J$1.78 billion**

Property, plant and equipment growth continues to reflect investment in:

- Service station development;
- LPG infrastructure;
- Commercial distribution assets;
- Convenience retail initiatives; and
- Expansion-supporting infrastructure.

Shareholders' Equity

Shareholders' Equity increased to **J$3.68 billion**, representing year-over-year growth of **20.0%**.

Growth was driven primarily by retained earnings generated through profitable operations and demonstrates the Company's continued ability to create sustainable shareholder value.

Liquidity

Liquidity strengthened considerably during the first half of the financial year.

Key indicators include:

Metric	Sept 2026	Mar 2026
Net Current Assets	J$757.3M	J$135.4M
Current Ratio	1.74x	1.10x

The substantial improvement reflects effective working capital management, improved cash generation and prudent financing strategies.

Management believes the Company remains well-positioned to support future growth initiatives while maintaining a healthy liquidity profile.

Strategic Progress

During the first half of FY2026/27, management continued advancing several strategic initiatives designed to strengthen Future Energy's long-term competitive position.

Notable achievements include:

- Continued expansion of the FESCO retail network.
- Successful operation and development of FYC™ Express convenience retail offerings.

- Growth in LPG storage, distribution and industrial customer capabilities.
- Continued development of and investments in dealer-operated service station opportunities.
- Strengthening of management and operational leadership resources.
- Ongoing investment in operational excellence, safety and compliance systems.
- Continued support of community and stakeholder engagement programmes.

These initiatives are expected to contribute positively to future revenue growth, profitability and shareholder value creation.

Outlook

Management remains cautiously optimistic regarding the balance of the 2026/27 financial year.

While elevated global fuel supply prices, margin compression, inflation, interest rates and global geopolitical developments continue to create uncertainty, several factors support confidence in the Company's future performance:

- A growing network of company-operated and dealer-operated service stations;
- Continued growth opportunities within LPG and commercial fuel markets;
- Improved liquidity and financial flexibility;
- A strengthened asset base;
- Expanding management capacity; and
- Proven execution capability.

During the first week of November 2026, FESCO Runaway Bay (Belle Aire), the twenty-fifth (25th) FESCO-branded retail service station, commenced operations as a Dealer-Owned, Dealer-Operated (DODO) location.

We warmly welcome and invite our valued stakeholders, customers, and community members to support and patronize the station. We extend our sincere appreciation to the dealer, and station team for their commitment, professionalism, and dedication to delivering exceptional customer service.

We also acknowledge and commend the collective efforts of the construction, fabrication and installation, branding, training, and administrative teams, together with our contractors and project management personnel, whose professionalism, collaboration, and commitment were instrumental in the successful execution and commissioning of this project. Their contributions continue to support Future Energy's growth and commitment to providing accessible, high-quality fuel retail services across Jamaica.

Finaly, management expects additional station openings and strategic infrastructure developments during the remainder of the financial year and believes the Company remains well-positioned for continued growth in revenue, earnings and shareholder value.

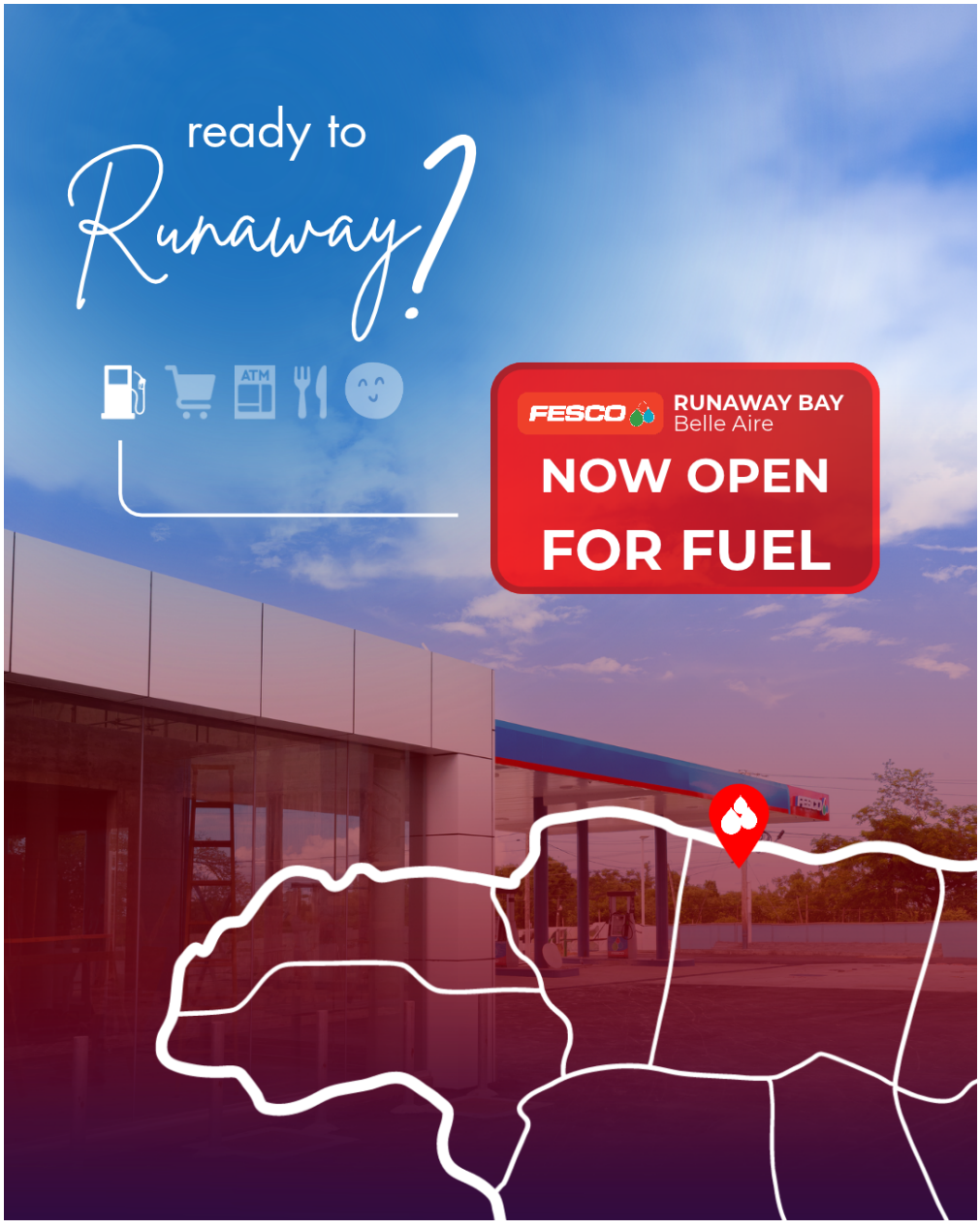
Conclusion

Future Energy's performance during the first half of FY2026/27 demonstrates the resilience and scalability of the Company's business model.

Record half-year revenues of **J$21.37 billion**, record EBITDA, and EBITDA growth of **25.0%**, record operating profit and growth of **30.7%**, record net profit of **J$362.0 million**, improved liquidity, and increased shareholder equity were achieved despite margin compression, higher interest costs and the introduction of corporate taxation.

The Board and Management remain committed to disciplined capital allocation, operational excellence, strategic expansion and sustainable long-term value creation for all stakeholders.

The Board of Directors and Management thank our shareholders, customers, employees, business partners and communities for their continued support and confidence in Future Energy Source Company Limited.



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	290,987,672	11.6395%
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	89,531,425	3.5813%
9	Anna Williams -Bacchus	63,305,028	2.5322%
10	Roy Davidson	57,100,000	2.2840%
		1,909,408,033	76.3763%
	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	89,531,425	284,475	89,815,900	3.5926%
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
FESCO
COOLANT
70/30
FUTRLUBE
FUTROIL
Castrol
GTX
FESGAS
FESGASJA.COM
120 GALLON
45 KG
FESGAS

5. Unaudited Financial Statements

Future Energy Source Company Limited

2nd Quarter Results

For the for the six (6) months ending September 30, 2026

For the financial year

April 1, 2026 to March 31, 2027

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Statement of Financial Position

For the 2nd Quarter ended September 30, 2026, for the Financial Year April 2026 - March 31, 2027

FUTURE ENERGY SOURCE COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
FOR SECOND (2ND) QUARTER SEPTEMBER 30, 2026

	Unaudited 6 Months Ended 30-Sep-26	Unaudited 6 Months Ended 30-Sep-25	Audited 12 Months Ended 31-Mar-26
ASSETS	$	$	$
NON-CURRENT ASSETS:			
Property, Plant and Equipment	4,727,748,830	4,349,919,176	4,467,747,528
Right - of - use Assets	140,164,031	172,215,136	156,113,472
Investment Security	197,505,050	28,005,050	68,005,050
Finance Lease	82,420,268	87,143,586	75,816,742
	5,147,838,179	4,637,282,947	4,767,682,792
CURRENT ASSETS			
Inventories	369,940,724	285,254,761	239,940,592
Trade and other receivables	1,100,630,706	789,130,349	980,717,124
Taxation Recoverable	-	-	6,460,445
Current portion Finance lease	-	-	9,230,352
Cash and Cash Equivalents	305,325,567	278,615,560	257,519,715
	1,775,896,996	1,353,000,670	1,493,868,228
TOTAL ASSETS	**6,923,735,175**	**5,990,283,618**	**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	2,904,750,781	2,291,090,286	2,542,705,933
TOTAL EQUITY	3,678,252,210	3,064,591,714	3,316,207,361
NON-CURRENT LIABILITIES			
Long term Loan	1,936,798,493	1,768,972,003	1,311,199,361
Lease Liabilities	180,738,929	201,263,183	166,336,963
Due to Related Parties	-	-	-
Deferred Tax Liabilities	109,338,272	53,945,949	109,338,272
	2,226,875,695	2,024,181,135	1,586,874,596
CURRENT LIABILITIES			
Payables and Accruals	427,833,491	413,381,936	473,392,956
Short term loans	21,292,858	6,475,396	21,162,836
Current portion of Long term loan	177,208,756	273,000,000	632,969,530
Current portion of lease liability	-	-	26,713,126
Taxation Payable	51,720,693	-	-
Bank Overdraft	340,551,474	208,653,436	**204,230,615**
	1,018,607,271	901,510,768	1,358,469,063
TOTAL EQUITY AND LIABILITIES	**6,923,735,175**	**5,990,283,618**	**6,261,551,020**

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

Director
Trevor Heaven

Director
Jeremy Barnes

Statement of Comprehensive Income

For the 2nd Quarter ended September 30, 2026, for the Financial Year April 2026 - March 31, 2027

FUTURE ENERGY SOURCE COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR SECOND (2ND) QUARTER SEPTEMBER 30, 2026

	Unaudited 3 Months Ended 30-Sep-26 $	Unaudited 3 Months Ended 30-Sep-25 $	YTD Unaudited 6 Months Ended 30-Sep-26 $	YTD Unaudited 6 Months Ended 30-Sep-25 $	Audited 12 Months Ended 31-Mar-26 $
TURNOVER	**11,151,938,664**	**8,387,249,679**	**21,365,213,568**	**15,612,679,786**	**32,566,866,514**
COST OF SALES	(10,471,913,908)	(7,826,270,403)	(20,132,581,583)	(14,618,718,879)	(30,421,988,550)
GROSS PROFIT	680,024,757	560,979,275	1,232,631,985	993,960,908	2,144,877,964
OTHER INCOME	15,443,138	4,983,423	20,850,562	10,159,593	24,208,498
OPERATING AND ADMINISTRATIVE EXPENSES	**(372,017,620)**	**(313,925,575)**	**(687,500,945)**	**(580,245,443)**	**(1,230,855,739)**
IMPAIRMENT LOSSES ON FINANCIAL ASSETS	(8,000,000)	(3,000,000)	(20,000,000)	(6,098,319)	(37,098,319)
	315,450,275	249,037,124	545,981,602	417,776,738	901,132,404
NET FINANCE INCOME/ (COSTS)	(69,214,025)	(43,216,339)	(132,216,061)	(72,582,716)	(178,930,412)
PROFIT BEFORE TAXATION	**246,236,250**	**205,820,784**	**413,765,541**	**345,194,022**	**722,201,992**
TAXATION	**(30,779,531)**	**-**	**(51,720,693)**		**(55,392,323)**
NET PROFIT	**215,456,719**	**205,820,784**	**362,044,848**	**345,194,022**	**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**	**2,500,000,000**
Earnings per Stock Unit attributable to Stockholders of the company	**0.0862**	**0.0823**	**0.1448**	**0.1381**	**0.2667**

Statement of Changes in Equity

For the 2nd Quarter ended September 30, 2026, for the Financial Year April 2026 - March 31, 2027

FUTURE ENERGY SOURCE COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR SECOND (2ND) QUARTER SEPTEMBER 30, 2026

	Number of stock units	Share Capital	Revaluation Reserve	Retained Earnings	Total
		$	$	$	$
Balance as at July 1, 2025	2,500,000,000	228,327,973	545,173,455	2,085,269,502	2,858,770,930
Year to date Net Profit	-	-		205,820,784	205,820,784
Balance as at 30 September 2025	**2,500,000,000**	**228,327,973**	**545,173,455**	**2,291,090,286**	**3,064,591,714**
Balance as at July 1, 2026	2,500,000,000	228,327,973	545,173,455	2,689,294,063	3,462,795,491
Net Profit for the Quarter	-	-		215,456,719	215,456,719
Balance as at 30 September 2026	**2,500,000,000**	**228,327,973**	**545,173,455**	**2,904,750,781**	**3,678,252,210**
Balance as at April 1, 2026	2,500,000,000	228,327,973	545,173,455	2,542,705,933	3,316,207,361
Year to date Net Profit	-	-		362,044,848	362,044,848
Balance as at 30 September 2026	**2,500,000,000**	**228,327,973**	**545,173,455**	**2,904,750,781**	**3,678,252,210**

Statement of Cash Flows

For the 2nd Quarter ended September 30, 2026, for the Financial Year April 2026 - March 31, 2027

FUTURE ENEGERGY SOURCE COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR SECOND (2ND) QUARTER SEPTEMBER 30, 2026

	Unaudited 6 Months Ended 30-Sep-26 $	Unaudited 6 Months Ended 30-Sep-25 $	Audited 12 Months Ended 31-Mar-26 $
CASH RESOURCES WERE PROVIDED BY/(USED IN)			
Cash Flows from operating Activities			
Profit before Taxation	413,765,541	345,194,022	722,201,992
Adjusting for:			
Depreciation	137,613,094	120,098,889	253,641,175
Amortisation on right of use assets	15,949,438	15,797,211	31,898,876
Impairment losses on financial assets	20,000,000	6,098,319	37,098,319
Property, plant and equipment transferred to inventories and right Of use assets	-	14,576,251	(22,269,868)
Foreign Exchange (Gain)/Losses	(1,173,714.7)	643,846.0	2,784,179
Lease Interest Expense	3,734,644	8,595,979	15,809,590
(Gain)/ Loss on disposal of Property, Plant and Equipment	206	-	1,979,242
Interest Expense	70,650,848	69,682,015	171,908,061
Interest Income	(3,997,753)	(6,339,124)	(11,571,418)
	656,542,304	574,347,408	1,203,480,148
Changes in operating assets and liabilities:			
(Increase)/ Decrease in Inventories	(130,000,132)	(36,336,388)	8,977,781
(Increase)/ Decrease in Receivables	(139,913,582)	160,606,303	(247,631,752)
(Increase)/ Decrease in Tax Recoverable	6,460,445	10,249,531	-
Increase/ (Decrease) in payables	(45,559,465)	(344,745,160)	(284,719,448)
Current portion - Finance Lease	9,230,352	6,242,698	
Restricted cash and cash equivalent	(2,317,027)	(8,219,912)	(18,175,664)
Cash provided by operating activities	354,442,895	176,671,291	661,931,065
Income Tax Paid	-	-	3,789,086
Interest received	3,997,753	6,339,124	11,749,510
Interest paid	(74,385,492)	(80,736,975)	(187,732,343)
Net Cash used in operating activities	284,055,155	102,273,440	489,737,318
Cash from Investing Activities			
Purchase of property, plant and Equipment	(397,614,393)	(474,794,221)	(701,597,088)
Proceed from disposal of Property, Plant & Equip	-	-	10,299,104
Purchase of investment in security	(129,500,000)	-	(40,000,000)
Finance lease Receivable (net)	(6,603,526)	(2,996,656)	5,342,534
Cash (used) Investing Activities	(533,717,919)	(477,790,877)	(725,955,450)
Cash flows from Financing Activities			
Dividend Paid	-	-	(70,000,000)
Long term loans, net	169,838,358	173,515,640	85,454,796
Short term loans net	130,022	6,475,396	21,162,836
Lease principal payments	(11,411,159)	(10,359,332)	(18,572,426)
Cash provided/(used) by financing activities	158,557,220	169,631,705	18,045,206
Net increase in cash and cash equivalent during the period	(91,105,543)	(205,885,732)	(218,172,926)
Effect of foreign exchange on cash and bank	273,509	(978,722)	(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	**(185,234,116)**	**(80,309,431)**	**(94,402,082)**
Represented by:			
Cash and Cash Equivalents ***	155,317,358	128,344,005	109,828,533
Bank Overdraft	(340,551,474)	(208,653,436)	(204,230,615)
	(185,234,116)	**(80,309,431)**	**(94,402,082)**

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

	2027 (Sep)	2026 (March)
Total cash	305,325,567	257,519,715
Restricted cash	(150,008,209)	(147,691,182)
Cash Available	155,317,358	109,828,533

Notes to the Financial Statements

Expenses:

	QTD Unaudited 3 Months Ended 30-Sep-26 $	QTD Unaudited 3 Months Ended 30-Sep-25 $	QTD Unaudited 6 Months Ended 30-Sep-26 $	QTD Unaudited 6 Months Ended 30-Sep-25 $	YTD Audited 12 Months Ended 31-Mar-26 $
ADMINISTRATIVE AND OTHER EXPENSES					
Advertising and Promotion	15,573,221	13,396,643	21,686,695	19,731,883	31,969,693
Audit fees	2,495,625	2,495,625	5,123,250	4,991,250	9,550,000
Bank Charges	12,157,778	8,654,671	23,048,312	15,617,140	38,843,611
Depreciation	70,739,013	60,493,122	137,613,094	120,098,889	253,641,175
Amortisation of Right of use asset	7,974,719	7,921,339	15,949,438	15,797,211	31,898,876
Director fees	3,670,000	2,252,500	5,922,500	4,895,000	9,550,000
Donation	2,443,517	9,254,041	2,989,017	15,414,179	21,178,058
Office Expenses	3,747,665	2,122,824	6,237,187	5,103,982	49,224,324
Legal & Professional fees	11,601,850	9,973,156	22,241,962	17,675,296	59,297,644
Loss on Disposal of property plant equipment	206		206		1,979,242
Motor Vehicle Expenses	16,016,689	14,313,139	30,470,409	29,992,020	58,313,510
Insurance	6,830,740	5,769,863	16,676,632	12,645,972	28,581,198
Repairs and Maintenance	6,321,784	3,262,132	9,680,056	6,552,413	14,787,308
Security	25,480,759	24,244,411	48,889,413	41,513,540	90,173,534
Staff Costs	142,985,706	113,209,331	258,893,966	203,268,360	455,805,160
Utilities	11,505,308	9,179,678	19,874,496	19,438,887	41,279,791
Other Expenses	32,473,042	27,383,101	62,204,312	47,509,421	34,782,615
	372,017,620	313,925,575	687,500,945	580,245,443	1,230,855,739