

Faster Enterprises Ltd

ACN 604 113 206

Annual Report - 30 June 2021

Faster Enterprises Ltd
Corporate directory
30 June 2021

Directors	Soon Huat Leow Chief Executive Officer & Managing Director
	Harry Hong Non-Executive Director
	Liang Chen Non-Executive Director
	Guorong Hu Non-Executive Director
Company secretary	Michael Malbourne
Registered office and principle place of business	G02, 8 Ellingworth Parade BOX HILL VIC 3128 Telephone: +61 3 9897 4540
Auditor	RSM Australia Partners Level 21, 55 Collins Street MELBOURNE VIC 3000
Solicitors	Grillo Higgins Lawyers Level 14, 114 William Street MELBOURNE VIC 3000
Website	www.fasterenterprises.com.au
Share Registry	Automic Pty Ltd Level 3, 50 Holt Street SURREY HILLS NSW 2010 Telephone: 1300 288 664
Stock Exchange Listing	Faster Enterprises Ltd shares are listed on the Australian Securities Exchange under the code FE8.

Faster Enterprises Ltd
Letter from the Chairman
30 June 2021

Dear Shareholders

Faster Enterprises has managed to work through the FY21, despite the COVID-19 pandemic, which has challenged the resilience of the property development industry as restrictions have affected the progress of development and closing on property opportunities.

Results

Unfortunately, results for the FY21 year produced a loss for the consolidated entity after providing for income tax of \$3,025,682 compared to a loss of \$1,400,401 FY20.

Board Members

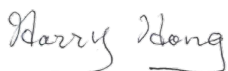
Following a review of contributions from Directors at the November 2020 AGM, outgoing Directors were matched by the immediate appointments of Mr Harry Hong on the 10 December 2020 as an Independent Non-Executive Director, Mr Liang Chen and Mr Gurung Hu on the 18 December 2020 as Independent Non-Executive Directors.

Outlook

The Board is currently reviewing several share placement opportunities to improve the Company's liquidity, that will require Shareholder approval, together with several Melbourne based property development opportunities.

The Board expects improvement in line with its business model as conditions are expected to improve during calendar 2022.

Yours faithfully



Harry Hong
Director

Date: 4 February 2022

Faster Enterprises Ltd
Directors' report
30 June 2021

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Faster Enterprises Ltd (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2021.

Directors

The following persons were directors of Faster Enterprises Ltd during the whole of the financial year and up to the date of this report unless otherwise stated:

Norman Wu – Executive Chairman (resigned 20 January 2022)
Soon Huat Leow – Chief Executive Officer & Managing Director
Harry Hong – Non-Executive Director (appointed 10 December 2020)
Liang Cheng – Non-Executive Director (appointed 18 December 2020)
Guorong Hu – Non-Executive Director (appointed 18 December 2020)
Ryuichi Shimokawa – Former Non-Executive Chairman (resigned 30 November 2020)
Yi Yun Chin – Former Executive Director (resigned 30 November 2020)
Boon Ching Koay – Former Non-Executive Director (resigned 30 November 2020)
Richard Choo – Former Non-Executive Director (resigned 30 November 2020)

Principal activities

The principal activities of the Group are

- property development and management of residential, commercial, serviced apartments and hotels.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$3,025,682 (30 June 2020: \$1,400,401 loss).

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year

On 17 September 2021 FE Nunawading Hotel Pty Ltd, was placed into external administration due to the loan payable to La Trobe Financial disclosed in Note 12, being in default. The loan was secured against the investment property disclosed in Note 10, which is held in FE Nunawading Hotel Pty Ltd.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

The Group is actively seeking opportunities to enter the Modular Construction market and looking to focus on smaller scale projects suitable for modular build in Australia.

Corporate Governance Statement

The ASX Corporate Governance Principles and Recommendations (Third Edition) and the ASX Listing Rules (ASX LR 4.10.3) permits entities to elect to publish their ASX Corporate Governance Statement and ASX Appendix 4G on its website.

Accordingly, Faster Enterprises Ltd's ("the Company") 2021 ASX Corporate Governance Statement does not appear in this Annual Report and can be located on the Company's website (www.fasterenterprises.com.au).

Faster Enterprises Ltd
Directors' report
30 June 2020

The URL for the 2021 ASX Corporate Governance Statement is:
www.fasterenterprises.com.au

The URL for the 2021 ASX Appendix 4G is:
www.fasterenterprises.com.au

Information on directors

Name: Soon Huat Leow
Title: Managing Director
Qualifications: Bachelor of Engineering (Deakin University)
MBA (University of Western Australia)
Experience and expertise: Mr Leow is currently a Chief Operating Officer and Director of Era Universe Development Sdn Bhd. Previously, he has successfully held President, Managing Director and Chief Executive/Operating Officer roles in numerous reputable Malaysian property investment and development companies.

Other current directorships:
Former directorships (last 3 years):
Interests in shares: 17,500,000

Name: Harry Hong
Title: Non-Executive Director
Qualifications:
Experience and expertise: Mr Hong is an entrepreneur with over thirty years of experience in the sales, construction and property industry. He has business based in Australia and China, with an extensive network in the Asia Pacific Region.

Other current directorships:
Former directorships (last 3 years):
Interests in shares: Nil

Name: Liang Chen
Title: Non-Executive Director
Qualifications: MBA (Central South University)
Experience and expertise: Mr Chen has over 15 years of experience in the technology and lithium battery industry, having held senior management positions in well-known companies. He served as Deputy General Manager at ZTE Corporation, and was the head of the new energy project, forming Shenzhen ZTE Innovative Material Technology Co Ltd and building ZTE New Materials as the first brand of lithium-ion battery separators in China.

Other current directorships:
Former directorships (last 3 years):
Interests in shares: Nil

Name: Guorong Hu
Title: Non-Executive Director
Qualifications: Doctor of Engineering
Experience and expertise: Mr Hu, Ph.D., has presided over and participated in more than 20 national, provincial and ministerial scientific research projects and enterprise projects. Mr Hu is a Professor, Doctoral Supervisor at the School of Metallurgy and Environment, Central South University, deputy director of the Technical Committee of the Engineering Research Center of Advanced Battery Materials, Ministry of Education, executive director of the China Chemical and Physical Power Supply Association, China Li Director of Battery Association.

Other current directorships:
Former directorships (last 3 years):
Interests in shares: Nil

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Faster Enterprises Ltd
Directors' report
30 June 2021

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

Michael Malbourne, Company Secretary – FCPA, FCIM, FCIS, FTIA, FGIA

Michael has worked in senior roles in a wide range of local and Asian, European, USA & Middle Eastern listed and unlisted companies in banking, manufacturing, property, resources, marketing and financial services.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2021, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held*
Norman Wu	1	1
Soon Huat Leow	0	1
Harry Hong	1	1
Liang Chen	1	1
Guorong Hu	1	1
Boon Chin Koay	0	0
Richard Choo	0	0
Ryuichi Shimokawa	0	0
Yi Yun Chin	0	0

Held: represents the number of meetings held during the time the director held office.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Principles used to determine the nature and amount of remuneration

The Board of Directors of Faster Enterprises Ltd is responsible for determining and reviewing compensation arrangements for Directors and the executive team. The Group's broad remuneration policy is to ensure the remuneration package properly reflects the person's duties and responsibilities and level of performance and that the remuneration is competitive in attracting, retaining and motivating people of the highest quality.

Remuneration Details

The Directors are remunerated based on the provision of services provided to the Company for executive management and for their services as Directors. The Directors fees are determined by the Company in general meeting and other consulting services are remunerated at levels agreed by the Board of Directors. Each non-executive director receives a fixed fee for their services as directors.

The remuneration structure for executive officers, including executive directors, is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Company. The contracts for service between the Company and Directors and Executives are on a continuing basis the terms of which are not expected to change in the immediate future. Upon retirement directors and executives are paid employee benefit entitlements accrued to date of retirement.

Employment contracts for Directors and Executives stipulate a range of one to six month resignation periods. Termination payments are generally not payable on dismissal for serious misconduct. The Company may terminate an employment contract without cause by providing the appropriate written notice under each contract or making payment in lieu, based upon the individual's remuneration together with a severance benefit.

Faster Enterprises Ltd
Directors' report
30 June 2021

At present, the Company has not yet put in place any incentive system of performance measurement for the senior management.

Use of remuneration consultants

The Company has not engaged remuneration consultants during the current or prior years.

Voting and comments made at the company's 2020 Annual General Meeting ('AGM')

At the 2020 AGM, 100% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2021 (2020: 100%). The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

The key management personnel of the consolidated entity consisted of the following:

- Norman Wu – Executive Chairman (resigned 28 January 2022)
- Michael Malbourne – Company Secretary
- Soon Huat Leow – Managing Director
- Harry Hong – Non-Executive Director
- Liang Chen – Non-Executive Director
- Guorong Hu – Non-Executive Director
- Ryuichi Shimokawa – Former Non-Executive Chairman (resigned 30 November 2020)
- Yi Yun Chin – Former Executive Director (resigned 30 November 2020)
- Boon Chin Koay – Former Non-Executive Director (resigned 30 November 2020)
- Richard Choo – Former Non-Executive Director (resigned 30 November 2020)

Details of the nature and amount of each element of the remuneration of each director of the Company for the financial year are as follows:

Remuneration of Directors and Officers

	Short-term benefits	Post- employment benefits	Total
	Cash salary and fees \$	Super- annuation \$	\$
2021			
<i>Directors:</i>			
Norman Wu	18,034	-	18,034
Yi Yun Chin	14,850	-	14,850
Soon Huat Leow	7,425	-	7,425
Ryuichi Shimokawa	7,425	-	7,425
Boon Chin Koay	3,000	1,283	4,283
Richard Choo	3,000	1,283	4,283
Harry Hong	-	-	-
Liang Chen	-	-	-
Guorong Hu	-	-	-
<i>Key Management Personnel</i>			
Michael Malbourne	39,000	-	39,000
	<u>92,734</u>	<u>2,566</u>	<u>95,300</u>

Salary includes fees paid to Directors and to related parties of Directors.

There are no other contracts to which a Director is a party or under which a Director is entitled to a benefit other than as disclosed in these financial statements.

Faster Enterprises Ltd
Directors' report
30 June 2021

	Short-term benefits	Post- employment benefits	
	Cash salary and fees	Super- annuation	Total
	\$	\$	\$
2020			
<i>Directors:</i>			
Norman Wu	52,000	4,940	56,940
Yi Yun Chin	-	-	-
Soon Huat Leow	-	-	-
Ryuichi Shimokawa	-	-	-
Yong Chao Wu	150,000	14,250	164,250
Wing Kee Cheng	36,000	3,420	39,420
Min Jiang	10,000	950	10,950
<i>Key Management Personnel</i>			
Michael Malbourne	78,000	-	78,000
	<u>326,000</u>	<u>23,560</u>	<u>349,560</u>

Salary includes fees paid/payable to Directors and to related parties of Directors.

There are no other contracts to which a Director is a party or under which a Director is entitled to a benefit other than as disclosed in these financial statements.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration	
	2021	2020
<i>Directors:</i>		
Norman Wu	100%	100%
Soon Huat Leow	100%	100%
Harry Hong	-	-
Liang Chen	-	-
Guorong Hu	-	-
Yi Yun Chin	100%	100%
Ryuichi Shimokawa	100%	100%
Boon Chin Koay	100%	-
Richard Choo	100%	-
<i>Key Management Personnel:</i>		
Michael Malbourne	100%	100%

The Company has not paid any STI or LTI in both prior and current period.

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Ryuichi Shimokawa
Title:	Former Non-Executive Chairman
Agreement commenced:	June 2016
Term of agreement:	Terminated November 2020
Details:	Director fee of \$54,000;

**Faster Enterprises Ltd
Directors' report
30 June 2021**

Name: Norman Wu
Title: Executive Chairman
Agreement commenced: February 2015
Term of agreement: Terminated January 2022
Details: Director fee of \$54,000 plus super per annum;

May be terminated in accordance with the Company Constitution in accordance with the Corporation Act.

Name: Soon Huat Leow
Title: Managing Director
Agreement commenced: June 2020
Term of agreement: Ongoing
Details: Director fee of \$54,000;

May be terminated in accordance with the Company Constitution in accordance with the Corporation Act.

Name: Yi Yun Chin
Title: Former Executive Director
Agreement commenced: June 2020
Term of agreement: Terminated November 2020
Details: Director fee of \$54,000;

Name: Boon Chin Koay
Title: Former Non-Executive Director
Agreement commenced: September 2020
Term of agreement: Terminated November 2020
Details: \$36,000 per annum

Name: Richard Choo
Title: Former Non-Executive Director
Agreement commenced: September 2020
Term of agreement: Terminated November 2020
Details: \$36,000 per annum

Faster Enterprises Ltd
Directors' report
30 June 2021

Name: Harry Hong
Title: Non-Executive Director
Agreement commenced: December 2020
Term of agreement: Ongoing
Details: \$0 per annum

May be terminated in accordance with the Company Constitution in accordance with the Corporation Act.

Name: Liang Chen
Title: Non-Executive Director
Agreement commenced: December 2020
Term of agreement: Ongoing
Details: \$0 per annum

May be terminated in accordance with the Company Constitution in accordance with the Corporation Act.

Name: Guorong Hu
Title: Non-Executive Director
Agreement commenced: December 2020
Term of agreement: Ongoing
Details: \$0 per annum

May be terminated in accordance with the Company Constitution in accordance with the Corporation Act.

Name: Michael Malbourne
Title: Company Secretary
Agreement commenced: May 2018
Term of agreement: Ongoing
Details: Fixed Company Secretarial fee of \$6,000 per four weeks.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2021.

Options

There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2021.

There were no options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2021.

Performance rights

There were no performance rights over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2021.

There were no performance rights over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2021.

Faster Enterprises Ltd
Directors' report
30 June 2020

Additional information

The earnings of the consolidated entity for the three years to 30 June 2021 are summarised below:

	2021 \$	2020 \$	2019 \$
Sales revenue	51,425	117,756	187,197
EBITDA	(2,692,399)	(952,750)	(1,458,484)
EBIT	(2,714,113)	(1,066,469)	(1,458,484)
Loss after income tax	(3,025,682)	(1,400,401)	(2,028,416)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2021	2020	2019
Share price at financial year end (\$)	0.049	0.01	0.01

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposal/ Resignation of Directors	Balance at the end of the year
<i>Directors/ Key Management Personnel</i>					
Norman Wu	-	-	-	-	-
Harry Hong	-	-	-	-	-
Liang Chen	-	-	-	-	-
Guorong Hu	-	-	-	-	-
Soon Huat Leow	17,500,000	-	-	-	17,500,000
Ryuichi Shimokawa	-	-	-	-	-
Boon Chin Koay	-	-	-	-	-
Richard Choo	-	-	-	-	-
Yi Yun Chin	-	-	-	-	-
Michael Malbourne	-	-	-	-	-
	<u>17,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,500,000</u>

Loans to key management personnel and their related parties

The total current outstanding balance of loans, owing to the Group, by key management personnel and their related parties, at the end of the reporting period, was \$235,220 (2020: \$287,180).

Refer to note 21 for information on related parties.

Other transactions with key management personnel and their related parties

The total amount of services to the Group, other than those have been stated above, occurred during the reporting period, provided by key management personnel and their related parties, was \$61,193 (2020: \$145,816).

Refer to note 21 for information on related parties.

This concludes the remuneration report, which has been audited.

**Faster Enterprises Ltd
Directors' report
30 June 2020**

Shares under option

There were no unissued ordinary shares of Faster Enterprises Ltd under option outstanding at the date of this report.

Shares under performance rights

There were no unissued ordinary shares of Faster Enterprises Ltd under performance rights outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of Faster Enterprises Ltd issued on the exercise of options during the year ended 30 June 2021 and up to the date of this report.

Shares issued on the exercise of performance rights

There were no ordinary shares of Faster Enterprises Ltd issued on the exercise of performance rights during the year ended 30 June 2021 and up to the date of this report.

Non Audit Services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 19 to the financial statements.

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

All non-audit services are reviewed and approved by the Board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and

The nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

Indemnity and insurance of officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Faster Enterprises Ltd
Directors' report
30 June 2020

Auditor's independence declaration

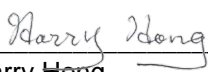
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Harry Hong

Date: 4 February 2022

RSM Australia Partners

Level 21, 55 Collins Street Melbourne VIC 3000
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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Faster Enterprises Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



RSM AUSTRALIA PARTNERS



B Y CHAN
Partner

Dated: 4 February 2022
Melbourne, Victoria

Faster Enterprises Ltd
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2021

	Note	Consolidated 2021 \$	2020 \$
Revenue			
Net gain/(loss) from sale of properties		-	(108,235)
Rental received		51,425	117,756
Other Income	4	59,837	106,057
Expenses			
Employee benefits expense		(209,767)	(349,095)
Depreciation and amortisation expense		(21,714)	(113,719)
Impairment expense		(1,996,702)	-
Finance costs		(311,569)	(440,247)
General and administration expenses		(597,192)	(612,918)
Loss before income tax expense		(3,025,682)	(1,400,401)
Income tax expense	6	-	-
Loss after income tax expense for the year attributable to the owners of Faster Enterprises Ltd		(3,025,682)	(1,400,401)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Faster Enterprises Ltd		<u>(3,025,682)</u>	<u>(1,400,401)</u>
		Cents	Cents
Basic earnings per share	27	(2.73)	(1.26)
Diluted earnings per share	27	(2.73)	(1.26)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Faster Enterprises Ltd
Statement of financial position
As at 30 June 2021

	Note	Consolidated 2021 \$	2020 \$
Assets			
Current assets			
Cash and cash equivalents	7	969	68,321
Trade and other receivables	8	27,847	71,881
Related entities receivable	9	-	938,322
Prepayments		-	-
		<u>28,816</u>	<u>1,078,524</u>
Assets classified as held for sale	10	4,135,126	5,666,173
Total current assets		<u>4,163,942</u>	<u>6,744,697</u>
Non-current assets			
Financial assets		20,000	20,000
Other asset		-	21,714
Non-current assets classified as held for sale		-	-
Total non-current assets		<u>20,000</u>	<u>41,714</u>
Total assets		<u>4,183,942</u>	<u>6,786,411</u>
Liabilities			
Current liabilities			
Trade and other payables	11	599,640	176,572
Borrowings	12	4,216,170	3,727,429
Employee benefits		-	-
Related entities payable	13	-	651,142
Payroll liabilities and provisions		272,247	222,983
Total current liabilities		<u>5,088,057</u>	<u>4,778,126</u>
Non-current liabilities			
Borrowings		-	-
Total non-current liabilities		<u>-</u>	<u>-</u>
Total liabilities		<u>5,088,057</u>	<u>4,778,126</u>
Net assets		<u>(904,115)</u>	<u>2,008,285</u>
Equity			
Issued capital	14	6,570,727	6,570,727
Reserves		113,282	-
Accumulated losses		(7,588,124)	(4,562,442)
Total equity		<u>(904,115)</u>	<u>2,008,285</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Faster Enterprises Ltd
Statement of changes in equity
For the year ended 30 June 2021

	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2019	6,570,727	-	(3,162,041)	3,408,686
Loss after income tax expense for the year	-	-	(1,400,401)	(1,400,401)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(1,400,401)	(1,400,401)
Balance at 30 June 2020	<u>6,570,727</u>	<u>-</u>	<u>(4,562,442)</u>	<u>2,008,285</u>
	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2020	6,570,727	-	(4,562,442)	2,008,285
Loss after income tax expense for the year	-	-	(3,025,682)	(3,025,682)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(3,025,682)	(3,025,682)
Cash received for shares awaiting to be issued	-	113,282	-	113,282
Balance at 30 June 2021	<u>6,570,727</u>	<u>113,282</u>	<u>(7,588,124)</u>	<u>(904,115)</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Faster Enterprises Ltd
Statement of cash flows
For the year ended 30 June 2021

	Note	Consolidated 2021 \$	2020 \$
Cash flows from operating activities			
Receipts from customers and sale of properties (inclusive of GST)		95,459	75,293
Payments to suppliers and employees (inclusive of GST)		(184,455)	(992,823)
Interest received		18,077	106,057
Finance costs		-	(553,966)
Government Grant		41,760	
		<hr/>	<hr/>
Net cash used in operating activities	26	(29,159)	(1,365,439)
Cash flows from investing activities			
Payments for sale of investment property			-
Proceeds from disposal of investment property		(25,428)	2,532,565
		<hr/>	<hr/>
Net cash from/(used in) investing activities		(25,428)	2,532,565
Cash flows from financing activities			
Proceeds from shares awaiting to be issued		113,281	-
Proceeds from borrowings		27,000	227,969
Repayment of borrowings		-	(1,496,425)
Repayment /Proceeds from related parties		(153,047)	101,301
		<hr/>	<hr/>
Net cash from/(used in) financing activities		(12,765)	(1,167,155)
Net decrease in cash and cash equivalents		(67,352)	(29)
Cash and cash equivalents at the beginning of the financial year		68,321	68,350
		<hr/>	<hr/>
Cash and cash equivalents at the end of the financial year	7	969	68,321
		<hr/> <hr/>	<hr/> <hr/>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out either in the respective notes or below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2021. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of liabilities as Current or Non-Current

This standard is applicable to annual reporting periods beginning on or after 1 January 2022.

This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.

The consolidated entity will adopt AASB 2020-1 from 1 July 2022 and the adoption of the interpretation will not have a material impact on the consolidated entity.

Basis of preparation

These general-purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. The Group is a for-profit entity for financial reporting purposes under the Australian Accounting Standards.

Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

New, revised or amending Accounting Standards and Interpretations adopted

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Going concern

Note 1. Significant accounting policies (continued)

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the consolidated entity incurred a loss of \$3,025,682 and had net cash outflows from operating activities of \$29,159 for the year ended 30 June 2021. As at that date the consolidated entity had net current liabilities of \$924,115 and net liabilities of \$904,115. As disclosed in Note 25 Events after the reporting period a subsidiary of the consolidated entity, FE Nunawading Hotel Pty Ltd, which holds the investment property at 4 Watts Street, Box Hill, was placed into external administration on 17 September 2021.

These factors indicate a material uncertainty which may cast significant doubt as to whether the consolidated entity will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors are seeking capital from external investors and believe that sufficient funds will be raised to meet the consolidated entity's liabilities and that there are reasonable grounds to believe that the consolidated entity will be able to continue as a going concern.

Accordingly, the Directors believe that the consolidated entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the consolidated entity does not continue as a going concern.

Principles of consolidation

The consolidated financial statements incorporate the assets, liabilities and results of subsidiaries controlled by Faster Enterprises Ltd at the end of the reporting period.

Subsidiaries are all those entities over which the Consolidated Entity has control. The Consolidated Entity controls an entity when the Consolidated Entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled.

In preparing the consolidated financial statements, all intra-group balances and transactions between entities in the Group have been eliminated on consolidation.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are shown separately within the equity section of the consolidated statement of financial position and statement of comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

Note 1. Significant accounting policies (continued)

Revenue recognition

The consolidated entity recognised revenue as follows;

Sale of properties

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Revenue is recognised by applying a five-step process outlined in AASB 15 which is as follows:

Step 1: Identify the contract with a customer;

Step 2: Identify the performance obligations in the contract and determine at what point they are satisfied;

Step 3: Determine the transaction price;

Step 4: Allocate the transaction price to the performance obligations;

Step 5: Recognise revenue as the performance obligations are satisfied.

Based on the above revenue is recognised when the Company transfers control of a property and for an amount for which the Company is entitled and all performance obligations have been satisfied.

Rental income

Revenue from a contract to provide rental services is recognised over time as the rental is provided based a fixed contracted price.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

Note 1. Significant accounting policies (continued)

Fair value of assets and liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Non-current assets or disposal groups classified as held for sale

Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Note 1. Significant accounting policies (continued)

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

Associates

Associates are entities over which the consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the consolidated entity's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The consolidated entity discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Fair value measurement hierarchy

The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of investment properties classified as level 3 are discussed further in Note 17.

Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets

The consolidated entity assesses impairment of non-financial assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Income tax

The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Note 3. Operating segments

The company operates one operating segment being the development and leasing of commercial and residential property in Australia. The Company operates solely in the geographical region of Australia, however, does have a dormant subsidiary in Hong Kong.

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Note 4. Other income

	Consolidated	
	2021	2020
	\$	\$
Other income		
Interest Income	18,077	106,315
Other Income	41,760	376
Exchange Gain/(Loss)	-	(634)
	<u>59,837</u>	<u>106,057</u>

Note 5. Expenses

	Consolidated	
	2021	2020
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Material general and administration expenses consist of:</i>		
Accountancy, bookkeeping and auditor fees	109,685	179,341
Company secretary services	78,000	78,000
Rental expenses	31,212	57,734
Travel	-	1,198
	<u>218,897</u>	<u>316,273</u>
<i>Material finance costs consist of:</i>		
Interest expenses	<u>311,569</u>	<u>440,247</u>

Note 6. Income tax

	Consolidated	
	2021	2020
	\$	\$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	<u>(3,025,682)</u>	<u>(1,400,401)</u>
Tax at the statutory tax rate of 26% (2020: 27.5%)	(786,677)	(385,110)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Tax effect of non-deductible and non-assessable items	519,143	75,585
Tax losses not recognised	<u>267,535</u>	<u>309,525</u>
Income tax expense	<u>-</u>	<u>-</u>

Accounting policy for income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Note 6. Income tax (continued)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled, and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Faster Enterprises Ltd (the 'head entity') and its wholly owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Note 7. Current assets - cash and cash equivalents

	Consolidated	
	2021	2020
	\$	\$
Cash at bank	969	68,321

Accounting policy for cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 8. Current assets - trade and other receivables

	Consolidated	
	2021	2020
	\$	\$
Trade receivables	-	7,247
GST receivable	27,847	64,634
	<u>27,847</u>	<u>71,881</u>

Note 8. Current assets - trade and other receivables (continued)

Accounting policy for trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

Note 9. Current assets - related entities receivable

	Consolidated	
	2021	2020
	\$	\$
Related entities receivable	440,227	938,322
Impairment	(440,227)	
	<u>-</u>	<u>938,322</u>

Refer to note 21 for information on related parties.

Note 10. Current assets - assets classified as held for sale

	Consolidated	
	2021	2020
	\$	\$
4 Watts Street, Box Hill, VIC	4,135,126	5,666,173
	<u>4,135,126</u>	<u>5,666,173</u>

Faster Enterprises Ltd
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Note 11. Current liabilities - trade and other payables

	Consolidated	
	2021	2020
	\$	\$
Trade payables	330,346	117,110
Other payables	269,294	59,462
	<u>599,640</u>	<u>176,572</u>

Refer to note 16 for further information on financial instruments.

Accounting policy for trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 12. Current liabilities - borrowings

	Consolidated	
	2021	2020
	\$	\$
Bank loans*	4,135,126	3,673,389
Convertible notes payable - unsecured**	54,544	54,040
Private Loans	26,500	-
	<u>4,216,170</u>	<u>3,727,429</u>

Refer to note 16 for further information on financial instruments.

*FE Nunawading Hotel Pty Ltd entered into an agreement with La Trobe Financial for a two-year fixed term and interest only loan facility totalling \$3,445,420.00 (inclusive of \$420 loan fees) on 20 August 2018 at the variable annual interest rate of 8.99% (p.a.). The facility was fully drawn to finance the purchase of the commercial property situated at the address of 4 Watts Street, Box Hill Victoria 3128.

The loan facility is secured by the following:

- (a) \$3,445,000 Limited Guarantee and Indemnity by Yong Chao Wu, Norman Wu & FE (Hotels) Pty Ltd;
- (b) General Security Agreement by FE Nunawading Hotel Pty Ltd over all existing and future assets and undertakings; and
- (c) Mortgage over the property located at 4 Watts Street, Box Hill Victoria 3128.

The loan facility expired in September 2020.

**On 30 June 2018 Faster Enterprises Ltd entered into a convertible note agreement with Zhongtai Investments Limited with a face value of \$500,000 received in 10 equal monthly tranches of \$50,000. The term of the note is two years and interest is payable at 2% per annum. The subscriber has the option to either convert on a fixed or floating basis as determined by the formula below;

Fixed conversion price – 110% of the average daily traded VWAP per share traded on the ASX for the 20 days immediately preceding the date of the Convertible Note Deed.

Floating conversion price – 80% of the average of the closing price per share on any three consecutive trading days during the 20 trading days immediately preceding the relevant conversion date.

Faster Enterprises Ltd may redeem any Convertible Note presented for conversion in cash at the redemption amount if the Conversion Price is less than or equal to the Conversion Downside Price, which is 65% of the average of the daily traded VWAP per share for the 20 consecutive trading days prior to the relevant closing date.

Note 12. Current liabilities - borrowings (continued)

Total secured liabilities

The total secured current liabilities are as follows:

	Consolidated	
	2021	2020
	\$	\$
Bank loans	4,135,126	3,673,389

Assets pledged as security

The bank loans are secured by first mortgages over the consolidated entity's land and buildings.

Accounting policy for borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

Accounting policy for borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

Note 13. Current liabilities - related entities payable

	Consolidated	
	2021	2020
	\$	\$
Related entities payable	-	651,142

Refer to note 21 for information on related parties.

Note 14. Equity - issued capital

	2021	Consolidated		
	Shares	2020	2021	2020
		Shares	\$	\$
Ordinary shares - fully paid	<u>110,885,411</u>	<u>110,885,411</u>	<u>6,570,727</u>	<u>6,570,727</u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

Accounting policy for issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 15. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 16. Financial instruments

Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

Foreign currency risk

The consolidated entity has no exposure to foreign exchange risk.

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Note 16. Financial instruments (continued)

Price risk

The consolidated entity is not exposed to any significant price risk.

Interest rate risk

The consolidated entity's main interest rate risk arises from long-term borrowings. All of the consolidated entity's loans and borrowings are at variable interest rates and is exposed to interest rate risk.

The Consolidated Entity's bank loans outstanding, totalling \$4,135,126 (2020: \$3,673,389) are interest only loans, with the principal due at maturity. Monthly cash outlays of approximately \$25,823 (2020: \$25,823) per month are required to service the interest payments. An official increase/decrease in interest rates of 100 (2020: 100) basis points would have an adverse/favourable effect on profit before tax of \$41,351 (2020: \$36,734) per annum. The percentage change is based on the expected volatility of interest rates using market data and analysis forecasts.

Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

The consolidated entity had no unused borrowing facilities available at 30 June 2021 (30 June 2020: \$nil)

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2021	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables and other payables	-	599,640	-	-	-	599,640
Payroll liabilities and provisions	-	272,247	-	-	-	272,247
Private Loans	-	26,500	-	-	-	26,500
<i>Interest-bearing - variable</i>						
Bank loans	8.99%	4,135,126	-	-	-	4,135,126
Convertible note	2.00%	54,544	-	-	-	54,544
<i>Interest-bearing - fixed rate</i>						
Related party loans	-	-	-	-	-	-
Total non-derivatives		5,088,057	-	-	-	5,088,057

Faster Enterprises Ltd
Notes to the financial statements
30 June 2021

Note 16. Financial instruments (continued)

Consolidated - 2020	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables and other payables	-	176,572	-	-	-	176,572
Payroll liabilities and provisions	-	222,983	-	-	-	222,983
<i>Interest-bearing - variable</i>						
Bank loans	8.99%	3,673,389	-	-	-	3,673,389
Convertible note	2.00%	54,040	-	-	-	54,040
<i>Interest-bearing - fixed rate</i>						
Related party loans	8.00%	651,142	-	-	-	651,142
Total non-derivatives		4,778,126	-	-	-	4,778,126

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 17. Fair value measurement

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Consolidated - 2021	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<i>Assets</i>				
Asset classified as held for sale	-	-	4,135,126	4,135,126
Total assets	-	-	4,135,126	4,135,126
Consolidated - 2020				
<i>Assets</i>				
Asset classified as held for sale	-	-	5,666,173	5,666,173
Total assets	-	-	5,666,173	5,666,173

* Investment property was held at independent valuation

** Investment property held at cost

Assets and liabilities held for sale are measured at fair value on a non-recurring basis.

Faster Enterprises Ltd
Notes to the financial statements
30 June 2021

Note 17. Fair value measurement (continued)

Level 3 assets and liabilities

Movements in level 3 assets and liabilities during the current and previous financial year are set out below:

Consolidated	Assets Held for Sale \$	Investment Properties \$	Total \$
Balance at 30 June 2019	8,306,973	-	8,306,973
Disposals	(2,640,800)	-	(2,640,800)
Balance at 30 June 2020	5,666,173	-	5,666,173
Additions	25,428		25,428
Impairment	(1,555,475)		(1,555,475)
Balance at 30 June 2021	<u>4,135,126</u>	-	<u>4,135,126</u>

Valuations are based on the Direct Comparison approach assuming sale of each of the properties in their existing state with the benefit of vacant possession. By making reference to sales transactions as available in the relevant market, comparable properties in close proximity have been selected and adjustments have been made to account for the difference in factors such as location and property size.

The valuation was completed by an independent property valuation expert and their findings were valid as at 30 June 2021.

Note 18. Key management personnel disclosures

Other key management personnel

Refer to the remuneration report contained in the Directors' report for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2021.

Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2021	2020
	\$	\$
Short-term employee benefits	92,734	326,000
Post-employment benefits	2,566	23,560
	<u>95,300</u>	<u>349,560</u>

Faster Enterprises Ltd
Notes to the financial statements
30 June 2021

Note 19. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the company:

	Consolidated	
	2021	2020
	\$	\$
<i>Audit services - RSM Australia Partners</i>		
Audit or review of the financial statements	40,000	62,448
<i>Other services - RSM Australia Partners</i>		
Taxation services	-	19,294
	<u>40,000</u>	<u>81,742</u>

Note 20. Contingent assets and contingent liabilities

There are no contingent liabilities or contingent assets.

Note 21. Related party transactions

Parent entity

Faster Enterprises Ltd is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 23.

Associates

Interests in associates are set out in note 24.

Key management personnel

Disclosures relating to key management personnel are set out in note 18 and the remuneration report included in the directors' report.

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	2021	2020
	\$	\$
Sale of goods and services:		
Coolyah Group Pty Ltd - IT Support and contractor work (a)	2,880	6,720
Elmside Pty Ltd – Company secretary services and rental (b)	39,000	78,000
Interest received / (paid) from / (to) related parties:		
Faster Enterprises Ltd to Coolyah Properties Trust	-	70,067
Faster Enterprises Ltd to Wu Family Trust	-	1,042
Faster Enterprises Ltd to Faster Properties Investment Pty Ltd	(1,612)	35,206
Faster Enterprises Ltd to Yong Chao Wu	(18,075)	(5,877)
Faster Enterprises Ltd to Coolyah Group Pty Ltd	-	(23,631)
Faster Enterprises Ltd to Min Jiang	-	(15,711)

Faster Enterprises Ltd
Notes to the financial statements
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Note 21. Related party transactions (continued)

(a) Coolyah Group is under control of Yong Chao Wu. Yong Chao Wu is the former CEO and a substantial shareholder of Faster Enterprises Ltd.

(b) Elmside Pty Ltd is under control of Michael Malbourne. Michael Malbourne is the Company Secretary of Faster Enterprises Ltd.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	2021	2020
	\$	\$
Current receivables:		
Faster Enterprises Ltd to Coolyah Properties Trust (a)	-	884,415
Faster Enterprises Ltd to Wu Family Trust (b)	-	13,598
Faster Enterprises Ltd to Faster Properties Investment Pty Ltd (e)	40,309	40,309
Faster Enterprises Ltd to Faster Asia Sdn Bhd (g)	26,815	
Faster Enterprises Ltd from Yong Chao Wu (d)	373,103	-
Current liabilities:		
Faster Enterprises Ltd from Yong Chao Wu (d)	-	(122,701)
Faster Enterprises Ltd from Coolyah Group Pty Ltd (c)	-	(323,435)
Faster Enterprises Ltd from Min Jiang (f)	(205,007)	(205,007)

(a) Coolyah Properties Trust is the majority shareholder of Faster Enterprises Ltd. Yong Chao Wu is the Director of the Trustee and is one of the Beneficiaries of Coolyah Properties Trust.

(b) Wu Family Trust is a substantial shareholder of Faster Enterprises Ltd. Yong Chao Wu is the Director of the Trustee and one of the Beneficiaries of Wu Family Trust.

(c) Coolyah Group Pty Ltd is under control of Yong Chao Wu. Yong Chao Wu is the former CEO and a substantial shareholder of Faster Enterprises Ltd.

(d) Yong Chao Wu is the former CEO and a substantial shareholder of Faster Enterprises Ltd. Yong Chao Wu is the Director of the Trustees and is one of the beneficiaries of Coolyah Properties Trust and Wu Family Trust.

(e) Faster Properties Investment Pty Ltd is an associate of the Group, with 33.33% of ownership held by the FE (Commercial) Pty Ltd.

(f) Min Jiang was a Non-Executive Director of Faster Enterprises Ltd.

(g) Faster Asia Sdn Bhd was an associate of the Group, with 100% of ownership held by Faster Enterprises Ltd during the financial year.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 22. Parent Entity Disclosures

Financial information for Faster Enterprises Ltd is as follows:

Faster Enterprises Ltd
Notes to the financial statements
30 June 2021

Note 22. Parent Entity Disclosures (continued)

	Consolidated	
	2021	2020
	\$	\$
Loss for the year after tax	<u>(2,565,846)</u>	<u>(696,054)</u>
Assets		
Current assets	27,393	2,621,320
Non-current assets	<u>20,025</u>	<u>20,025</u>
Total Assets	<u>47,418</u>	<u>2,641,345</u>
Liabilities		
Current Liabilities	<u>858,375</u>	<u>999,738</u>
Equity		
Issued capital	6,570,727	6,570,727
Reserves	113,282	-
Accumulated losses	<u>(7,494,966)</u>	<u>(4,929,120)</u>
Total equity	<u>(810,957)</u>	<u>1,641,607</u>

Guarantees

Faster Enterprises Ltd is guarantor for funding arrangements by its subsidiaries. Total value of loan to which Faster Enterprises Ltd is a guarantor is \$Nil (2020: \$Nil).

FE (Hotels) Pty Ltd, a wholly owned subsidiary of Faster Enterprises Ltd is the guarantor of one long-term borrowing of FE Nunawading Hotel Pty Ltd. The total value of loan guaranteed is \$3,445,000.

Other Commitments and Contingencies

Faster Enterprises Ltd has no other commitments to acquire property, plant and equipment, and has no contingent liabilities other than those disclosed elsewhere in this report.

Note 23. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2021	2020
		%	%
FE (Residential) Pty Ltd	Australia	100%	100%
FE (Commercial) Pty Ltd	Australia	100%	100%
FE (Hotels) Pty Ltd	Australia	100%	100%
FE (Project Management) Pty Ltd	Australia	100%	100%
Faster Enterprises International (HK) Limited	Hong Kong	100%	100%
FE Albion Pty Ltd	Australia	100%	100%
FE Ellingworth Pty Ltd	Australia	100%	100%
Faster (Carnegie) Properties Pty Ltd	Australia	100%	100%
FE Nunawading Hotel Pty Ltd	Australia	100%	100%
FE (Box Hill) Pty Ltd	Australia	100%	100%
Faster (Carnegie) Management Pty Ltd	Australia	100%	100%
Faster Asia Sdn Bhd	Malaysia	-	100%

Faster Enterprises Ltd
Notes to the financial statements
30 June 2021

Note 24. Interests in associates

Interests in associates are accounted for using the equity method of accounting. Information relating to associates that are material to the consolidated entity are set out below:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2020 %	2019 %
Faster Properties Investment Pty Ltd	Australia	33%	33%

Summarised financial information

	Faster Properties Investment Pty Ltd	
	2021 \$	2020 \$
<i>Summarised statement of financial position</i>		
Current assets	26,220	36,194
Non-current assets	-	-
Total assets	<u>26,220</u>	<u>36,194</u>
Current liabilities	92,544	101,748
Non-current liabilities	234,800	234,800
Total liabilities	<u>327,344</u>	<u>336,548</u>
Net assets	<u><u>(301,124)</u></u>	<u><u>(300,354)</u></u>
<i>Summarised statement of profit or loss and other comprehensive income</i>		
Revenue	-	-
Expenses	<u>(3,664)</u>	<u>(37,860)</u>
Profit/(loss) before income tax	(3,664)	(37,860)
Other comprehensive income	-	-
Total comprehensive income	<u><u>(3,664)</u></u>	<u><u>(37,860)</u></u>

As Faster Properties Investment Pty Ltd ('FPI') showed a negative figure in Net Equities, and as the carrying amount of an investment accounted for using equity method cannot be lower than \$0, the Group continues recording the amount of equity investment on FPI at \$0 and takes no share of profit until FPI's Net Equities amount shows a positive figure.

Note 25. Events after the reporting period

On 17 September 2021 FE Nunawading Hotel Pty Ltd, was placed into external administration due to the loan payable to La Trobe Financial disclosed in Note 12, being in default. The loan was secured against the investment property disclosed in Note 10, which is held in FE Nunawading Hotel Pty Ltd.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Faster Enterprises Ltd
Notes to the financial statements
30 June 2021

Note 26. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2021	2020
	\$	\$
Loss after income tax expense for the year	(3,025,682)	(1,400,401)
Adjustments for:		
Net loss from sale of properties	-	108,235
Impairment	1,996,702	-
Depreciation and amortisation expense	21,714	-
Unpaid interest expense and penalties	461,741	-
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	44,034	(59,732)
Decrease in prepayments	-	17,269
Decrease in trade and other payables	423,068	(3,377)
Increase/(decrease) in employee benefits	49,264	(27,433)
Net cash used in operating activities	<u>(29,159)</u>	<u>(1,365,439)</u>

Note 27. Loss per share

	Consolidated	
	2021	2020
	\$	\$
Loss after income tax attributable to the owners of Faster Enterprises Ltd	<u>(3,025,682)</u>	<u>(1,400,401)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>110,885,411</u>	<u>110,885,411</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>110,885,411</u>	<u>110,885,411</u>
	Cents	Cents
Basic earnings per share	(2.73)	(1.26)
Diluted earnings per share	(2.73)	(1.26)

Accounting policy for earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Faster Enterprises Ltd, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Faster Enterprises Ltd
Directors' declaration
30 June 2021

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Harry Hong

Date: 4 February 2022

RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT To the Members of Faster Enterprises Limited

Disclaimer of Opinion

We were engaged to audit the financial report of Faster Enterprises Limited (the Company), and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

We do not express an opinion on the accompanying financial report of the Group. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on this financial report.

Basis for Disclaimer of Opinion

As disclosed in Note 25 *Events after the reporting period* a subsidiary of the Group, FE Nunawading Hotel Pty Ltd, which holds the investment property at 4 Watts Street, Box Hill, was placed into external administration on 17 September 2021. The investment property represents 99% of the total assets of the Group at 30 June 2021 and as at the date of this auditor's report the Directors are unable to determine whether any residual value will be received by the Group once the investment property is sold by the administrator and the secured loan against the property is repaid along with interest, penalties, selling expenses and the cost of administration.

The Directors have prepared cashflow forecasts which includes cash inflows from repayment of related party loan receivables, however as disclosed in Note 9 *Related entities receivable* these loans have been impaired to nil as there is no evidence to support the recoverability of these loans. The cashflow forecasts also include cash inflows from a share placement to new investors however there is no evidence provided from the Directors to demonstrate support from these new investors.

We have been unable to obtain alternative evidence on any of the above matters which would provide sufficient appropriate audit evidence as to whether the Group will generate cash inflows adequate to meet the Group's liabilities, and hence remove significant doubt of its ability to continue as a going concern within twelve months of the date of this auditor's report.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to conduct an audit of the financial report in accordance with Australian Auditing Standards and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial report.

We are independent of the Group in accordance with the ethical requirements of the Corporations Act 2001 and the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Faster Enterprises Limited, for the year ended 30 June 2021, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



RSM AUSTRALIA PARTNERS



B Y CHAN
Partner

Dated: 7 February 2022
Melbourne, Victoria

Faster Enterprises Ltd
Additional Information

Additional information required by the Australian Securities Exchange Listing Rules and not disclosed elsewhere in this report. This information was prepared based on share registry information processed up to 30 June 2021.

DISTRIBUTION OF EQUITY SECURITIES

Analysis of numbers of listed equity security holders by size of holding:

	Ordinary shares	Share Options	Ordinary shares	Share Options
	2021		2020	
1 - 1,000	10	-	10	-
1,001 - 5,000	3	-	2	-
5,001 - 10,000	222	-	225	-
10,001 - 100,000	94	-	83	-
100,001 and over	51	-	50	-
	380	-	370	-
Number of shareholders holding less than a marketable parcel:	0	-	0	-

STATEMENT OF QUOTED SECURITIES

Listed on the Australian Securities Exchange are 110,885,411 (2020: 110,885,411) fully paid shares and Nil (2020: Nil) options.

Faster Enterprises Ltd
Additional Information

EQUITY SECURITY HOLDERS

The names of the twenty largest holders of equity securities are listed below:

Position	Holder Name	Holding	% IC
1	COOLYAH PROPERTIES PTY LTD <COOLYAH PROPERTIES A/C>	44,254,255	39.91%
2	FEL CONSULT SDN BHD	17,500,000	15.78%
3	LANGYI AUSTRALIA PTY LTD <LANGYI AUSTRALIA A/C>	6,500,000	5.86%
4	MR YONG CHAO WU	6,416,822	5.79%
5	ZHONGDA INVESTMENT PTY LTD	6,000,000	5.41%
6	MR WEIPING CHEN	3,000,000	2.71%
7	MRS QIAOJI DUAN	2,144,000	1.93%
8	BNP PARIBAS NOMS PTY LTD <DRP>	1,891,589	1.71%
9	RUNJUN JIANG	1,300,000	1.17%
10	COOLYAH PROPERTIES PTY LTD <WU FAMILY A/C>	1,178,865	1.06%
11	MRS XIULI RUAN	1,004,768	0.91%
12	MIN JIANG	1,000,000	0.90%
13	MR WEI MIN LING	950,698	0.86%
14	MR YULI HUO	941,000	0.85%
15	MS JIEHONG ZHANG	651,027	0.59%
15	XIMEI ZHANG	651,027	0.59%
16	MRS LISA HONG	585,801	0.53%
17	YOULAN QIU	520,822	0.47%
18	R-SQUARED PTY LTD	519,000	0.47%
19	YAOAN ZHOU	518,250	0.47%
20	MR LAY ANN ONG	500,000	0.45%
20	MISS HUIZHAN TANG	500,000	0.45%
20	MRS QINGPING GE	500,000	0.45%
	TOTALS	99,027,924	89.31%
	Total Issued Capital	110,885,411	100.00%

SUBSTANTIAL SHAREHOLDERS

Name	Ordinary shares	
	Number	
	2021	2020
COOLYAH PROPERTIES PTY LTD <COOLYAH PROPERTIES A/C>	44,254,255	61,754,255
FEL CONSULT SDN BHD	17,500,000	-
LANGYI AUSTRALIA PTY LTD <LANGYI AUSTRALIA A/C>	6,500,000	6,500,000
MR YONG CHAO WU	6,416,822	6,416,822
ZHONGDA INVESTMENT PTY LTD	6,000,000	6,000,000

Faster Enterprises Ltd
Additional Information

UNQUOTED EQUITY SECURITIES

Analysis of numbers of unlisted equity security holders:

Number on issue		Number of holders	
2021	2020	2021	2020
-	-	-	-
-	-	-	-

EQUITY OPTION HOLDERS

The names of the twenty largest holders of equity options are listed below:

Name	2021		2020	
	Options		Options	
	Number	% holding	Number	% holding
No Listed Options on issue	-	-	-	-
	-	-	-	-

Voting Rights:

Ordinary Shares

All ordinary shares carry one vote per share without restriction.

Partly Paid Shares

No voting rights

Options

No voting rights