



FITTERS DIVERSIFIED BERHAD

Company No: 149735-M

(Incorporated in Malaysia)

Interim Financial Report

30 June 2014

FITTERS DIVERSIFIED BERHAD
(Company No. 149735-M)

ANNOUNCEMENT OF UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2014

The Board of Directors are pleased to announce the unaudited consolidated results of the Company for the financial quarter ended 30 June 2014.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2014 - unaudited**

	SECOND QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR	PRECEDING	CURRENT	PRECEDING
	QUARTER	YEAR	YEAR TO DATE	YEAR
	30-Jun-2014	30-Jun-2013	30-Jun-2014	30-Jun-2013
	RM'000	RM'000	RM'000	RM'000
Revenue	102,075	111,313	219,019	181,075
Cost of sales	(76,367)	(85,519)	(169,125)	(135,594)
Gross profit	25,708	25,794	49,894	45,481
Interest income	96	42	125	56
Other income	236	397	400	624
Selling and marketing expenses	(939)	(3,280)	(5,228)	(5,160)
Impairment (loss)/gain of receivables	(411)	56	(506)	156
Administrative expenses	(6,502)	(5,910)	(12,378)	(11,678)
Depreciation and amortisation	(883)	(323)	(1,806)	(682)
Forex gain/(loss)	(65)	38	160	28
Finance costs	(803)	(417)	(1,589)	(727)
Profit before tax	16,437	16,397	29,072	28,098
Income tax expense	(4,065)	(4,165)	(7,452)	(7,323)
Profit for the period	12,372	12,232	21,620	20,775
Other comprehensive (loss)/income	(501)	1,174	(1,550)	1,550
Total comprehensive income for the period	11,871	13,406	20,070	22,325
Profit attributable to :				
Owners of the Company	12,481	12,281	21,802	20,795
Non-controlling interests	(109)	(49)	(182)	(20)
	12,372	12,232	21,620	20,775
Earnings per share attributable to owners of the Company :				
Basic (sen)	4.17	4.26	7.28	7.21
Fully diluted (sen)	4.17	4.26	7.28	7.21

(The Condensed Consolidated Statements Of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31st December 2013 and the accompanying explanatory notes attached to the interim financial statements.)

FITTERS DIVERSIFIED BERHAD

(Company No. 149735-M)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014**

	(Unaudited) AS AT END OF CURRENT QUARTER 30-Jun-2014 RM'000	(Audited) AS AT PRECEDING FINANCIAL YEAR 31-Dec-2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	148,501	148,459
Investment properties	517	528
Intangible assets	4,360	4,360
Land use rights	4,076	4,491
Investment securities	21,540	21,540
Trade and other receivables	1,986	1,311
	180,980	180,689
Current Assets		
Development properties	97,716	50,965
Inventories	12,488	9,992
Trade and other receivables	114,866	103,146
Other current assets	43,188	73,463
Investment securities	1	1
Income tax Recoverable	1,585	946
Deposits, cash and bank balances	42,775	45,171
	312,619	283,684
TOTAL ASSETS	493,599	464,373

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014**

	(Unaudited) AS AT END OF CURRENT QUARTER 30-Jun-2014 RM'000	(Audited) AS AT PRECEDING FINANCIAL YEAR 31-Dec-2013 RM'000
EQUITY AND LIABILITIES		
Current Liabilities		
Loans and borrowings	34,882	24,330
Trade and other payables	62,543	83,835
Other current liabilities	21,491	11,761
Proposed dividend payable	6,187	-
Income tax payable	4,407	3,860
	129,510	123,786
Net current assets	183,109	159,898
Non-current liabilities		
Loans and borrowings	53,758	55,384
Deferred tax liabilities	1,278	1,306
	55,036	56,690
TOTAL LIABILITIES	184,546	180,476
NET ASSETS	309,053	283,897
Equity attributable to owners of the Company		
Share Capital	155,929	155,929
Share Premium	6,500	2,864
Treasury Shares	(1,603)	(10,279)
Revaluation Reserves	19,375	19,375
Capital Reserves	7,275	7,275
Exchange Reserves	1,749	3,299
Retained Earnings	113,230	103,529
	302,455	281,992
Non-controlling Interests	6,598	1,905
Total equity	309,053	283,897
TOTAL EQUITY AND LIABILITES	493,599	464,373
Net Assets per Share (sen) **	99.91	96.01

** Net assets per share is calculated based on Total Assets (including intangibles) minus Total Liabilities divided by the total number of ordinary shares/less treasury share.

(The Condensed Consolidated Statement Of Financial Position should be read in conjunction with the Annual Financial Report 31st December 2013.)

FITTERS DIVERSIFIED BERHAD

(Company No. 149735-M)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 JUNE 2014 - unaudited

	[----- Attributable to Owners of the Company -----]								Non Controlling Interests	Total Equity	
	[----- Non-Distributable -----]						Distributable				Total
	Share Capital	Share Premium	Treasury Shares	Capital Reserve	Revaluatio n Reserve	Exchange Reserve	Reserve Retained Earnings	RM'000			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000			
<u>6 months ended 30 June 2014</u>											
Balance as at 01 January 2014	155,929	2,864	(10,279)	7,275	19,375	3,299	103,529	281,992	1,905	283,897	
Total comprehensive income	-	-	-	-	-	(1,550)	21,802	20,252	(182)	20,070	
Treasury shares sold	-	3,636	8,676	-	-	-	-	12,312	-	12,312	
Share subscription by Minority											
Shareholder during the year	-	-	-	-	-	-	-	-	4,875	4,875	
Dividend paid	-	-	-	-	-	-	(5,914)	(5,914)		(5,914)	
Proposed dividend payable	-	-	-	-	-	-	(6,187)	(6,187)	-	(6,187)	
Balance as at 30 June 2014	<u>155,929</u>	<u>6,500</u>	<u>(1,603)</u>	<u>7,275</u>	<u>19,375</u>	<u>1,749</u>	<u>113,230</u>	<u>302,455</u>	<u>6,598</u>	<u>309,053</u>	
<u>6 months ended 30 June 2013</u>											
Balance as at 01 January 2013	155,929	2,864	(14,452)	7,275	533	99	70,345	222,593	1,477	224,070	
Total comprehensive income	-	-	-	-	-	1,550	20,795	22,345	(20)	22,325	
Treasury shares purchased	-	-	(1,317)	-	-	-	-	(1,317)	-	(1,317)	
Balance as at 30 June 2013	<u>155,929</u>	<u>2,864</u>	<u>(15,769)</u>	<u>7,275</u>	<u>533</u>	<u>1,649</u>	<u>91,140</u>	<u>243,621</u>	<u>1,457</u>	<u>245,078</u>	

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st December 2013.)

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED 30 JUNE 2014 - unaudited

	(Unaudited) 6 months ended 30-Jun-2014 RM'000	(Unaudited) 6 months ended 30-Jun-2013 RM'000
Net Profit before tax	29,072	28,098
Adjustment for non-cash items:		
Operating items	2,148	582
Investing items	1,591	765
Operating profit before changes in working capital	<u>32,811</u>	<u>29,445</u>
Changes in Working Capital:		
Inventories	(2,496)	(127)
Receivables	(13,115)	(18,052)
Payables	(21,292)	(17,812)
Property development	(46,752)	29,494
Construction contracts	40,005	8,033
Cash generated from operating activities	<u>(10,839)</u>	<u>30,981</u>
Net tax refunded/(paid)	(7,572)	(2,909)
Interest paid	(1,589)	(727)
Net cash generated from operating activities	<u>(20,000)</u>	<u>27,345</u>
Cash Flow from investing activities		
Interest received	125	56
Proceeds from disposal of property, plant & equipment	66	48
Purchase of property, plant & equipment	(2,325)	(5,297)
	<u>(2,134)</u>	<u>(5,193)</u>
Cash Flow from financing activities		
Proceed from disposal/(Purchase) of treasury shares	12,312	(1,317)
Share subscription by Minority Shareholder	4,875	-
Dividend paid	(5,914)	-
HP & Lease repayment	(738)	(82)
Proceeds from bank borrowings	10,749	14,200
Repayment of bank borrowings	(1,740)	(15,432)
	<u>19,544</u>	<u>(2,631)</u>
Net Change in Cash & Cash Equivalents	(2,590)	19,521
Cash & Cash Equivalents at beginning of year	43,383	37,411
Cash & Cash Equivalents at end of period	<u>40,793</u>	<u>56,932</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 31st December 2013.)

FITTERS DIVERSIFIED BERHAD

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EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2014 - unaudited

1. Basis of Preparation

The interim financial statements have been prepared under the historical cost convention except for revaluation of certain freehold land and building included within property, plant and equipment and the following assets and liabilities that are stated at fair value: available-for-sale financial assets and investment properties.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2013.

2. Changes in Accounting Policies

The significant accounting policies, methods of computation and basis of consolidation adopted are consistent with those of the audited financial statements for the year ended 31 December 2013.

In conjunction with the planned convergence of FRSs with International Financial Reporting Standards as issued by the International Accounting Standards Board on 1 January 2012, the MASB had on 19 November 2011 issue a new MASB approved accounting standards, MFRSs ("MFRSs Framework") for application in the annual periods beginning on or after 1st January 2012.

The MFRSs Framework is mandatory for adoption by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities subject to the application of MFRS 141 Agriculture and/or IC Int 15 Agreements for the Construction of Real Estate ("Transitioning Entities"). The Transitioning Entities also includes those entities that consolidate or equity account or proportionately consolidate another entity that has chosen to continue to apply the FRSs framework for annual periods beginning on or after 1 January 2012.

Accordingly, certain subsidiaries in the Group and the Company which are Transitioning Entities have chosen to defer the adoption of the MFRSs Framework. The Group and the Company will prepare its first MFRSs financial statements using the MFRSs Framework is mandated by the MASB.

3. Auditors' Report on Preceding Annual Financial Statements

The report of the Auditors for the preceding financial year ended 31 December 2013 was not subject to any qualification.

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EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2014 - unaudited

4. Segmental Information

Analysis of the Group's results by business segments:

	Second Quarter		Cumulative Quarter	
	30/06/2014	30/06/2013	30/06/2014	30/06/2013
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Fire Services Division	38,900	36,986	70,358	67,613
Property Development & Construction	45,066	89,446	117,408	160,385
Renewable & Waste-To-Energy	40,821	24,573	77,828	28,488
Investment holding and others	1	-	1	-
Total revenue including inter-segment sales	124,788	151,005	265,595	256,486
Elimination of inter-segment sales	(22,713)	(39,692)	(46,576)	(75,411)
Total	102,075	111,313	219,019	181,075
Segment Result				
Fire Services Division	3,099	2,387	5,755	5,357
Property Development & Construction	13,028	13,385	22,435	23,157
Renewable & Waste-To-Energy	1,372	853	2,546	(342)
Investment holding and others	(932)	(302)	(1,524)	(310)
Total result including inter-segment profit	16,567	16,323	29,212	27,862
Elimination of unrealised inter-segment profit	(130)	74	(140)	236
Total	16,437	16,397	29,072	28,098

5. Exceptional or Unusual Items

During the financial quarter, there was no item of exceptional or unusual nature that affects the assets, liabilities, equity, net income or cash flows of the group.

6. Changes in Estimates

There were no changes in estimates that have a material effect in the current quarter.

7. Comment about Seasonal or Cyclical Factors

The business operations of the Group for the quarter are not materially affected by any seasonal or cyclical factor.

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EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2014 - unaudited

8. Dividends Paid

On 24 February 2014, the Board of Directors of the Company has approved an interim dividend of 4% (RM0.02 per share) in respect of the financial year ending 31 December 2013. The dividend was paid on 4 April 2014.

On 21 May 2014, the Board of Directors of the Company has approved an interim dividend of 4% (RM0.02 per share) in respect of the financial year ending 31 December 2014. The dividend was paid on 2 July 2014.

9. Carrying Amount of Revalued Assets

The valuations of properties, plant and equipment have been brought forward without amendment from the financial statements for the year ended 31 December 2013.

10. Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, shares buy-back, shares cancellation, shares held as treasury shares and resale of treasury shares during the financial period to-date except for the following:

- (i) During the quarter under review, the Company resale 13,641,536 units of its Treasury Shares via the open market at an average price of RM0.90 per share. The total shares proceeds for the disposal net of transaction costs was RM12,312,142.

11. Changes in Composition of the Group

There were no changes to the composition of the Group for the financial period under review.

Acquisition of subsidiary companies

- (i) On 20 January 2014, the Company subscribed for an additional 12,675,000 ordinary shares of RM1.00 each in Molecor (SEA) Sdn Bhd (formerly known as FITTERS Industries Sdn Bhd) ("MSSB"), fully paid for a total cash consideration of RM12,675,000 only. Consequent upon the above subscription, the resultant shareholdings of the Company in MSSB are 13,000,000 shares, representing 72% of the total equity of MSSB.

MSSB has not commenced business activities for the financial period ended 30 June 2014.

- (ii) On 6 March 2014, the Company had subscribed for one (1) share of S\$1.00 in Future NRG Pte Ltd ("FNPL"), a private company limited by shares incorporated in Singapore on 6 March 2014. The issued and paid-up capital of FNPL is S\$1.00 only comprising on (1) ordinary share of S\$1.00.

FNPL remained dormant as at financial period ended 30 June 2014.

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2014 - unaudited**

12. Capital Commitments

The amount of commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at 30 June 2014 is as follows:

	RM'000
Approved and contracted for :	
Property, plant and equipment	<u>117,922</u>

13. Changes in Contingent Liabilities

Corporate guarantees were given by the Company in respect of the following:

	RM'000
Banks and financial institutions credit facilities granted to subsidiary companies	153,694
Corporations for trade credit facilities to subsidiary companies	16,910
Corporations for performance project by subsidiary companies	<u>134,000</u>
	<u>304,604</u>

Corporate guarantees given to certain banks and financial institutions as required, have remained unchanged although the banking facilities extended to the subsidiary companies have been reduced. To-date, the limits of banking facilities extended to subsidiary companies has been reduced to RM138.269 million.

There are no further contingent liabilities save for that disclosed above as at 30 June 2014.

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ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

1. Performance Review

For the second quarter ended 30 June 2014, the revenue of the Group decreased by 8.30% to RM102.075 million from RM111.313 million and the profit before taxation increased by 0.24% to RM16,437 million from RM16,397 million in the preceding corresponding financial quarter ended 30 June 2013.

Basic earning per share computed based on adjusted weighted average number of ordinary shares decreased from 4.26 sen to 4.17 sen for the period.

For the 6 months under review, the revenue of the Group increased by 20.9% to RM219.019 million from RM181.075 million and the profit before taxation increased by 3.47% to RM29.072 million from RM28.098 million in the preceding corresponding financial quarter ended 30 June 2013.

Basic earning per share were up from 7.21 sen to 7.28 sen for the cumulative period.

The detailed analysis and explanation for the variances for each business segment are as followed:

(i) Business segment: Fire Services Division (RM'000)

	Second Quarter			Cumulative Quarter		
	30/06/2014	30/06/2013	Changes (%)	30/06/2014	30/06/2013	Changes (%)
Revenue	38,900	36,986	5.2%	70,358	67,613	4.1%
Profit before tax	3,099	2,387	29.8%	5,755	5,357	7.4%

For the current quarter, revenue increased by 5.2%. However, profit before tax increased by 29.8% as compared to previous year. The increased in profit for the quarter is mainly due to recognition of profit from project variation upon finalisation of a few projects.

For the cumulative period, both revenue and profit before tax increased slightly by 4.1% and 7.4% respectively as compared to previous year.

(ii) Business segment: Property Development & Construction (RM'000)

	Second Quarter			Cumulative Quarter		
	30/06/2014	30/06/2013	Changes (%)	30/06/2014	30/06/2013	Changes (%)
Revenue	45,066	89,446	-49.6%	117,408	160,385	-26.8%
Profit before tax	13,028	13,385	-2.7%	22,435	23,157	-3.1%

Revenue reduced by 49.6% for the current quarter and 26.8% for the cumulative quarter. The Revenue was only generated from progress of work done for both "LOFT" apartment and "DeSkye" apartment project, as both "SOHO" & "ZEN" work suites were completed in the first quarter of FYE2014.

Although with the drop in the revenue, profit before tax only reduced marginally : 2.7% for the current quarter and 3.1% for the cumulative quarter. This was due to the profit recognition from a Variation Order of the "Festival Mall" project which was completed previously.

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ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

1. Performance Review (continued)

(iii) **Business segment: Renewable & Waste-To-Energy (RM'000)**

	Second Quarter			Cumulative Quarter		
	30/06/2014	30/06/2013	Changes (%)	30/06/2014	30/06/2013	Changes (%)
Revenue	40,821	24,573	66.1%	77,828	28,488	173.2%
Profit/(Loss) before tax	1,372	853	60.8%	2,546	(342)	844.4%

Revenue and profit before tax for the current quarter increased substantially for both current quarter and cumulative quarter after the recommencement of palm oil mill production which temporary ceased production in first quarter of FYE2013 for upgrading and expansion work.

2. Comment on Material Changes in Profit Before Taxation Against Preceding Quarter

There was no material changes in profit before taxation against the preceding quarter.

3. Commentary of Prospects

Based on the prevailing market and industry condition, the Board of Directors are optimistic of sustaining overall financial and operational performance for the year ending 31 December 2014.

The Board of Directors do not foresee any significant changes pertaining to material costs and selling prices which will affect the Fire Services Division, Property Development & Construction and Renewable & Waste-To-Energy segments.

For the year ending 31 December 2014, the Group will continue with its efforts to further enhance its existing businesses in property development, palm oil extraction and renewable energy. In addition, the Board is confident to bring on-stream the "HYPRO" PVC-O pipe project. The Board of Directors foresee that these business segments will continue to contribute positively to the Group's revenue and profit.

4. Profit Forecast or Profit Guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interest and forecast profit after tax and minority interest and for the shortfall in profit guarantee are not applicable.

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**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS
OF BURSA MALAYSIA SECURITIES BERHAD**

5. Income Tax Expense

	Second Quarter		Cumulative Quarter	
	30/06/2014	30/06/2013	30/06/2014	30/06/2013
	RM'000	RM'000	RM'000	RM'000
Income tax				
- Current year	4,178	4,166	7,635	7,317
- Prior year	1	-	(155)	-
	4,179	4,166	7,480	7,317
Deferred tax	(114)	(1)	(28)	6
Total income tax expense	4,065	4,165	7,452	7,323

The effective tax rate for the Group is 25.6% for the cumulative period ended 30/06/2014 as compared to 26.1% for the previous year ended 30/06/2013. The tax rate was slightly higher than the statutory rate due to the losses of certain subsidiaries which cannot be set off against taxable profits made by other subsidiaries and certain expenses which are not deductible for tax purposes.

6. Corporate Proposals

(1) Status of Corporate Proposals

(i) Long Term Incentive Plan ("LTIP")

On 15 April 2013, the Company announced the proposal to establish a Long Term Incentive Plan ("Proposed LTIP") of up to 15% of the issued and paid-up share capital of the Company at any time during the duration of the Proposed LTIP, for the eligible employees and Executive Directors of the FITTERS Group.

The Listing application of the Proposed LTIP had been submitted to Bursa Malaysia Securities Berhad on 30 April 2013 and was approved vide its letter dated 15 May 2013.

The effective date of implementation of the LTIP is 11 November 2013 and will be in force for a period of 5 years and may be extended for up to another 5 years immediately from the expiry of the first 5 years, but will not in aggregate exceed 10 years from the Effective Date.

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**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS
OF BURSA MALAYSIA SECURITIES BERHAD**

6. Corporate Proposals (continued)

(1) Status of Corporate Proposals (continued)

(ii) Proposed Listing of Subsidiary

On 10 January 2014, the Company announced the proposed listing of its wholly-owned subsidiary, namely Future NRG Sdn Bhd ("FNRG") on Catalyst, the Sponsor-Supervised Board of the Singapore Exchange Securities Trading Limited.

FNRG has appointed PrimePartners Corporate Finance Pte Ltd in Singapore as the Full Sponsor in relation to the Proposed Listing and the Continuing Sponsor, and UOB Kay Hian Private Limited in Singapore as the Arranger, Underwriter and Placement Agent.

FITTERS has appointed TA Securities Holdings Berhad as the Adviser to FITTERS for the Proposed Listing in relation to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Proposed Listing is subject to, inter alia, approvals or clearance being obtained from the relevant authorities in Malaysia and Singapore, where applicable, as well as from the shareholders of FITTERS at an extraordinary general meeting to be convened, if necessary.

(ii) Proposed Private Placement, Proposed Bonus Issue and Proposed Free Warrant Issue

On 21 July 2014, the Company announced the proposal to undertake the following :

- (a) Private placement of up to ten percent (10%) of the issued and paid-up share capital of FITTERS (excluding treasury shares);
- (b) Bonus issue of up to 137,217,604 new ordinary shares of RM0.50 each of FITTERS on the basis of two (2) Bonus Shares for every five (5) existing FITTERS shares held at an entitlement date to be determined later; and
- (c) Issue of up to 137,217,604 free warrants in FITTERS on the basis of two (2) Warrants for every five (5) existing FITTERS shares held at the same entitlement date as the Proposed Bonus Issue.

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**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS
OF BURSA MALAYSIA SECURITIES BERHAD**

6. Corporate Proposals (continued)

(1) Status of Corporate Proposals (continued)

**(ii) Proposed Private Placement, Proposed Bonus Issue and Proposed Free Warrant Issue
(continued)**

On 12 August 2014, the listing application had been submitted to Bursa Malaysia Securities Berhad ("Bursa") for the Proposals and obtained its approval via its letter dated 21 August 2014 subject to, inter-alia, the following conditions:

- (a) to fully comply with the relevant provisions under the Main Market Listing Requirements pertaining to the implementation of the Proposals;
- (b) to inform Bursa upon the completion of the Proposals;
- (c) to make the relevant announcements pursuant to Paragraph 6.35(2)(a)&(b) and 6.35(4) of the Listing Requirements for the Proposed Bonus Issue; and
- (d) to furnish Bursa on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of the Warrants as at the end of each quarter together with a detailed computation of listing fees payable to the Proposed Free Warrants Issue.

7. Group Borrowings

The total Group borrowings as at 30 June 2014 are as follows:

	As at 30/06/2014 RM'000	As at 30/06/2013 RM'000
Short term borrowings		
Secured		
Term Loans	3,728	-
Finance lease obligations	1,567	108
Unsecured		
Bank overdrafts	1,982	2,998
Revolving credits	14,700	15,200
Bankers acceptance	12,905	12,290
	<u>34,882</u>	<u>30,596</u>
Long term borrowings		
Secured		
Term Loans	52,167	-
Finance lease obligations	1,591	11
	<u>53,758</u>	<u>11</u>

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**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS
OF BURSA MALAYSIA SECURITIES BERHAD**

8. Material Litigation

The Group does not have any material litigation for the financial period under review.

9. Dividend Payable

On 24 February 2014, the Board of Directors of the Company has approved an interim dividend of 4% (RM0.02 per share) in respect of the financial year ending 31 December 2013. The dividend was paid on 4 April 2014.

On 21 May 2014, the Board of Directors of the Company has approved an interim dividend of 4% (RM0.02 per share) in respect of the financial year ending 31 December 2014. The dividend was paid on 2 July 2014.

10. Basic earnings per share

(a) **Basic**

Basic earnings per share are calculated by dividing profits for the net period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period excluding treasury shares held by the Company.

	Second Quarter		Cumulative Quarter	
	30/06/2014	30/06/2013	30/06/2014	30/06/2013
	RM'000	RM'000	RM'000	RM'000
Profit attributable to ordinary equity holders of the Company	12,481	12,281	21,802	20,795
Adjusted weighted average number of ordinary shares in issue and issuable 299,294,334 (2013: 288,227,484) ('000)	299,294	288,227	299,294	288,227
Basic earnings per share (sen)	4.17	4.26	7.28	7.21

(b) **Diluted**

The Company has no potential dilution of earnings per share during the financial period under review.

FITTERS DIVERSIFIED BERHAD
(Company No. 149735-M)

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS
OF BURSA MALAYSIA SECURITIES BERHAD**

11. Disclosure of Realised and Unrealised Profits/Losses

The breakdown of the retained earnings of the Group as at 30 June 2014 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysia Institute of Accountants.

	Current financial period 30/06/2014 RM'000	As at end of last financial year 31/12/2013 RM'000
Total retained profits of FITTERS Diversified Berhad and its subsidiaries:		
- Realised	117,989	101,905
- Unrealised	1,403	1,541
	<hr/>	<hr/>
	119,392	103,446
Total share of retained earnings from associates - realised	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
	119,392	103,446
Add/(Less): Consolidation adjustments	25	83
	<hr/>	<hr/>
Total retained profits	<hr/> 119,417	<hr/> 103,529

12. Authorisation for issue

The interim financial statements for the period ended 30 June 2014 were authorised for issue in accordance with a resolution of the Board of Directors on 27 August 2014.

FITTERS DIVERSIFIED BERHAD

DATO' WONG SWEE YEE
MANAGING DIRECTOR
Kuala Lumpur
Date: 27-August-2014