



FITTERS DIVERSIFIED BERHAD

Company No: 149735-M

(Incorporated in Malaysia)

Interim Financial Report

31 December 2014

FITTERS DIVERSIFIED BERHAD
(Company No. 149735-M)

ANNOUNCEMENT OF UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2014

The Board of Directors are pleased to announce the unaudited consolidated results of the Company for the financial quarter ended 31 December 2014.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2014 - unaudited**

	FOURTH QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR	PRECEDING	CURRENT	PRECEDING
	QUARTER	YEAR	YEAR TO DATE	YEAR
	31-Dec-2014	31-Dec-2013	31-Dec-2014	31-Dec-2013
	RM'000	RM'000	RM'000	RM'000
Revenue	64,365	159,603	346,437	472,501
Cost of sales	(51,614)	(138,480)	(264,600)	(384,154)
Gross profit	12,751	21,123	81,837	88,347
Interest income	323	134	496	422
Other income	494	2,906	962	5,219
Selling and marketing expenses	(1,139)	(995)	(7,247)	(9,142)
Impairment gain/(loss) of receivables	453	376	(53)	475
Administrative expenses	(4,357)	(8,110)	(23,257)	(26,295)
Depreciation and amortisation	(1,020)	(425)	(3,793)	(1,460)
Forex (loss)/gain	(664)	76	(390)	143
Finance costs	(1,067)	(713)	(3,470)	(1,877)
Profit before tax	5,774	14,372	45,085	55,832
Income tax expense	(2,166)	(5,715)	(12,790)	(16,339)
Profit for the period	3,608	8,657	32,295	39,493
Other comprehensive income	1,946	19,553	1,308	22,042
Total comprehensive income for the period	5,554	28,210	33,603	61,535
Profit attributable to :				
Owners of the Company	3,825	8,334	32,942	39,215
Non-controlling interests	(217)	323	(647)	278
	3,608	8,657	32,295	39,493
Earnings per share attributable to owners of the Company :				
Basic (sen)	0.85	1.94	7.29	9.15

(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 31 DECEMBER 2014**

	(Unaudited) AS AT END OF CURRENT QUARTER 31-Dec-2014 RM'000	(Audited) AS AT PRECEDING FINANCIAL YEAR 31-Dec-2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	219,137	148,459
Investment properties	838	528
Intangible assets	4,360	4,360
Land use rights	4,501	4,491
Investment securities	21,540	21,540
Trade and other receivables	2,693	1,311
	253,069	180,689
Current Assets		
Development properties	89,308	50,965
Inventories	8,678	9,992
Trade and other receivables	105,585	103,147
Other current assets	37,266	73,463
Income tax Recoverable	2,633	946
Deposits, cash and bank balances	43,983	45,171
	287,453	283,684
TOTAL ASSETS	540,522	464,373

FITTERS DIVERSIFIED BERHAD

(Company No. 149735-M)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014**

	(Unaudited) AS AT END OF CURRENT QUARTER 31-Dec-2014 RM'000	(Audited) AS AT PRECEDING FINANCIAL YEAR 31-Dec-2013 RM'000
EQUITY AND LIABILITIES		
Current Liabilities		
Loans and borrowings	28,788	24,330
Trade and other payables	58,192	83,835
Other current liabilities	10,978	11,761
Income tax payable	2,490	3,860
	100,448	123,786
Net current assets	187,005	159,898
Non-current liabilities		
Loans and borrowings	69,401	55,384
Deferred tax liabilities	1,409	1,306
	70,810	56,690
TOTAL LIABILITIES	171,258	180,476
NET ASSETS	369,264	283,897
Equity attributable to owners of the Company		
Share Capital	240,130	155,929
Share Premium	-	2,864
Treasury Shares	-	(10,279)
Revaluation Reserves	19,375	19,375
Capital Reserves	7,275	7,275
Exchange Reserves	4,607	3,299
Retained Earnings	86,294	103,529
	357,681	281,992
Non-controlling Interests	11,583	1,905
Total equity	369,264	283,897
TOTAL EQUITY AND LIABILITES	540,522	464,373
Net Assets per Share (sen) **	76.89	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.)

FITTEES DIVERSIFIED BERHAD

(Company No. 149735-M)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 DECEMBER 2014 - unaudited

	[----- Attributable to Owners of the Company -----]								Non Controlling Interests	Total Equity
	[----- Non-Distributable -----]				Distributable					
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Capital Reserve RM'000	Revaluation Reserve RM'000	Exchange Reserve RM'000	Retained Earnings RM'000	Total RM'000		
<u>12 months ended 31 December 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
Issue of shares	15,593	22,307	-	-	-	-	-	37,900	-	37,900
Bonus Issue	68,608	(30,532)	-	-	-	-	(38,076)	-	-	-
Total comprehensive income	-	-	-	-	-	1,308	32,942	34,250	(647)	33,603
Treasury shares sold	-	5,361	10,279	-	-	-	-	15,640	-	15,640
Share subscription by Minority										
Shareholder during the year	-	-	-	-	-	-	-	-	10,325	10,325
Dividend paid	-	-	-	-	-	-	(12,101)	(12,101)	-	(12,101)
Balance as at 31 December 2014	<u>240,130</u>	<u>-</u>	<u>-</u>	<u>7,275</u>	<u>19,375</u>	<u>4,607</u>	<u>86,294</u>	<u>357,681</u>	<u>11,583</u>	<u>369,264</u>
<u>12 months ended 31 December 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	-	-	-	-	18,842	3,200	39,215	61,257	278	61,535
Treasury shares purchased	-	-	(1,883)	-	-	-	-	(1,883)	-	(1,883)
Change in stake	-	-	-	-	-	-	25	25	150	175
Dividend paid in specie	-	-	6,056	-	-	-	(6,056)	-	-	-
Balance as at 31 December 2013	<u>155,929</u>	<u>2,864</u>	<u>(10,279)</u>	<u>7,275</u>	<u>19,375</u>	<u>3,299</u>	<u>103,529</u>	<u>281,992</u>	<u>1,905</u>	<u>283,897</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.)

FITTERS DIVERSIFIED BERHAD
(Company No. 149735-M)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED 31 DECEMBER 2014 - unaudited

	(Unaudited) 12 months ended 31-Dec-2014 RM'000	(Audited) 12 months ended 31-Dec-2013 RM'000
Net Profit before tax	45,085	55,832
Adjustment for non-cash items:		
Operating items	3,581	(745)
Investing items	3,231	638
Operating profit before changes in working capital	<u>51,897</u>	<u>55,725</u>
Changes in Working Capital:		
Inventories	1,315	(329)
Receivables	(3,760)	6,198
Payables	(25,644)	(2,026)
Property development	(38,344)	(48,956)
Construction contracts	35,414	7,012
Cash generated from operating activities	<u>20,878</u>	<u>17,624</u>
Net tax refunded/(paid)	(15,745)	(14,020)
Interest paid	(3,470)	(1,877)
Net cash generated from operating activities	<u>1,663</u>	<u>1,727</u>
Cash Flow from investing activities		
Interest received	496	422
Purchase of investment property	(332)	-
Proceeds from disposal of property, plant & equipment	88	51
Investment in subsidiary, net of cash	-	(1,996)
Redemption of convertible preference shares	-	6,361
Purchase of property, plant & equipment	(72,231)	(18,661)
	<u>(71,979)</u>	<u>(13,823)</u>
Cash Flow from financing activities		
Proceed from disposal/(Purchase) of treasury shares	15,640	(1,883)
Share subscription by Minority Shareholder	10,325	-
Issue of ordinary shares	37,901	-
Dividend paid	(12,101)	-
HP & Lease repayment	(1,543)	(1,091)
Proceeds from bank borrowings	26,696	35,143
Repayment of bank borrowings	(7,700)	(14,693)
	<u>69,218</u>	<u>17,476</u>
Net Change in Cash & Cash Equivalents	(1,098)	5,380
Cash & Cash Equivalents at beginning of year	43,383	38,003
Cash & Cash Equivalents at end of period	<u>42,285</u>	<u>43,383</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 31 DECEMBER 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 issued a new MASB approved accounting standards, MFRSs ("MFRSs Framework") for application in the annual periods beginning on or after 1 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 their first MFRSs financial statements using the MFRSs Framework when 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.

FITTERS DIVERSIFIED BERHAD

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EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2014 - unaudited

4. Segmental Information

Analysis of the Group's results by business segments:

	Fourth Quarter		Cumulative Quarter	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Fire Services Division	47,127	48,699	150,935	157,167
Property Development & Construction	38,322	119,368	197,313	373,891
Renewable & Waste-To-Energy	11,319	44,574	115,486	114,943
Investment holding and others	-	-	1	-
Total revenue including inter-segment sales	96,768	212,641	463,735	646,001
Elimination of inter-segment sales	(32,403)	(53,038)	(117,298)	(173,500)
Total	64,365	159,603	346,437	472,501
Segment Result				
Fire Services Division	5,105	4,870	13,869	13,149
Property Development & Construction	9,156	10,395	40,371	43,096
Renewable & Waste-To-Energy	(7,559)	958	(5,422)	2,166
Investment holding and others	(1,139)	(752)	(3,839)	(1,543)
Total result including inter-segment profit	5,563	15,471	44,979	56,868
Elimination of unrealised inter-segment profit	211	(1,099)	106	(1,036)
Total	5,774	14,372	45,085	55,832

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 31 DECEMBER 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 ended 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 ended 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) Treasury Shares

During the year under review, the Company sold all of its Treasury Shares of 16,161,536 units via the open market at an average price of RM0.97 per share. The total proceeds from the disposal net of transaction costs was RM15,640,176 with a total gain of RM5,361,389.

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

On 2 October 2014, 31,185,800 new ordinary shares of RM0.50 each, representing 10% of the issued and paid-up share capital of FITTERS, were issued at an issue price of RM1.23 per share via a Private Placement exercise and the said shares were listed on the Main Market of Bursa on 3 October 2014.

Bonus issue of 137,216,949 new FITTERS' ordinary shares of RM0.50 each was completed on 13 October 2014 together with 137,216,949 free warrants, and both were listed on the Main Market of Bursa on 14 October 2014 and 21 October 2014 respectively.

The Warrants can be exercised at any time within 5 years commencing from the date of the issue of the Warrants up to and including the expiry date of 12 October 2019 at an exercise price of RM1.00 per Warrant.

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EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2014 - unaudited

11. Changes in Composition of the Group

There were no changes to the composition of the Group for the financial year under review other than the followings:

Acquisition of subsidiary companies

- (i) On 20 January 2014 and 22 August 2014 respectively, the Company subscribed for an additional 12,675,000 and 6,500,000 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 and RM6,500,000 respectively. Consequent upon the above subscription, the resultant shareholdings of the Company in MSSB are 19,500,000 shares, representing 65% of the total equity of MSSB.

MSSB has not commenced its business activities during the financial year ended 31 December 2014.

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

FNPL remained dormant as at 31 December 2014.

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 31 December 2014 is as follows:

	RM'000
Approved and contracted for :	
Property, plant and equipment	<u>78,157</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	195,064
Corporations for trade credit facilities to subsidiary companies	16,910
Corporations for performance project by subsidiary companies	<u>134,000</u>
	<u>345,974</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 RM179.639 million.

There are no further contingent liabilities save for that disclosed above as at 31 December 2014.

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

1. Performance Review

For the fourth quarter ended 31 December 2014, the revenue of the Group decreased by 59.7% to RM64.365 million from RM159.603 million and the profit before taxation decreased by 59.8% to RM5.774 million from RM14.372 million as compared to the preceding corresponding financial quarter ended 31 December 2013.

For the year under review, the revenue of the Group decreased by 26.7% to RM346.437 million from RM472.501 million and the profit before taxation decreased by 19.2% to RM45.085 million from RM55.832 million in the preceding financial year ended 31 December 2013. The Fire Services Division and the Property Development & Construction Division have both delivered satisfactory results for the financial year ended 31 December 2014. However, the Renewable & Waste-to-Energy Division recorded loss before tax of RM5.422 million during the year while the Group's newly set-up pipe manufacturing business incurred pre-operating expenses of RM2.470 million.

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

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

	Fourth Quarter			Cumulative Quarter		
	31/12/2014	31/12/2013	Changes (%)	31/12/2014	31/12/2013	Changes (%)
Revenue	47,127	48,699	-3.2%	150,935	157,167	-4.0%
Profit before tax	5,105	4,870	4.8%	13,869	13,149	5.5%

Revenue reduced by 3.2% and 4.0% respectively for the current and cumulative quarter. The decrease was mainly due to slow-down in the work progress of certain projects.

However, profit before tax increased slightly by 4.8% and 5.5% respectively for the current and cumulative quarter as compared to previous year. The increase in profit is mainly due to recognition of profit from project variation upon finalisation of a few projects.

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

	Fourth Quarter			Cumulative Quarter		
	31/12/2014	31/12/2013	Changes (%)	31/12/2014	31/12/2013	Changes (%)
Revenue	38,322	119,368	-67.9%	197,313	373,891	-47.2%
Profit before tax	9,156	10,395	-11.9%	40,371	43,096	-6.3%

Revenue reduced by 67.9% for the current quarter and 47.2% for the cumulative quarter. Revenue was only generated from progress of work done for "LOFT" apartment, which is 96% completed; and "ZetaDeSkye" apartment project.

Compared with the high decrease in revenue, profit before tax only reduced marginally by 11.9% for the current quarter and 6.3% for the cumulative quarter. This was due to savings in project cost and profit recognition in second quarter from a Variation Order of a 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)

	Fourth Quarter			Cumulative Quarter		
	31/12/2014	31/12/2013	Changes (%)	31/12/2014	31/12/2013	Changes (%)
Revenue	11,319	44,574	-74.6%	115,486	114,943	0.5%
Profit/(Loss) before tax	(7,559)	958	N/A	(5,422)	2,166	N/A

The Renewable & Waste-to-Energy Division recorded a decline in revenue by RM33.255 million and a loss before tax of RM7.559 million for the current quarter.

The performance of this division was affected by the lower supply of fresh fruit bunches ("FFB") which was in line with the drop in FFB production in Kedah, being the worst hit state in Malaysia, where our mill is located. In addition, the long fibre facilities did not perform to our expectation.

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

The profit before taxation decreased by 43.6% against the immediate preceding quarter mainly due to the losses recorded by the Renewable & Waste-to-Energy Division as a result of the very low supply of FFB.

3. Commentary of Prospects

The Group will continue with its on-going efforts to further enhance the performance of its existing businesses of fire services, property development & construction and renewable & waste-to-energy. The Group's recent venture into pipe manufacturing business is expected to augur well with its newly commissioned Orientated Polyvinyl Chloride ("PVC-O") pipe manufacturing plant to tap into the potential of the local sizeable market. The Group is also intensifying its marketing efforts to distribute its PVC-O pipes into the South East Asia countries. FITTERS remains upbeat for its pipe manufacturing business to generate a new source of income to the Group and expects this venture to contribute positively to its financial performance.

Given the above scenario and based on the prevailing market and industry conditions, the Board of Directors is cautiously optimistic of achieving a satisfactory operational and financial performance for the financial year ending 31 December 2015.

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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(Company No. 149735-M)

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

5. Income Tax Expense

	Fourth Quarter		Cumulative Quarter	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	RM'000	RM'000	RM'000	RM'000
Income tax				
- Current year	2,052	4,740	12,826	15,213
- Prior year	(10)	(20)	(139)	136
	2,042	4,720	12,687	15,349
Deferred tax	124	995	103	990
Total income tax expense	2,166	5,715	12,790	16,339

The effective tax rate for the Group is 28.4% for the cumulative period ended 31/12/2014 as compared to 29.3% for the previous year ended 31/12/2013. The tax rate was 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.

FITTERS DIVERSIFIED BERHAD
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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.

7. Group Borrowings

The total Group borrowings as at 31 December 2014 are as follows:

	As at	As at
	31/12/2014	31/12/2013
	RM'000	RM'000
Short term borrowings		
Secured		
Term Loans	8,765	4,228
Finance lease obligations	1,692	1,457
Unsecured		
Bank overdrafts	1,698	1,789
Revolving credits	10,000	6,500
Bankers acceptance	6,633	10,356
	<u>28,788</u>	<u>24,330</u>
Long term borrowings		
Secured		
Term Loans	68,089	53,406
Finance lease obligations	1,312	1,978
	<u>69,401</u>	<u>55,384</u>

8. Material Litigation

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

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

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 ended 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 ended 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.

	Fourth Quarter		Cumulative Quarter	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	RM'000	RM'000 (restated)	RM'000	RM'000 (restated)
Profit attributable to ordinary equity holders of the Company	3,825	8,334	32,942	39,215
Adjusted weighted average number of ordinary shares in issue and issuable 451,874,325 (2013: 428,650,725) ('000)	451,874	428,651	451,874	428,651
Basic earnings per share (sen)	0.85	1.94	7.29	9.15

(b) Diluted

The Company has potential ordinary shares in the form of warrants. The effect on the basic earning per share for the current and previous financial years arising from the assumed conversion of warrants is anti-dilutive. Accordingly, the diluted earnings per share for the current and previous financial years are not presented.

FITTERS DIVERSIFIED BERHAD
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**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 31 December 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 year ended 31/12/2014 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	83,933	101,905
- Unrealised	2,423	1,541
	<hr/>	<hr/>
	86,356	103,446
Total share of retained earnings from associates - realised	<hr/>	<hr/>
	-	-
	86,356	103,446
Add/(Less): Consolidation adjustments	(62)	83
	<hr/>	<hr/>
Total retained profits	86,294	103,529
	<hr/>	<hr/>

12. Authorisation for issue

The interim financial statements for the period ended 31 December 2014 were authorised for issue in accordance with a resolution of the Board of Directors on 26 February 2015.

FITTERS DIVERSIFIED BERHAD

DATO' WONG SWEE YEE
MANAGING DIRECTOR
Kuala Lumpur
Date: 26-February-2015