



# **FITTERS DIVERSIFIED BERHAD**

Company No: 149735-M

**(Incorporated in Malaysia)**

## **Interim Financial Report**

**30 June 2015**

**FITTERS DIVERSIFIED BERHAD**  
(Company No. 149735-M)

**ANNOUNCEMENT OF UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2015**

The Board of Directors are pleased to announce the unaudited consolidated results of the Company for the financial quarter ended 30 June 2015.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 30 JUNE 2015 - unaudited**

	SECOND QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR	PRECEDING	CURRENT	PRECEDING
	QUARTER	YEAR	YEAR TO DATE	YEAR
	30-Jun-2015	30-Jun-2014	30-Jun-2015	30-Jun-2014
	RM'000	RM'000	RM'000	RM'000
Revenue	104,674	102,075	190,391	219,019
Cost of sales	(87,752)	(76,367)	(159,503)	(169,125)
<b>Gross profit</b>	<b>16,922</b>	<b>25,708</b>	<b>30,888</b>	<b>49,894</b>
Interest income	133	96	251	125
Other income	33	236	729	400
Selling and marketing expenses	(1,856)	(939)	(3,152)	(5,228)
Impairment loss of receivables	(40)	(411)	(40)	(506)
Administrative expenses	(7,215)	(6,502)	(13,881)	(12,378)
Depreciation and amortisation	(1,300)	(883)	(2,619)	(1,806)
Forex gain/(loss)	(111)	(65)	(80)	160
Finance costs	(1,461)	(803)	(2,310)	(1,589)
<b>Profit before tax</b>	<b>5,105</b>	<b>16,437</b>	<b>9,786</b>	<b>29,072</b>
Income tax expense	(937)	(4,065)	(2,808)	(7,452)
<b>Profit for the period</b>	<b>4,168</b>	<b>12,372</b>	<b>6,978</b>	<b>21,620</b>
Other comprehensive income/(loss)	708	(501)	2,866	(1,550)
<b>Total comprehensive income for the period</b>	<b>4,876</b>	<b>11,871</b>	<b>9,844</b>	<b>20,070</b>
<b>Profit attributable to :</b>				
Owners of the Company	4,859	12,481	8,130	21,802
Non-controlling interests	(691)	(109)	(1,152)	(182)
	<b>4,168</b>	<b>12,372</b>	<b>6,978</b>	<b>21,620</b>
Earnings per share attributable to owners of the Company :				
Basic (sen)	1.01	4.17	1.69	7.28

(The Condensed Consolidated Statements Of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31st December 2014 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 2015**

	(Unaudited) AS AT END OF CURRENT QUARTER 30-Jun-2015 RM'000	(Audited) AS AT PRECEDING FINANCIAL YEAR END 31-Dec-2014 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	235,747	218,460
Investment properties	734	740
Intangible assets	4,360	4,360
Land use rights	4,902	4,501
Investment securities	21,510	21,540
Trade and other receivables	2,520	2,693
	269,773	252,294
<b>Current Assets</b>		
Development properties	116,658	63,449
Inventories	19,428	8,594
Trade and other receivables	117,476	108,113
Other current assets	33,883	63,028
Income tax recoverable	3,175	3,155
Deposits, cash and bank balances	41,703	43,645
	332,323	289,984
<b>TOTAL ASSETS</b>	<b>602,096</b>	<b>542,278</b>

**FITTERS DIVERSIFIED BERHAD**

(Company No. 149735-M)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2015**

	(Unaudited) AS AT END OF CURRENT QUARTER 30-Jun-2015 RM'000	(Audited) AS AT PRECEDING FINANCIAL YEAR END 31-Dec-2014 RM'000
<b>EQUITY AND LIABILITIES</b>		
<b>Current Liabilities</b>		
Loans and borrowings	51,757	26,866
Trade and other payables	73,428	62,013
Other current liabilities	12,917	10,978
Income tax payable	2,624	1,748
	140,726	101,605
<b>Net current assets</b>	<b>191,597</b>	<b>188,379</b>
<b>Non-current liabilities</b>		
Loans and borrowings	86,760	71,662
Deferred tax liabilities	1,221	2,584
	87,981	74,246
<b>TOTAL LIABILITIES</b>	<b>228,707</b>	<b>175,851</b>
<b>NET ASSETS</b>	<b>373,389</b>	<b>366,427</b>
<b>Equity attributable to owners of the Company</b>		
Share Capital	240,130	240,130
Revaluation Reserves	18,391	18,391
Capital Reserves	7,275	7,275
Exchange Reserves	7,473	4,607
Retained Earnings	89,732	84,484
	363,001	354,887
<b>Non-controlling Interests</b>	10,388	11,540
<b>Total equity</b>	<b>373,389</b>	<b>366,427</b>
<b>TOTAL EQUITY AND LIABILITES</b>	<b>602,096</b>	<b>542,278</b>
Net Assets per Share (sen) **	75.58	73.89

\*\* Net assets per share is calculated based on Total Assets (including intangibles) minus Total Liabilities and Non-controlling interest divided by the total number of ordinary shares.

(The Condensed Consolidated Statement Of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31st December 2014)

**FITTEES DIVERSIFIED BERHAD**

(Company No. 149735-M)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

**FOR THE PERIOD ENDED 30 JUNE 2015 - unaudited**

	[ ----- Attributable to Owners of the Company ----- ]							Non Controlling Interests	Total Equity	
	[ ----- Non-Distributable ----- ]					Distributable			Total	
	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	RM'000	Total RM'000
<b>6 months ended 30 June 2015</b>										
Balance as at 1 January 2015	240,130	-	-	7,275	18,391	4,607	84,484	354,887	11,540	366,427
Total comprehensive income	-	-	-	-	-	2,866	8,130	10,996	(1,152)	9,844
Dividend paid	-	-	-	-	-	-	(2,882)	(2,882)	-	(2,882)
Balance as at 30 June 2015	<u>240,130</u>	<u>-</u>	<u>-</u>	<u>7,275</u>	<u>18,391</u>	<u>7,473</u>	<u>89,732</u>	<u>363,001</u>	<u>10,388</u>	<u>373,389</u>
<b>6 months ended 30 June 2014</b>										
Balance as at 1 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 period	-	-	-	-	-	-	-	-	4,875	4,875
Dividend paid	-	-	-	-	-	-	(5,914)	(5,914)	-	(5,914)
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>119,417</u>	<u>308,642</u>	<u>6,598</u>	<u>315,240</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 2014)

**FITTERS DIVERSIFIED BERHAD**  
(Company No. 149735-M)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE PERIOD ENDED 30 JUNE 2015 - unaudited**

	(Unaudited) 6 months ended 30-Jun-2015 RM'000	(Unaudited) 6 months ended 30-Jun-2014 RM'000
Profit before tax	9,786	29,072
Adjustment for non-cash items:		
Operating items	3,450	2,148
Investing items	2,196	1,591
Operating profit before changes in working capital	<u>15,432</u>	<u>32,811</u>
Changes in Working Capital:		
Inventories	(10,834)	(2,496)
Receivables	(9,421)	(13,115)
Payables	11,416	(21,292)
Property development	(53,209)	(46,752)
Construction contracts	26,308	40,005
Cash generated from operating activities	<u>(20,308)</u>	<u>(10,839)</u>
Net tax paid	(3,314)	(7,572)
Interest paid	(2,310)	(1,589)
Net cash generated from operating activities	<u>(25,932)</u>	<u>(20,000)</u>
Cash Flow from investing activities		
Interest received	251	125
Proceeds from disposal of property, plant & equipment	32	66
Proceed from disposal of other investment	28	-
Purchase of property, plant & equipment	(12,704)	(2,325)
	<u>(12,393)</u>	<u>(2,134)</u>
Cash Flow from financing activities		
Proceed from disposal of treasury shares	-	12,312
Share subscription by Minority Shareholder	-	4,875
Dividend paid	(2,882)	(5,914)
Hire Purchase & Lease repayment	(914)	(738)
Proceeds from bank borrowings	41,942	10,749
Repayment of bank borrowings	(2,522)	(1,740)
	<u>35,624</u>	<u>19,544</u>
Net Change in Cash & Cash Equivalents	(2,701)	(2,590)
Cash & Cash Equivalents at beginning of period	41,946	43,383
Cash & Cash Equivalents at end of period	<u>39,245</u>	<u>40,793</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 31st December 2014)

## **FITTERS DIVERSIFIED BERHAD**

(Company No. 149735-M)

### **EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015 - 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 2014.

#### **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 2014.

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 include 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 2014 was not subject to any qualification.

## FITTERS DIVERSIFIED BERHAD

(Company No. 149735-M)

### EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015 - unaudited

#### 4. Segmental Information

Analysis of the Group's results by business segments:

	Second Quarter		Cumulative Quarter	
	30/6/2015	30/6/2014	30/6/2015	30/6/2014
	RM'000	RM'000	RM'000	RM'000
<b>Segment Revenue</b>				
Fire Services	38,321	38,900	80,154	70,358
Property Development & Construction	30,228	45,066	62,733	117,408
Renewable & Waste-To-Energy	50,796	40,821	83,610	77,828
HYPRO PVC-O Pipes Manufacturing & Distribution	1,635	-	2,081	-
Investment holding and others	-	1	-	1
Total revenue including inter-segment sales	120,980	124,788	228,578	265,595
Elimination of inter-segment sales	(16,306)	(22,713)	(38,187)	(46,576)
<b>Total</b>	<b>104,674</b>	<b>102,075</b>	<b>190,391</b>	<b>219,019</b>
<b>Segment Result</b>				
Fire Services	3,626	3,099	6,369	5,755
Property Development & Construction	4,743	13,028	10,039	22,435
Renewable & Waste-To-Energy	(798)	1,372	(2,303)	2,546
HYPRO PVC-O Pipes Manufacturing & Distribution	(1,920)	(412)	(3,175)	(689)
Investment holding and others	(738)	(520)	(1,187)	(835)
Total result including inter-segment profit	4,913	16,567	9,743	29,212
Elimination of unrealised inter-segment profit	192	(130)	43	(140)
<b>Total</b>	<b>5,105</b>	<b>16,437</b>	<b>9,786</b>	<b>29,072</b>

#### 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.

#### 8. Dividends Paid

On 5 May 2015, the Board of Directors of the Company has approved a Second Interim Single-Tier Dividend of 0.6 sen per ordinary share in respect of the financial year ended 31 December 2014. The dividend was paid on 19 June 2015.



## **FITTERS DIVERSIFIED BERHAD**

(Company No. 149735-M)

### **EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015 - unaudited**

#### **9. Carrying Amount of Revalued Assets**

The valuation of properties, plant and equipment have been brought forward without amendment from the financial statements for the year ended 31 December 2014.

#### **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.

#### **11. Subsequent Event**

On 22 July 2015, the Company announced that Future NRG Sdn Bhd, a wholly-owned subsidiary of FITTERS, entered into a Subscription Agreement and Share Purchase Agreements to acquire 40% shareholding of A.H.T. Syngas Technology N.V., a company incorporated in Netherlands with its operations based in Germany, for a cash consideration of Euro 1,598,863.50 ( RM6.6 million).

#### **12. Changes in Composition of the Group**

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

#### **13. 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 2015 is as follows:

	<b>RM'000</b>
Approved and contracted for :	
Property, plant and equipment	<u>88,116</u>

#### **14. Contingent Liabilities**

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

	<b>RM'000</b>
Banks and financial institutions credit facilities granted to subsidiary companies	238,645
Corporations for trade credit facilities to subsidiary companies	16,910
Corporations for performance project by subsidiary companies	<u>134,000</u>
	<u>389,555</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 RM223.220 million.

There are no further contingent liabilities save for that disclosed above.

## FITTERS DIVERSIFIED BERHAD

(Company No. 149735-M)

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

#### 1. Performance Review

For the second quarter ended 30 June 2015, the revenue of the Group increased by 2.5% to RM104.7 million from RM102.1 million and the profit before taxation of the Group declined by 68.9% to RM5.1 million from RM16.4 million as compared to the previous corresponding quarter ended 30 June 2014.

For the 6 months under review, the revenue of the Group declined by 13.1% to RM190.4 million from RM219.0 million and the profit before taxation declined by 66.3% to RM9.8 million from RM29.1 million in the preceding financial period ended 30 June 2014.

The Fire Services Division has delivered satisfactory results for the period ended 30 June 2015. However, the Property Development & Construction Division has recorded a decline in pre-tax profit of RM8.3 million for the quarter and RM12.4 million for the cumulative quarter mainly due to lower contribution from ZetaPark project. In addition, the Renewable & Waste-to-Energy Division recorded loss before tax of RM0.8 million for the quarter and RM2.3 million for the cumulative quarter while the Group's newly set-up pipe manufacturing business recorded loss before tax of RM1.9 million for the second quarter and RM3.2 million for the cumulative quarter.

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

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

	Second Quarter			Cumulative Quarter		
	30/6/2015	30/6/2014	Changes (%)	30/6/2015	30/6/2014	Changes (%)
Revenue	38,321	38,900	-1.5%	80,154	70,358	13.9%
Profit before tax	3,626	3,099	17.0%	6,369	5,755	10.7%

For Fire Services Division, pre-tax profit increased by 17.0% despite a decrease in revenue by 1.5% during the current quarter. The increase in pre-tax profit was mainly due to recognition of profit from project variation order upon finalisation of a few projects.

For the cumulative quarter, revenue and pre-tax profit increased by 13.9% and 10.7% respectively. The increase was mainly due to higher sales demand from customers, during the first quarter, prior to GST implementation.

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

	Second Quarter			Cumulative Quarter		
	30/6/2015	30/6/2014	Changes (%)	30/6/2015	30/6/2014	Changes (%)
Revenue	30,228	45,066	-32.9%	62,733	117,408	-46.6%
Profit before tax	4,743	13,028	-63.6%	10,039	22,435	-55.3%

Revenue and pre-tax profit of Property Development & Construction Division declined by 32.9% and 63.6% respectively during the current quarter under review and declined by 46.6% and 55.3% respectively for the cumulative quarter.

Currently, ZetaDeSkye is the only property project under development as opposed to previous corresponding period where revenue and profit contribution was from both ZetaPark and ZetaDeSkye.

## FITTERS DIVERSIFIED BERHAD

(Company No. 149735-M)

### 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		
	30/6/2015	30/6/2014	Changes (%)	30/6/2015	30/6/2014	Changes (%)
Revenue	50,796	40,821	24.4%	83,610	77,828	7.4%
Profit/(Loss) before tax	(798)	1,372	N/A	(2,303)	2,546	N/A

The Renewable & Waste-to-Energy Division recorded an increase in revenue by RM10.0 million and a loss before tax of RM0.8 million during the quarter under review. For the cumulative quarter, the division recorded an increase in revenue by RM5.8 million and a loss before tax of RM2.3 million.

The decrease in pre-tax profit was mainly due to the lower oil extraction rate trend in Kedah, where our mill is located.

##### (iv) Business segment: HYPRO PVC-O Pipes Manufacturing & Distribution (RM'000)

	Second Quarter			Cumulative Quarter		
	30/6/2015	30/6/2014	Changes (%)	30/6/2015	30/6/2014	Changes (%)
Revenue	1,635	-	100.0%	2,081	-	100.0%
Loss before tax	(1,920)	(412)	366.0%	(3,175)	(689)	360.8%

HYPRO PVC-O Pipes Manufacturing & Distribution Division commenced its production during the first quarter of 2015. For a start, the Division recorded a revenue of RM1.6 million and a loss before tax of RM1.9 million for the second quarter and revenue of RM2.1 million and a loss before tax of RM3.2 million for the cumulative quarter.

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

The profit before taxation increased by 9.1% against the immediate preceding quarter mainly due to the higher contribution from the Fire Services Division.

#### 3. Commentary of Prospects

The Malaysian economy remains challenging with the lower crude oil prices and the weakening of Ringgit Malaysia. In addition, the recent implementation of GST in April 2015 has also influenced the consumers' spending behaviour and the market sentiment. The domestic business environment is now going through a period of adjustment post GST implementation. Despite the challenging business environment and market conditions, the Group will constantly review its businesses and continue with its efforts to enhance the performance of its existing businesses of fire services, property development & construction and renewable & waste-to-energy while its new HYPRO PVC-O pipes manufacturing & distribution business focuses on business development initiatives. The Group plans to redevelop the newly acquired Plaza Pekeliling, which is strategically located in a prime location along Jalan Tun Razak, Kuala Lumpur, into high-end work suites or Small Office Home Office ("SOHO") for on-sale to the market.

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

**FITTERS DIVERSIFIED BERHAD**  
(Company No. 149735-M)

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

**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.

**5. Income Tax Expense**

	Second Quarter		Cumulative Quarter	
	30/6/2015 RM'000	30/6/2014 RM'000	30/6/2015 RM'000	30/6/2014 RM'000
Income tax				
- Current year	2,250	4,178	4,133	7,635
- Prior year	-	1	-	(155)
	2,250	4,179	4,133	7,480
Deferred tax	(1,313)	(114)	(1,325)	(28)
Total income tax expense	937	4,065	2,808	7,452

The effective tax rate for the Group is 28.7% for the period ended 30 June 2015 as compared to 25.6% for the previous corresponding period ended 30 June 2014. 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**

**(a) Status of Corporate Proposals Announced But Not Completed**

Save as disclosed below, there was no corporate proposal announced but not completed as at 17 August 2015, being the latest practicable date:

**(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)**

**(a) Status of Corporate Proposals Announced But Not Completed (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 Catalist, 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.

**(b) Status of Utilisation of Proceeds Raised from Corporate Proposal**

There was no corporate proposal involving fund raising.

**7. Group Borrowings**

The total Group borrowings are as follows:

	<b>As at 30/6/2015 RM'000</b>	<b>As at 30/6/2014 RM'000</b>
<b>Short term borrowings</b>		
Secured		
Term Loans	22,233	3,728
Finance lease obligations	1,518	1,567
Bank overdrafts	1,555	-
Revolving credits	10,000	10,000
Unsecured		
Bank overdrafts	903	1,982
Bankers acceptance	15,548	12,905
Revolving credits	-	4,700
	<b>51,757</b>	<b>34,882</b>
<b>Long term borrowings</b>		
Secured		
Term Loans	85,467	52,167
Finance lease obligations	1,293	1,591
	<b>86,760</b>	<b>53,758</b>

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

**7. Group Borrowings (continued)**

The above include borrowings denominated in foreign currency as follows:

	As at 30/6/2015 RM'000	As at 30/6/2014 RM'000
Euro	6,203	-

**8. Material Litigation**

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

**9. Dividend Payable**

On 5 May 2015, the Board of Directors of the Company has approved a Second Interim Single-Tier Dividend of 0.6 sen per ordinary share in respect of the financial year ended 31 December 2014. The dividend was paid on 19 June 2015.

The Board of Directors does not recommend the payment of any dividend in respect of the financial period ended 30 June 2015.

**10. Earnings Per Share**

**(a) Basic Earnings Per Share**

Basic earnings per share are calculated by dividing profit for the 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	
	30/6/2015 RM'000	30/6/2014 RM'000 (restated)	30/6/2015 RM'000	30/6/2014 RM'000 (restated)
Profit attributable to ordinary equity holders of the Company	4,859	12,481	8,130	21,802
Adjusted weighted average number of ordinary shares in issue 480,260,959 (2014: 299,294,334) ('000)	480,261	299,294	480,261	299,294
Basic earnings per share (sen)	1.01	4.17	1.69	7.28

**FITTERS DIVERSIFIED BERHAD**  
(Company No. 149735-M)

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS  
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**10. Earnings Per Share (continued)**

**(b) Diluted Earnings Per Share**

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

**11. Disclosure of Realised and Unrealised Profits/Losses**

The breakdown of the retained earnings of the Group as at 30 June 2015 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 Malaysian Institute of Accountants.

	<b>Current financial period ended 30/6/2015 RM'000</b>	<b>As at end of last financial year 31/12/2014 RM'000</b>
Total retained profits of FITTERS Diversified Berhad and its subsidiaries:		
- Realised	88,621	80,027
- Unrealised	1,154	4,395
	<u>89,775</u>	<u>84,422</u>
Total share of retained earnings from associates - realised	<u>-</u>	<u>-</u>
	89,775	84,422
Add: Consolidation adjustments	(43)	62
Total retained profits	<u>89,732</u>	<u>84,484</u>

**12. Authorisation for Issue**

The interim financial statements for the period ended 30 June 2015 were authorised for issue in accordance with a resolution of the Board of Directors on 24 August 2015.

**FITTERS DIVERSIFIED BERHAD**

**DATO' WONG SWEE YEE**  
**MANAGING DIRECTOR**  
**Kuala Lumpur**  
**24 August 2015**