



FITTERS DIVERSIFIED BERHAD

Company No: 149735-M

(Incorporated in Malaysia)

Interim Financial Report

31 December 2015

FITTERS DIVERSIFIED BERHAD
(Company No. 149735-M)

ANNOUNCEMENT OF UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2015

The Board of Directors are pleased to announce the unaudited consolidated results of the Company for the financial quarter ended 31 December 2015.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015 - unaudited**

	FOURTH QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR	PRECEDING	CURRENT	PRECEDING
	QUARTER	YEAR	YEAR TO DATE	YEAR
	31-Dec-2015	31-Dec-2014	31-Dec-2015	31-Dec-2014
	RM'000	RM'000	RM'000	RM'000
Revenue	98,942	65,212	382,456	347,284
Cost of sales	(84,215)	(53,944)	(321,332)	(266,930)
Gross profit	14,727	11,268	61,124	80,354
Interest income	188	323	801	496
Other income	1,886	1,208	2,919	1,676
Selling and marketing expenses	(1,342)	(1,139)	(8,586)	(7,247)
Reversal of impairment loss/ (Impairment loss) on receivables	(883)	627	(932)	121
Administrative expenses	(9,253)	(5,721)	(27,807)	(24,621)
Depreciation and amortisation	(2,137)	(887)	(6,791)	(3,660)
Forex loss	(339)	(1,635)	(547)	(1,361)
Finance costs	(3,248)	(1,198)	(6,955)	(3,601)
Share of profit/(loss) of associate, net of tax	734	-	685	-
Profit before tax	333	2,846	13,911	42,157
Income tax expense	(1,746)	(2,127)	(6,279)	(12,751)
Profit/(Loss) for the year	(1,413)	719	7,632	29,406
Other comprehensive income/(loss)	(2,303)	1,903	6,033	1,265
Total comprehensive income/(loss) for the year	(3,716)	2,622	13,665	30,671
Profit/(Loss) attributable to :				
Owners of the Company	(560)	979	10,113	30,096
Non-controlling interests	(853)	(260)	(2,481)	(690)
	(1,413)	719	7,632	29,406
Earnings/(Loss) per share attributable to owners of the Company :				
Basic (sen)	(0.12)	0.22	2.11	6.66

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

	(Unaudited) AS AT END OF CURRENT QUARTER 31-Dec-2015 RM'000	(Audited) AS AT PRECEDING FINANCIAL YEAR END 31-Dec-2014 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	236,300	218,460
Investment properties	712	740
Intangible assets	4,360	4,360
Land use rights	5,337	4,501
Investment in associates	7,330	-
Investment securities	20,904	21,540
Trade and other receivables	2,437	2,693
	277,380	252,294
Current Assets		
Development properties	134,502	63,449
Inventories	31,368	8,594
Trade and other receivables	103,453	108,113
Other current assets	51,104	63,028
Income tax recoverable	3,354	3,155
Deposits, cash and bank balances	38,344	43,645
	362,125	289,984
TOTAL ASSETS	639,505	542,278

FITTERS DIVERSIFIED BERHAD

(Company No. 149735-M)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015**

	(Unaudited) AS AT END OF CURRENT QUARTER 31-Dec-2015 RM'000	(Audited) AS AT PRECEDING FINANCIAL YEAR END 31-Dec-2014 RM'000
EQUITY AND LIABILITIES		
Current Liabilities		
Loans and borrowings	68,275	26,866
Trade and other payables	74,153	62,013
Other current liabilities	12,291	10,978
Income tax payable	1,532	1,748
	156,251	101,605
Net current assets	205,874	188,379
Non-current liabilities		
Loans and borrowings	105,115	71,662
Deferred tax liabilities	1,293	2,584
	106,408	74,246
TOTAL LIABILITIES	262,659	175,851
NET ASSETS	376,846	366,427
Equity attributable to owners of the Company		
Share Capital	240,130	240,130
Treasury Shares	(364)	-
Revaluation Reserves	18,391	18,391
Capital Reserves	7,275	7,275
Exchange Reserves	10,640	4,607
Retained Earnings	91,715	84,484
	367,787	354,887
Non-controlling Interests	9,059	11,540
Total equity	376,846	366,427
TOTAL EQUITY AND LIABILITES	639,505	542,278
Net Assets per Share (sen) **	76.71	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 less treasury shares.

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

FITTERS DIVERSIFIED BERHAD

(Company No. 149735-M)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015 - 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		
12 months ended 31 December 2015										
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	-	-	-	-	-	6,033	10,113	16,146	(2,481)	13,665
Treasury shares acquired	-	-	(364)	-	-	-	-	(364)	-	(364)
Dividend paid	-	-	-	-	-	-	(2,882)	(2,882)	-	(2,882)
Balance as at 31 December 2015	<u>240,130</u>	<u>-</u>	<u>(364)</u>	<u>7,275</u>	<u>18,391</u>	<u>10,640</u>	<u>91,715</u>	<u>367,787</u>	<u>9,059</u>	<u>376,846</u>
12 months ended 31 December 2014										
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	-	-	-	-	(42)	1,308	30,095	31,361	(690)	30,671
Dividend paid	-	-	-	-	-	-	(12,101)	(12,101)	-	(12,101)
Treasury shares sold	-	5,361	10,279	-	-	-	-	15,640	-	15,640
Issuance of shares:-										
- Bonus issue	68,608	(30,533)	-	-	-	-	(38,075)	-	-	-
- Bonus share issuance expenses	-	(458)	-	-	-	-	-	(458)	-	(458)
- Private placement	15,593	22,766	-	-	-	-	-	38,359	-	38,359
Share subscription by Minority										
Shareholder during the year	-	-	-	-	-	-	-	-	10,325	10,325
Reclassification	-	-	-	-	(942)	-	942	-	-	-
Realisation of revaluation reserve	-	-	-	-	-	-	94	94	-	94
Balance as at 31 December 2014	<u>240,130</u>	<u>-</u>	<u>-</u>	<u>7,275</u>	<u>18,391</u>	<u>4,607</u>	<u>84,484</u>	<u>354,887</u>	<u>11,540</u>	<u>366,427</u>

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2014)

FITTERS DIVERSIFIED BERHAD
(Company No. 149735-M)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 DECEMBER 2015 - unaudited

	(Unaudited) 12 months ended 31-Dec-2015 RM'000	(Audited) 12 months ended 31-Dec-2014 RM'000
Profit before tax	13,911	42,157
Adjustment for non-cash items:		
Operating items	8,251	7,358
Investing items	6,384	3,255
Operating profit before changes in working capital	28,546	52,770
Changes in Working Capital:		
Inventories	(22,773)	1,922
Receivables	3,928	(8,955)
Payables	12,141	(23,634)
Property development	(71,054)	(1,951)
Construction contracts	8,460	(881)
Cash generated from operating activities	(40,752)	19,271
Net tax paid	(7,998)	(15,745)
Interest paid	(6,955)	(3,601)
Net cash generated from operating activities	(55,705)	(75)
Cash Flow from investing activities		
Interest received	801	496
Investment in associated company	(6,646)	-
Proceeds from disposal of property, plant & equipment	70	88
Proceed from disposal of other investment	28	-
Purchase of investment property	-	(234)
Purchase of property, plant & equipment	(14,809)	(48,573)
	(20,556)	(48,223)
Cash Flow from financing activities		
Proceed from disposal/(Purchase) of treasury shares	(364)	15,640
Share subscription by Minority Shareholder	-	10,325
Proceed from issuance of shares	-	38,359
Dividend paid	(2,882)	(12,101)
Hire Purchase & Lease repayment	(1,763)	(1,543)
Share issuance expenses	-	(458)
Net drawdown of bank borrowings	75,190	(3,618)
	70,181	46,604
Net Change in Cash & Cash Equivalents	(6,080)	(1,694)
Cash & Cash Equivalents at beginning of year	41,946	43,640
Cash & Cash Equivalents at end of year	35,866	41,946

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

FITTERS DIVERSIFIED BERHAD

(Company No. 149735-M)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 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.

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EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015 - unaudited

4. Segmental Information

Analysis of the Group's results by business segments:

	Fourth Quarter		Cumulative Quarter	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Fire Services	46,630	47,833	159,950	151,641
Property Development & Construction	37,986	38,322	136,710	197,313
Renewable & Waste-To-Energy	32,562	11,614	157,518	115,781
HYPRO PVC-O Pipes Manufacturing & Distribution	2,458	-	4,961	-
Investment holding and others	-	-	-	1
Total revenue including inter-segment sales	119,636	97,769	459,139	464,736
Elimination of inter-segment sales	(20,694)	(32,557)	(76,683)	(117,452)
Total	98,942	65,212	382,456	347,284
Segment Result				
Fire Services	5,076	5,039	14,501	13,803
Property Development & Construction	4,068	9,249	17,589	40,464
Renewable & Waste-To-Energy	(6,637)	(9,312)	(9,538)	(7,175)
HYPRO PVC-O Pipes Manufacturing & Distribution	(2,911)	(1,360)	(7,286)	(2,601)
Investment holding and others	230	90	(1,789)	(1,369)
Total result including inter-segment profit	(174)	3,706	13,477	43,122
Elimination of inter-segment profit	(227)	(860)	(251)	(965)
Share of profit of associate, net of tax	734	-	685	-
Total	333	2,846	13,911	42,157

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 YEAR ENDED 31 DECEMBER 2015 - unaudited****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.

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 except as disclosed below:-

(i) Treasury Shares

The Company repurchased its issued ordinary shares from the open market of 479,000 units and 309,000 units during the third quarter and fourth quarter of 2015 respectively at an average price of RM0.46 per share. The total consideration paid for the repurchase including transaction costs was RM363,714. The shares repurchased are being held as Treasury Shares in accordance with Section 67A of the Companies Act, 1965.

11. Subsequent Event

There was no material event subsequent to the financial quarter ended 31 December 2015.

12. Changes in Composition of the Group

There was no change in the composition of the Group during the financial period under review other than the following:-

Acquisition of associated company

On 22 July 2015, 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. ("AHT Syngas"), a company incorporated in Netherlands with its operations based in Germany, for a cash consideration of Euro 1,598,863.50 (RM6.6 million).

AHT Syngas has a wholly-owned subsidiary namely AHT Services GmbH ("AHT Services"). AHT Services is a specialist in the business of engineering and production of biomass and coal-co-generation systems for the production of electricity and heat.

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015 - unaudited**

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 31 December 2015 is as follows:

	RM'000
Approved and contracted for :	
Property, plant and equipment	<u>50,964</u>

14. 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	317,001
Corporations for trade credit facilities to subsidiary companies	16,910
Corporations for performance project by subsidiary companies	<u>134,000</u>
	<u>467,911</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 RM302.576 million.

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

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

1. Performance Review

For the quarter ended 31 December 2015, the Group recorded an increase in revenue by 51.7% to RM98.9 million from RM65.2 million in the previous corresponding quarter ended 31 December 2014 and a marginal profit before tax of RM0.3 million as compared to pre-tax profit of RM2.8 million in the previous corresponding quarter ended 31 December 2014.

For the financial year under review, revenue of the Group increased by 10.1% to RM382.5 million from RM347.3 million and profit before taxation of the Group declined by 67.0% to RM13.9 million from RM42.2 million in the preceding financial year.

The Fire Services Division has performed satisfactorily and posted a pre-tax profit of RM5.1 million and RM14.5 million for the current quarter and financial year respectively. However, the Property Development & Construction Division has registered a lower pre-tax profit of RM4.1 million for the quarter and RM17.6 million for the financial year mainly due to the completion of ZetaPark project and there was no new project being launched during the year under review. In addition, the Renewable & Waste-to-Energy Division recorded loss before tax of RM6.6 million for the quarter and RM9.5 million for the financial year while the Group's newly set-up pipe manufacturing business recorded loss before tax of RM2.9 million for the current quarter and RM7.3 million for the financial year.

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

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

	Fourth Quarter			Cumulative Quarter		
	31/12/2015	31/12/2014	Changes (%)	31/12/2015	31/12/2014	Changes (%)
Revenue	46,630	47,833	-2.5%	159,950	151,641	5.5%
Profit before tax	5,076	5,039	0.7%	14,501	13,803	5.1%

For Fire Services Division, pre-tax profit increased by 0.7% despite a decline in revenue by 2.5% during the current quarter. For the financial year under review, revenue and pre-tax profit increased by 5.5% and 5.1% respectively.

The increase in pre-tax profit was mainly due to recognition of profit from project variation order upon finalisation of a few projects and the increase in volume from its fire door manufacturing business.

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

	Fourth Quarter			Cumulative Quarter		
	31/12/2015	31/12/2014	Changes (%)	31/12/2015	31/12/2014	Changes (%)
Revenue	37,986	38,322	-0.9%	136,710	197,313	-30.7%
Profit before tax	4,068	9,249	-56.0%	17,589	40,464	-56.5%

Revenue and pre-tax profit of Property Development & Construction Division declined by 0.9% and 56.0% respectively during the current quarter under review and declined by 30.7% and 56.5% respectively for the financial year under review.

The only property project under development currently is ZetaDeSkye as compared to previous financial year where revenue and profit contribution was from ZetaPark and ZetaDeSkye.

**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		
	31/12/2015	31/12/2014	Changes (%)	31/12/2015	31/12/2014	Changes (%)
Revenue	32,562	11,614	180.4%	157,518	115,781	36.0%
Loss before tax	(6,637)	(9,312)	-28.7%	(9,538)	(7,175)	32.9%

The Renewable & Waste-to-Energy Division recorded an increase in revenue by RM20.9 million and RM41.7 million for the quarter and financial year under review respectively. The Division recorded loss before tax of RM6.6 million and RM9.5 million for the quarter and financial year under review respectively.

The decrease in pre-tax profit was mainly attributable to the lower oil extraction rate trend in Kedah where the Group's mill is located; bad debts written-off; and interest and expenses in relation to corporate exercise of the Division.

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

	Fourth Quarter			Cumulative Quarter		
	31/12/2015	31/12/2014	Changes (%)	31/12/2015	31/12/2014	Changes (%)
Revenue	2,458	-	100.0%	4,961	-	100.0%
Loss before tax	(2,911)	(1,360)	114.0%	(7,286)	(2,601)	180.1%

HYPRO PVC-O Pipes Manufacturing & Distribution Division commenced its production during the first quarter of 2015. The Division recorded a revenue of RM2.5 million and a loss before tax of RM2.9 million for the quarter under review and revenue of RM5.0 million and a loss before tax of RM7.3 million for the financial year.

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

The profit before taxation declined by RM3.5 million against the immediate preceding quarter mainly due to bad debts written-off and expenses in relation to corporate exercise of the Renewable & Waste-To-Energy Division.

3. Commentary of Prospects

The outlook on the Malaysian economy will continue to be challenging in 2016 with the lower crude oil prices and the weakening of Ringgit Malaysia. The Group will continue to implement measures such as supply and distribution efficiency, inventory management strategy and operating expenses management, as well as pursuing with its ongoing 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 intensifies its business development and sales initiatives. The Group will proceed with its plan 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 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 of achieving a satisfactory operational and financial performance for the financial year ending 31 December 2016.

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**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

	Fourth Quarter		Cumulative Quarter	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
	RM'000	RM'000	RM'000	RM'000
Income tax				
- Current year	1,612	834	7,358	11,608
- Prior year	-	(57)	175	(186)
	1,612	777	7,533	11,422
Deferred tax	134	1,350	(1,254)	1,329
Total income tax expense	1,746	2,127	6,279	12,751

The effective tax rate for the Group is 45.1% for the year ended 31 December 2015 as compared to 30.2% for the previous corresponding year ended 31 December 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 18 February 2016, 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.

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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 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.

(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:

	As at 31/12/2015 RM'000	As at 31/12/2014 RM'000
Short term borrowings		
Secured		
Term Loans	25,568	6,826
Finance lease obligations	781	1,689
Bank overdrafts	1,899	1,223
Revolving credits	15,800	10,000
Unsecured		
Bank overdrafts	579	475
Bankers acceptance	20,548	6,653
Revolving credits	3,100	-
	<u>68,275</u>	<u>26,866</u>
Long term borrowings		
Secured		
Term Loans	104,001	70,347
Finance lease obligations	1,114	1,315
	<u>105,115</u>	<u>71,662</u>

FITTERS DIVERSIFIED BERHAD
(Company No. 149735-M)

**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 31/12/2015 RM'000	As at 31/12/2014 RM'000
Euro	6,127	3,842

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 31 December 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.

	Fourth Quarter		Cumulative Quarter	
	31/12/2015 RM'000	31/12/2014 RM'000	31/12/2015 RM'000	31/12/2014 RM'000
Profit attributable to ordinary equity holders of the Company	(560)	979	10,113	30,096
Adjusted weighted average number of ordinary shares in issue 480,083,362 (2014: 451,874,325) ('000)	480,083	451,874	480,083	451,874
Basic earnings/(loss) per share (sen)	(0.12)	0.22	2.11	6.66

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

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 31 December 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.

	Current financial year ended 31/12/2015 RM'000	As at end of last financial year 31/12/2014 RM'000
Total retained profits of FITTERS Diversified Berhad and its subsidiaries:		
- Realised	89,442	80,027
- Unrealised	2,486	4,395
	<hr/>	<hr/>
	91,928	84,422
Total share of retained earnings from associates - realised	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
Add: Consolidation adjustments	91,928 (213)	84,422 62
	<hr/>	<hr/>
Total retained profits	91,715	84,484
	<hr/>	<hr/>

12. Authorisation for Issue

The interim financial statements for the period ended 31 December 2015 were authorised for issue in accordance with a resolution of the Board of Directors on 25 February 2016.

FITTERS DIVERSIFIED BERHAD

DATO' WONG SWEE YEE
MANAGING DIRECTOR
Kuala Lumpur
25 February 2016