



# **FITTERS DIVERSIFIED BERHAD**

Company No: 149735-M

**(Incorporated in Malaysia)**

**Interim Financial Report**

**31 March 2019**

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

**ANNOUNCEMENT OF UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2019**

The Board of Directors are pleased to announce the unaudited consolidated results of the Company for the financial quarter ended 31 March 2019.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019 - unaudited**

	FIRST QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31-Mar-2019 RM'000	31-Mar-2018 RM'000	31-Mar-2019 RM'000	31-Mar-2018 RM'000
Revenue	69,781	77,390	69,781	77,390
Cost of sales	(56,915)	(66,708)	(56,915)	(66,708)
<b>Gross profit</b>	<b>12,866</b>	<b>10,682</b>	<b>12,866</b>	<b>10,682</b>
Interest income	707	660	707	660
Other income	497	319	497	319
Selling and marketing expenses	(1,207)	(720)	(1,207)	(720)
Impairment loss on receivables	(106)	(167)	(106)	(167)
Administrative expenses	(4,706)	(4,847)	(4,706)	(4,847)
Depreciation and amortisation	(2,795)	(2,473)	(2,795)	(2,473)
Forex gain/ (loss)	12	50	12	50
Finance costs	(1,331)	(1,476)	(1,331)	(1,476)
<b>Profit before tax</b>	<b>3,937</b>	<b>2,028</b>	<b>3,937</b>	<b>2,028</b>
Income tax expense	(1,411)	(1,378)	(1,411)	(1,378)
<b>Profit for the financial period</b>	<b>2,526</b>	<b>650</b>	<b>2,526</b>	<b>650</b>
Other comprehensive (loss)/profit	(14)	(88)	(14)	(88)
<b>Total comprehensive profit for the financial period</b>	<b>2,512</b>	<b>562</b>	<b>2,512</b>	<b>562</b>
<b>Profit/(loss) attributable to :</b>				
Owners of the Company	2,463	1,386	2,463	1,386
Non-controlling interests	63	(736)	63	(736)
	<b>2,526</b>	<b>650</b>	<b>2,526</b>	<b>650</b>
Earnings/(loss) per share attributable to owners of the Company :				
Basic (sen)	0.52	0.31	0.52	0.31

(The Condensed Consolidated Statements Of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2018 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 MARCH 2019**

	(Unaudited) AS AT END OF CURRENT QUARTER 31-Mar-2019 RM'000	(Audited) AS AT PRECEDING FINANCIAL YEAR END 31-Dec-2018 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	249,359	251,914
Investment properties	1,334	1,342
Intangible assets	5,587	5,606
Investment securities	105	105
Trade and other receivables	35,071	32,569
Deferred tax assets	286	398
<b>Total non-current assets</b>	291,742	291,934
<b>Current assets</b>		
Inventories	132,657	132,517
Current tax assets	1,025	1,306
Trade and other receivables	125,203	133,508
Contract assets	24,514	26,487
Investment securities	-	1
Deposits, cash and bank balances	19,418	15,481
<b>Total current assets</b>	302,817	309,300
<b>TOTAL ASSETS</b>	594,559	601,234

**FITTERS DIVERSIFIED BERHAD**

(Company No. 149735-M)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2019**

	(Unaudited) AS AT END OF CURRENT QUARTER 31-Mar-2019 RM'000	(Audited) AS AT PRECEDING FINANCIAL YEAR END 31-Dec-2018 RM'000
<b>EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Loans and borrowings	78,270	83,245
Current tax liabilities	2,349	2,675
Trade and other payables	61,205	78,803
Other current liabilities	12,917	5,771
	154,741	170,494
<b>Net current assets</b>	148,076	138,806
<b>Non-current liabilities</b>		
Loans and borrowings	38,998	43,976
Deferred tax liabilities	5,447	5,370
	44,445	49,346
<b>TOTAL LIABILITIES</b>	199,186	219,840
<b>NET ASSETS</b>	395,373	381,394
<b>Equity attributable to owners of the Company</b>		
Share Capital	240,662	240,471
Treasury Shares	(3,213)	(14,489)
Revaluation Reserve	34,600	34,600
Capital Reserve	7,275	7,275
Exchange Reserve	510	524
Retained Earnings	101,872	99,409
	381,706	367,790
<b>Non-controlling interests</b>	13,667	13,604
<b>Total equity</b>	395,373	381,394
<b>TOTAL EQUITY AND LIABILITES</b>	594,559	601,234
Net Assets per Share (RM) **	0.8079	0.8279

\*\* 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 2018)

**FITTEES DIVERSIFIED BERHAD**

(Company No. 149735-M)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019 - unaudited**

	[ ----- Attributable to owners of the Company ----- ]								
	[ ----- Non-distributable ----- ]				[ ----- Distributable ----- ]				
	Share Capital RM'000	Capital Reserve RM'000	Revaluation Reserve RM'000	Exchange Reserve RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
<u>3 months ended 31 March 2019</u>									
Balance as at 1 January 2019	240,471	7,275	34,600	524	(14,489)	99,409	367,790	13,604	381,394
Total comprehensive income	-	-	-	(14)	-	2,463	2,449	63	2,512
Treasury shares acquired	-	-	-	-	(1,111)	-	(1,111)	-	(1,111)
Treasury shares disposed	191				12,387		12,578	-	12,578
Balance as at 31 March 2019	<u>240,662</u>	<u>7,275</u>	<u>34,600</u>	<u>510</u>	<u>(3,213)</u>	<u>101,872</u>	<u>381,706</u>	<u>13,667</u>	<u>395,373</u>
<u>3 months ended 31 March 2018</u>									
Balance as at 1 January 2018	240,366	7,275	23,040	541	(11,663)	84,499	344,058	4,078	348,136
Total comprehensive income	-	-	-	(88)	-	1,386	1,298	(736)	562
Treasury shares acquired	-	-	-	-	(5,499)	-	(5,499)	-	(5,499)
Balance as at 31 March 2018	<u>240,366</u>	<u>7,275</u>	<u>23,040</u>	<u>453</u>	<u>(17,162)</u>	<u>85,885</u>	<u>339,857</u>	<u>3,342</u>	<u>343,199</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 2018)

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019 - unaudited**

	(Unaudited) 3 months ended 31-Mar-2019 RM'000	(Unaudited) 3 months ended 31-Mar-2018 RM'000
Profit before tax		
- Continuing operations	3,937	2,028
- Discontinued operation	-	-
	3,937	2,028
Adjustment for non-cash items:		
Operating items	2,872	2,840
Investing items	632	818
Operating profit before changes in working capital	7,441	5,686
Changes in Working Capital:		
Inventories	(236)	619
Receivables	2,982	(9,518)
Payables	(17,364)	(5,084)
Property development	2,584	(721)
Construction contracts	9,120	(1,430)
Cash generated from operating activities	4,527	(10,448)
Net tax paid	(1,265)	(274)
Interest paid	(1,331)	(1,476)
Net cash generated from operating activities	1,931	(12,198)
Cash Flow from investing activities		
Interest received	707	660
Purchase of investment property	-	(57)
Purchase of property, plant & equipment	(105)	(600)
	602	3
Cash Flow from financing activities		
Purchase of treasury shares	(1,111)	(5,499)
Disposal of treasury shares	12,578	-
Hire Purchase & Lease repayment	(105)	(91)
Net drawdown/(repayment) of bank borrowings	(10,006)	16,361
	1,356	10,771
Net change in cash & cash equivalents	3,889	(1,424)
Cash & cash equivalents at beginning of year	13,184	18,548
Cash & cash equivalents at end of period	17,073	17,124

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2018)

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

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019 - 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 MFRS 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 2018.

**2. Changes in Accounting Policies**

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual financial statements of the Group for the year ended 31 Decemeber 2018 except for the adoption of the following relevant new MFRSs, amendments to MFRSs and IC interpretations that are effective for annual periods beginning on or after 1 January 2019.

- : MRFS 16 : Leases
- : Amendments to MRFS 9 : Financial Instruments
- : Amendments to MRFS 112 : Income Taxes
- : Amendments to MRFS 119 : Employee Benefits
- : Amendments to MRFS 123 : Borrowing Costs
- : IC Int 23 : Uncertainty over Income Tax Treatments

The adoption of the new MFRSs, amendments to MFRSs and IC Interpretations does not have any material impact on the financial position and results of the Group.

**3. Auditors' Report on Preceding Annual Financial Statements**

The report of the Auditors for the preceding financial year ended 31 December 2018 was not subject to any qualification.

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

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019 - unaudited**

**4. Segmental Information**

Analysis of the Group's results by business segments:

	First Quarter		Cumulative Quarter	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018
	RM'000	RM'000	RM'000	RM'000
<b>Segment Revenue</b>				
Fire Services	26,715	23,221	26,715	23,221
Property Development & Construction	9,202	16,872	9,202	16,872
Renewable & Waste-To-Energy	25,345	36,285	25,345	36,285
HYPRO <sup>®</sup> PVC-O Pipes Manufacturing & Distribution	9,152	1,857	9,152	1,857
Investment holding and others	-	-	-	-
Total revenue including inter-segment sales	70,414	78,235	70,414	78,235
Elimination of inter-segment sales	(633)	(845)	(633)	(845)
<b>Total</b>	<b>69,781</b>	<b>77,390</b>	<b>69,781</b>	<b>77,390</b>
<b>Segment Result</b>				
Fire Services	983	1,096	983	1,096
Property Development & Construction	3,263	4,124	3,263	4,124
Renewable & Waste-To-Energy	(667)	(1,054)	(667)	(1,054)
HYPRO <sup>®</sup> PVC-O Pipes Manufacturing & Distribution	354	(1,731)	354	(1,731)
Investment holding and others	(188)	(270)	(188)	(270)
Total result including inter-segment profit	3,745	2,165	3,745	2,165
Elimination of inter-segment profit	192	(137)	192	(137)
<b>Total</b>	<b>3,937</b>	<b>2,028</b>	<b>3,937</b>	<b>2,028</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. Dividend Paid**

The Board of Directors does not recommend the payment of any dividend in respect of the financial period ended 31 March 2019.



**FITTERS DIVERSIFIED BERHAD**  
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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019 - 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 2018.

**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:-

**Treasury Shares**

- (i) During the three months ended 31 Mar 2019, the Company repurchased its issued ordinary shares from the open market totalling 2,777,700 units at an average price of RM0.3985 per share. The total consideration paid for the repurchase including transaction costs was RM1,111,371. The shares repurchased are being held as Treasury Shares in accordance with Section 127 of the Companies Act, 2016.
- (ii) During the period under review, the Company also resale 31,000,000 units of its Treasury Shares via the open market at an average price of RM0.4070 per share. The total shares proceeds for the disposal net of transaction costs was RM12,577,818.

The Company held a total of 8,036,600 units of Treasury Shares as at 31 March 2019 at a value of RM3,212,829.

**11. Subsequent Event**

There was no material event subsequent to the financial quarter ended 31 March 2019.

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

There was no change in the composition of the Group during the financial period under review.

**13. Capital Commitments**

The was no commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at 31 March 2019.

**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	340,876
Corporations for trade credit facilities granted to subsidiary companies	<u>150,910</u>
	<u>491,786</u>

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 March 2019, the Group recorded a reduction in revenue by 9.8% to RM69.8 million from RM77.4 million. However profit before tax has increased 94.1% to RM3.9 million from RM2.0 million as compared to the previous corresponding quarter ended 31 March 2018.

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

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

	First Quarter			Cumulative Quarter		
	31/03/2019	31/03/2018	Changes	31/03/2019	31/03/2018	Changes (%)
Revenue	26,715	23,221	15.0%	26,715	23,221	15.0%
Profit/(loss) before tax	983	1,096	-10.3%	983	1,096	-10.3%

During the quarter ended 31 March 2019, the Fire Services Division posted an increase in revenue by 15.0%, however, profit before tax decline by 10.3% as compared to the previous year same quarter.

The decline was mainly due to decrease in margins from its trading and Computerised Fire Alarm Monitoring Systems businesses.

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

	First Quarter			Cumulative Quarter		
	31/03/2019	31/03/2018	Changes	31/03/2019	31/03/2018	Changes (%)
Revenue	9,202	16,872	-45.5%	9,202	16,872	-45.5%
Profit before tax	3,263	4,124	-20.9%	3,263	4,124	-20.9%

For the Property Development & Construction Division, both revenue and profit before tax recorded a decline by 45.5% and 20.9% respectively as compared to the previous year same quarter.

The decline was mainly due to the tail-end construction progress of the Azalea project.

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

	First Quarter			Cumulative Quarter		
	31/03/2019	31/03/2018	Changes	31/03/2019	31/03/2018	Changes (%)
Revenue	25,345	36,285	-30.2%	25,345	36,285	-30.2%
(Loss)/profit before tax	(667)	(1,054)	-	(667)	(1,054)	-

The Renewable & Waste-to-Energy Division recorded a decline in revenue by 30.2%, however loss before tax reduced by 36.7% for the current quarter as compared to previous year same quarter.

The decline in revenue is primarily due to the decline in crude palm oil and palm kernel price by 22% and 38% respectively as compared to previous corresponding quarter and lower crop trend as experienced in the area we are operating.

However, the 2 Megawatt Biogas Power generation facility which commenced operation at end of first quarter 2018 had contributed positively, hence, lowered the loss before tax for the current quarter as compared to the previous year same quarter.

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

**1. Performance Review (continued)**

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

	First Quarter			Cumulative Quarter		
	31/03/2019	31/03/2018	Changes	31/03/2019	31/03/2018	Changes (%)
Revenue	9,152	1,857	392.8%	9,152	1,857	392.8%
Profit/(loss) before tax	354	(1,731)	-	354	(1,731)	-

HYPRO® PVC-O Pipes Manufacturing & Distribution Division recorded a revenue of RM9.2 million, an increase of 392.8% and registered a profit before tax of RM0.4 million as compared to a loss of RM1.7 million the previous corresponding quarter.

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

The material changes in profit before taxation for the current quarter as compared to the immediate preceding quarter are as follow :

	Current Quarter	Immediate Preceding Quarter	Changes	
	31/03/2019	31/12/2018	Amount	%
Profit/(loss) before taxation	3,937	9,930	(5,993)	-60.4%

The material changes are mainly due to the following :

- i.) Fire Services division which recorded a profit of RM0.98 million as compared to RM1.9 million in the fourth quarter of FYE 2018 due to recognition of project variation orders of certain projects in 2018.
- ii.) Property, Development & Construction division which recorded a profit of RM3.3 million as compared to RM7.8 million in the previous quarter due to the tail-end construction progress of the Azalea project.
- iii.) Renewable & Waste-To-Energy Division recorded a loss of RM0.7 million as compared to previous quarter loss of RM1.3 million mainly due to an impairment loss on an investment amounting to RM0.8 million that was included in the previous quarter's result.
- iii.) HYPRO® PVC-O Pipes Manufacturing & Distribution Division recorded a profit of RM0.4 million as compared to 69K in the previous quarter due to increase in sales.

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

**3. Commentary of Prospects**

The sectors in which the Group operate remains in cautious sentiment and characterised by short and medium term uncertainties as experienced by the general market. The Group continues to monitor closely the market conditions and put in place prudent business development strategies to ensure its resilience and proactively respond to the challenges.

Despite the challenges, the Group has intensified its efforts to enhance the performance of its existing businesses. The property development & construction division, is at the tail end of its progress of the RM97.8 million Phase 1 Project Management & Construction contract which has contributed substantially to the Group's turnover and profitability for FY 2018 and expected to contribute positively for current Financial Year. The Project Management and Construction contract for Phase 2 of Taman Putra project valued at RM81.5million is expected to commence in the second half of 2019.

The palm oil mill while continuing with its stringent operation measures has progressed to install/upgrade relevant equipments to further improve efficiency. The 2 Megawatt Biogas Power generation facility which was commissioned and operating since first quarter of 2018 continues to generate revenue and contribute positively to the Group's performance. The team is monitoring the performance of the gas engines very carefully to reap the full potential output.

The Sendayan medical waste treatment facility has also been a subject of strict compliance to legislation by the authorities has resulted in operational costs increase. The medical waste market (for non-concessionaires) is highly regulated and competitive. Operations are being rationalised with the management engaging the authorities to make a case for F-RNG's ozonation process which is cleaner and environmental friendly as compared to the incineration process to be recognised with .

Molecor's state-of-art HYPRO® PVC-O pipes have garnered an increasingly strong recognition across ten states in Malaysia, with over 450 km of pipes installed to-date. It has also earned the approvals of key authorities in the water sector such as Suruhanjaya Perkhidmatan Air Negara (SPAN), Ranhill SAJ, Syarikat Air Negeri Sembilan (SAINS), Air Selangor, Air Kelantan. Molecor was awarded the Central Purchase Contract by Pengurusan Aset Air Bhd (PAAB) for the supply of HYPRO® PVC-O water pipes from 2018 to 2020 for the replacement of ageing asbestos-cement pipes. The management and marketing team continues to intensify its efforts to engage with the relevant authorities for wider state acceptance and to expand its reach to other sectors; in support of the Government's initiative to reduce the national average Non-Revenue-Water (NRW) rate from 35% in 2018 to 31% by the year 2020.

The fire services sector continues to face challenges of new players in the market with a slowdown in the building and construction sector. Competition for new projects are intense, hence affecting gross margins. The division will continue to put in concerted efforts to increase its revenue stream through greater participation in cross sector projects.

With the prevailing market conditions, the Group remains cautious but optimistic about its prospects for the year.

**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.

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

**5. Income Tax Expense**

	First Quarter		Cumulative Quarter	
	31/03/2019 RM'000	31/03/2018 RM'000	31/03/2019 RM'000	31/03/2018 RM'000
Income tax				
- Current year	1,220	1,406	1,220	1,406
- Prior year	-	4	-	4
	1,220	1,410	1,220	1,410
Deferred tax	191	(32)	191	(32)
Total income tax expense	1,411	1,378	1,411	1,378

The effective tax rate for the Group 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 May 2017, 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.

Pursuant to the provisions of the By-Laws of LTIP, on 9 November 2018, the board had approved to extend the duration of the LTIP for another five (5) years immediately from the Expiry Date. The extended LTIP will now expire on 11 November 2023.

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

There was no corporate proposal involving fund raising.

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

**7. Group Borrowings**

The total Group borrowings are as follows:

	<b>As at 31/03/2019 RM'000</b>	<b>As at 31/12/2018 RM'000</b>
<b>Short term borrowings</b>		
Secured		
Term Loans	21,093	28,362
Finance lease liabilities	403	393
Bank overdrafts	2,312	1,839
Bankers acceptance	17,760	17,503
Revolving credits	27,145	27,145
Unsecured		
Bank overdrafts	33	458
Bankers acceptance	9,524	7,580
Revolving credits	-	-
	<u>78,270</u>	<u>83,280</u>
<b>Long term borrowings</b>		
Secured		
Term Loans	38,397	43,067
Finance lease liabilities	601	606
	<u>38,998</u>	<u>43,673</u>

The above include borrowings denominated in foreign currency as follows:

	<b>As at 31/03/2019 RM'000</b>	<b>As at 31/12/2018 RM'000</b>
Euro	<u>1,151</u>	<u>1,189</u>

**8. Material Litigation**

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

**9. Dividend Payable**

The Board of Directors does not recommend the payment of any dividend in respect of the financial period ended 31 March 2019.

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

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

**10. Earnings Per Share**

**(a) Basic Earnings Per Share**

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

	First Quarter		Cumulative Quarter	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) attributable to ordinary equity holders of the Company	2,463	1,386	2,463	1,386
Adjusted weighted average number of ordinary shares in issue 474,789,261 (2018: 451,664,705) ('000)	474,789	451,665	474,789	451,665
Basic earnings/(loss) per share (sen)	0.52	0.31	0.52	0.31

**(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. Authorisation for Issue**

The interim financial statements for the period ended 31 March 2019 were authorised for issue in accordance with a resolution of the Board of Directors on 28 May 2019.

**FITTERS DIVERSIFIED BERHAD**

**DATO' WONG SWEE YEE**  
**MANAGING DIRECTOR**  
Kuala Lumpur  
28 May 2019