



FITTERS DIVERSIFIED BERHAD

Registration No: 198601000595 (149735-M)

(Incorporated in Malaysia)

Financial Report For The Period Ended

30 June 2024

FITTERS DIVERSIFIED BERHAD
Registration No. 198601000595 (149735-M)

ANNOUNCEMENT OF UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024

The Board of Directors are pleased to announce the unaudited consolidated results of the Company for the financial period ended 30 June 2024.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024 - unaudited**

	FIRST QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30-Jun-2024 RM'000	30-Jun-2023 RM'000	30-Jun-2024 RM'000	30-Jun-2023 RM'000
Revenue	100,797	62,296	100,797	62,296
Cost of sales	(91,487)	(56,293)	(91,487)	(56,293)
Gross profit	9,310	6,003	9,310	6,003
Interest income	1,284	838	1,284	838
Other income	308	470	308	470
Selling and marketing expenses	(481)	(374)	(481)	(374)
Impairment loss on receivables	(430)	-	(430)	-
Administrative expenses	(6,071)	(5,822)	(6,071)	(5,822)
Depreciation and amortisation	(2,567)	(1,474)	(2,567)	(1,474)
Forex (loss)/income	(5)	4	(5)	4
Finance costs	(309)	(444)	(309)	(444)
Profit/(Loss) before tax	1,039	(799)	1,039	(799)
Income tax expense	(1,171)	368	(1,171)	368
Loss after tax	(132)	(431)	(132)	(431)
Loss for the financial period for discontinued operation, net of tax	-	(4,223)	-	(4,223)
Loss for the financial period	(132)	(4,654)	(132)	(4,654)
Other comprehensive (loss)/ income	(14)	41	(14)	41
Total comprehensive loss for the financial period	(146)	(4,613)	(146)	(4,613)
(Loss)/Profit attributable to :				
Owners of the Company	(132)	(4,731)	(132)	(4,731)
Non-controlling interests	-	77	-	77
	(132)	(4,654)	(132)	(4,654)
Loss per share attributable to owners of the Company :				
Basic (sen)	(0.01)	(0.20)	(0.01)	(0.20)

Notes:

(The Condensed Consolidated Statements Of Comprehensive Income should be read in conjunction with the Audited Financial Report for the financial year ended 31 March 2024 and the accompanying explanatory notes attached to the interim financial statements)

FITTERS DIVERSIFIED BERHAD
 Registration No. 198601000595 (149735-M)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	(Unaudited) AS AT END OF CURRENT QUARTER 30-Jun-2024 RM'000	(Audited) AS AT PRECEDING FINANCIAL YEAR END 31-Mar-2024 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	114,344	115,650
Investment properties	2,321	2,335
Right-of-use assets	5,749	5,913
Intangible assets	4,360	4,360
Investment securities	105	105
Deferred tax assets	196	171
Total non-current assets	127,075	128,534
Current assets		
Inventories	84,148	83,649
Current tax assets	1,686	1,594
Trade and other receivables	68,167	82,434
Contract assets	21,722	21,527
Assets of a disposal group classified as held for sales	15,000	15,000
Investment securities	1	1
Deposits, cash and bank balances	165,235	150,675
Total current assets	355,959	354,880
TOTAL ASSETS	483,034	483,414

FITTERS DIVERSIFIED BERHAD

Registration No. 198601000595 (149735-M)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024**

	(Unaudited) AS AT END OF CURRENT QUARTER 30-Jun-2024 RM'000	(Audited) AS AT PRECEDING FINANCIAL YEAR END 31-Mar-2024 RM'000
EQUITY AND LIABILITIES		
Current liabilities		
Loans and borrowings	26,833	25,785
Current tax liabilities	2,173	1,448
Trade and other payables	39,993	42,477
Other current liabilities	17,440	16,988
	86,439	86,698
Net current assets	269,520	268,182
Non-current liabilities		
Loans and borrowings	935	1,021
Deferred tax liabilities	4,071	3,965
	5,006	4,986
TOTAL LIABILITIES	91,445	91,684
NET ASSETS	391,589	391,730
Equity attributable to owners of the Company		
Share Capital	368,220	368,220
Treasury Shares	(3,912)	(3,912)
Warrant Reserve	5,777	5,777
Revaluation Reserve	32,000	32,005
Capital Reserve	1,360	1,360
Exchange Reserve	670	679
Retained Earnings	(12,579)	(12,452)
	391,536	391,677
Non-controlling interests	53	53
Total equity	391,589	391,730
TOTAL EQUITY AND LIABILITIES	483,034	483,414
Net Assets per Share (RM) **	0.1672	0.1673

** 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 Audited Financial Report for the financial year ended 31 March 2024)

FITTERS DIVERSIFIED BERHAD

Registration No. 198601000595 (149735-M)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024 - unaudited

	[----- Attributable to owners of the Company -----]									
	[----- Non-distributable -----]					[----- Distributable -----]			Non-	Total
	Share Capital RM'000	Capital Reserve RM'000	Warrant Reserve RM'000	Revaluation Reserve RM'000	Exchange Reserve RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Total RM'000	Controlling Interests RM'000	Equity RM'000
<u>3 months ended 30 June 2024</u>										
Balance as at 1 April 2024	368,220	1,360	5,777	32,005	679	(3,912)	(12,452)	391,677	53	391,730
Realisation of revaluation reserve	-	-	-	(5)	-	-	5	-	-	-
Total comprehensive loss	-	-	-	-	(9)	-	(132)	(141)	-	(141)
Balance as at 30 June 2024	<u>368,220</u>	<u>1,360</u>	<u>5,777</u>	<u>32,000</u>	<u>670</u>	<u>(3,912)</u>	<u>(12,579)</u>	<u>391,536</u>	<u>53</u>	<u>391,589</u>
<u>12 months ended 31 March 2024</u>										
Balance as at 1 April 2023	262,157	1,360	-	33,826	622	(3,912)	4,034	298,087	353	298,440
Issue of shares - Right Issue	112,665	-	-	-	-	-	-	112,665	-	112,665
Warrant	(5,777)	-	5,777	-	-	-	-	-	-	-
Shares issuance expenses	(825)	-	-	-	-	-	-	(825)	-	(825)
Realisation of revaluation reserve	-	-	-	(1,961)	-	-	12	(1,949)	-	(1,949)
Total comprehensive income/(loss)	-	-	-	140	57	-	(16,498)	(16,301)	74	(16,227)
Dividend paid	-	-	-	-	-	-	-	-	(374)	(374)
Balance as at 31 March 2024	<u>368,220</u>	<u>1,360</u>	<u>5,777</u>	<u>32,005</u>	<u>679</u>	<u>(3,912)</u>	<u>(12,452)</u>	<u>391,677</u>	<u>53</u>	<u>391,730</u>

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Report for the financial year ended 31 March 2024)

FITTERS DIVERSIFIED BERHAD

Registration No. 198601000595 (149735-M)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024 - unaudited**

	(Unaudited) 3 months ended 30-Jun-2024 RM'000	(Audited) 12 months ended 31-Mar-2024 RM'000
Profit/(Loss) before tax		
- Continuing operations	1,039	(10,514)
- Discontinued operation	-	(4,163)
	1,039	(14,677)
Adjustment for non-cash items:		
Operating items	1,603	19,470
Investing items	(961)	(2,772)
Operating profit before changes in working capital	1,681	2,021
Changes in Working Capital:		
Inventories	(500)	1,462
Receivables	14,231	1,227
Payables	(2,483)	(100,578)
Construction contracts	257	(1,152)
Cash generated from/ (used in) operating activities	13,186	(97,020)
Income tax paid	(459)	(2,196)
Income tax refunded	1	2,638
Interest paid	(309)	(1,499)
Net cash generated from/(used in) operating activities	12,419	(98,077)
Cash Flow from investing activities		
Interest received	1,284	4,335
Minority Interest share of dividend	-	(374)
Proceeds from disposal of property, plant & equipment	-	335
Proceeds from disposal of asset held for sale	-	21,000
Proceed from disposal of subsidiary, net of cash	-	2,762
Proceeds from disposal of right-of-use asset	-	135
Purchase of right-of-use asset	-	(1,413)
Purchase of property, plant & equipment	(97)	(3,055)
Net cash generated from investing activities	1,187	23,725
Cash Flow from financing activities		
Proceed from issuance of shares	-	112,665
Hire Purchase & Lease drawdown	-	1,134
Hire Purchase & Lease repayment	(226)	(2,397)
Share issuance expenses	-	(825)
Net repayment of bank borrowings	(2,940)	(16,589)
Net cash(used in)/ generated from financing activities	(3,166)	93,988
Net change in cash & cash equivalents	10,440	19,636
Cash & cash equivalents at beginning of year	150,202	130,509
Effect of foreign exchange rate changes on cash and cash equivalents	(9)	57
Cash & cash equivalents at end of period/year	160,633	150,202

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Report for the financial year ended 31 March 2024)

FITTERS DIVERSIFIED BERHAD
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EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024 - unaudited

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("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 financial year ended 31 March 2024.

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 March 2024 except for the adoption of the following relevant new MFRSs, Interpretations and amendments to MFRS.

Amendments effective for annual periods beginning on or after 1 January 2025:-

- : Amendments to MFRS 9 and MFRS 7: Classification and Measurement of Financial Instruments
- : Amendments to MFRS 121: Lack of Exchangeability

Amendments effective for annual periods beginning on or after 1 January 2027:-

- : MFRS 18: Presentation and Disclosure in Financial Statements
- : MFRS 19: Subsidiaries without Public Accountability : Disclosures

Amendments effective for a date yet to be confirmed:-

- : Amendments to MFRS 10: Consolidated Financial Statements
- : Amendments to MFRS 128: Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The adoption of the new MFRSs, amendments to MFRSs and IC Interpretations is not expected to 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 March 2024 was not subject to any qualification.

4. Segmental Information

Analysis of the Group's results by business segments:

	First quarter		Cumulative Quarter	
	30/6/2024	30/6/2023	30/6/2024	30/6/2023
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Fire Services	29,010	19,922	29,010	19,922
Property Development & Construction	3,291	12,017	3,291	12,017
Renewable & Waste-To-Energy	69,266	31,439	69,266	31,439
Investment holding and others	-	-	-	-
Total revenue including inter-segment sales	101,567	63,378	101,567	63,378
Elimination of inter-segment sales	(770)	(1,082)	(770)	(1,082)
Total	100,797	62,296	100,797	62,296
Segment Result				
Fire Services	882	865	882	865
Property Development & Construction	(387)	791	(387)	791
Renewable & Waste-To-Energy	1,608	(1,909)	1,608	(1,909)
Investment holding and others	(1,074)	(255)	(1,074)	(255)
Total result including inter-segment profit/ (loss)	1,029	(508)	1,029	(508)
Elimination of inter-segment profit/ (loss)	10	(291)	10	(291)
Total	1,039	(799)	1,039	(799)

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024 - unaudited

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 30 June 2024.

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 March 2024.

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**

There was no share buy-back and resale of treasury shares during the financial period.

As at 30 June 2024, the Company held a total of 12,817,648 units of Treasury Shares at a value of RM3,911,977.

11. Significant Event during and Subsequent to the Financial Period

There was no material event during and subsequent to the financial quarter ended 30 June 2024 .

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 amount of commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at 30 June 2024 is as follows:

	RM'000
Approved and contracted for :	
Property, plant and equipment	910

14. Contingent Liabilities

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

	RM'000
To Banks and financial institutions credit facilities granted to subsidiary companies	61,360
To Corporations for trade credit facilities granted to subsidiary companies	139,100
	200,460

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 first quarter ended 30 June 2024, the Group recorded an increase in revenue by 61.8% to RM100.8 million from RM62.3 million and a profit before tax of RM1.0 million as compared to a loss of RM0.8 million recorded in the previous corresponding quarter ended 30 June 2023.

The increased in revenue and profit before tax was mainly contributed by the higher sales volume of crude palm oil ("CPO") which increased by 108.7% as compared to previous year corresponding quarter.

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		
	30/6/2024	30/6/2023	Changes (%)	30/6/2024	30/6/2023	Changes (%)
Revenue	29,010	19,922	45.6%	29,010	19,922	45.6%
Profit before tax	882	865	2.0%	882	865	2.0%

During the quarter ended 30 Jun 2024, the Fire Services Division posted an increase of revenue by 45.6% to RM29.0 million from RM19.9 million and profit before tax at RM0.9 million, a 2% increase from the previous corresponding quarter.

With the reopening of economy sectors, project work progress has started to pick-up, however, overall performance of the division are still impacted by the labour shortage, drop in margin due to high competition and increase in material price and longer collection period.

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

	First quarter			Cumulative Quarter		
	30/6/2024	30/6/2023	Changes (%)	30/6/2024	30/6/2023	Changes (%)
Revenue	3,291	12,017	-72.6%	3,291	12,017	-72.6%
(Loss)/ profit before tax	(387)	791	-	(387)	791	-

During the quarter ended 30 Jun 2024, the Property Development & Construction Division posted a decrease in revenue by 72.6% to RM3.3 million from RM12.0 million and a loss before tax of RM0.4 million as compared to a profit before tax of RM0.8 million recorded in the corresponding quarter.

The decline in revenue and profit was mainly due to the end of the construction work of Phase 2 of Taman Putra. Certificate of Practical Completion was obtained in February 2024.

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

	First quarter			Cumulative Quarter		
	30/6/2024	30/6/2023	Changes (%)	30/6/2024	30/6/2023	Changes (%)
Revenue	69,266	31,439	120.3%	69,266	31,439	120.3%
Profit / (Loss) before tax	1,608	(1,909)	-	1,608	(1,909)	-

During the quarter ended 30 Jun 2024, the Renewable & Waste-to-Energy Division recorded an increase in revenue by 120.3% to RM69.3 million from RM31.4 million and a profit before tax of RM1.6 million as compared to a loss before tax of RM1.9 million recorded in the corresponding quarter.

The revenue growth in the current quarter was primarily driven by a 108.7% increase in CPO sales volume to 14,450 ton as compared to previous year of 6,923 ton, contributing to the division's enhanced performance.

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

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	
	30/6/2024	31/03/2024	Amount	%
Profit/ (Loss) before taxation	1,039	(13,541)	14,580	107.7%

The material changes are mainly due to the following :

- i.) Fire Services division recorded a profit of RM0.9 million as compared to a loss of RM2.4 million. The loss in previous quarter was mainly due to a provision for debts on impairment and expected credit loss amounting RM3.4 million.
- ii.) Property, Development & Construction division recorded a loss of RM0.4 million as compared to a loss of RM3.3 million recorded in the previous quarter. The higher loss from the previous quarter was derived from contract variations order as project approaching end of progress work and higher operational cost.
- iii.) Renewable & Waste-To-Energy Division recorded a profit of RM1.6 million as compared to a loss of RM1.3 million recorded in the previous quarter. The previous quarter recorded lower CPO sales.

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

3. Commentary of Prospects

Despite the challenging market environment, the Group managed to keep the situation under control with the necessary mitigation actions taken particularly on cost rationalisation and business protection measures implemented earlier.

The Fire Services segment, being dependent on building and construction activities had been impacted by the softening of properties market, which caused delay in work progress and certification of work done. Following thereto, the division is striving to catch-up on its order book work progress to generate revenue and profitability.

The Property Development & Construction segment has achieved a significant milestone in the current quarter of 2024 with the completion of Phase 2 (Belleza) at Taman Putra. This project successful completion signified our ongoing commitment to deliver high-quality residential projects. In parallel, we are proactively advancing our next project for the re-development of Plaza Perkelilling. The team is currently preparing the submission of the building plan for this redevelopment, marking the initial steps of transforming this property into a modern, multi-functional office building. This re-development project aligns with our strategic objective to maximise the value of our existing assets, ensuring they meet contemporary market demands and contribute to our long-term growth.

Renewable & Waste-To-Energy segment businesses remain robust despite the challenging economic and labour shortage. The CPO price is projected to remain around RM3,000 to RM4,000 per metric tonne supported by increase in the cost of labour and raw material. As highlighted in the previous commentary, the volume of Fresh Fruit Bunch is gradually increasing and this has a positive impact on the mill performance. We expect the Fresh Fruit Bunch volume and Oil Extraction Rate will remain healthy until the next quarter. The management is steadfast in focusing on the mill efficiency and production output while maintaining strict cost management to improve the Group financial position. The oil extraction rate of the FFB and the operating margins in this milling industry have historically been seasonal. Changes in weather pattern and FFB seasons, both will affect the oil content in the FFB and volume and the resulting oil extraction rate are key factors that influence the profitability of the milling industry.

The medical waste market (for non-concessionaires) continues to be strictly regulated by the authorities and highly competitive in pricing. There has been increase in the medical waste collection quantity and hence increase in the demand of our service. The implementation of the use of e-Consignment Note (eCN) has improved the overall traceability and efficiency of our logistic and waste collection. Moving forward, the management is looking into alternative to improve the processing capability of the medical waste. It is vital to ensure compliance of SOP for the safe handling and disposal of medical waste to prevent cross-contamination exposure to the public and operation staff.

Premised on the above, the Group remains cautious but is optimistic about its prospects for the year. The Group will continue to manage its cash flows prudently and monitor closely its business operations amidst a challenging business environment.

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

	First quarter		Cumulative Quarter	
	30/6/2024	30/6/2023	30/6/2024	30/6/2023
	RM'000	RM'000	RM'000	RM'000
Income tax				
- Current year	1,090	348	1,090	348
- Prior year	-	-	-	-
	1,090	348	1,090	348
Deferred tax	81	(716)	81	(716)
Total income tax expense	1,171	(368)	1,171	(368)

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.

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

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 30 June 2024:

(i) Proposed Share Issuance Scheme

On 17 December 2021, the Company announced the proposal to undertake the following:-

- (i) proposed establishment of a share issuance scheme (SIS) of up to 15% of the total number of issued Shares of FITTERS (excluding treasury shares, if any) to the eligible directors and employees of FITTERS and its subsidiaries.

Bursa Securities had, vide its letter dated 3 January 2022, approved the listing of the additional shares to be issued pursuant to the Proposed SIS.

The Proposal were approved by shareholders at the EGM held on 28 January 2022.

On 28 January 2022, the Company announced that the effective date for the implementation of the SIS is 28 January 2022, being the date on which the Company is in full compliance with all relevant requirements including Paragraph 6.43(1) of the Listing Requirements.

The SIS shall 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.

As at the date of this report, no SIS has been issued.

7. Group Borrowings

The total Group borrowings are as follows:

	As at 30/6/2024 RM'000	As at 31/03/2024 RM'000
Short term borrowings		
Secured		
Term Loans	115	366
Finance lease liabilities	604	744
Bank overdrafts	3,935	-
Bankers acceptance	11,758	13,848
Revolving credits	8,500	9,100
Unsecured		
Bank overdrafts	667	473
Bankers acceptance	1,254	1,254
	26,833	25,785
Long term borrowings		
Secured		
Term Loans	-	-
Finance lease liabilities	935	1,021
	935	1,021

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**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS
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8. Material Litigation

The Group does not have any material litigation for the financial year under review except as disclosed below :

Writ and statement of claim served on Future NRG Sdn. Bhd. ("FNSB") from A.H.T. Syngas Technology N.V. ("AHT")

(i) Under Shah Alam High Court Civil No.: BA-22NCC-104-08/2021

FNSB, a wholly-owned subsidiary of FITTERS, had on 21 October 2021 received a sealed Writ and Statement of Claim both dated 30 August 2021 from AHT through its solicitors claiming an amount of Euro 1.78 million based on a non-binding Heads of Agreement.

FITTERS is refuting AHT's allegations of claims as these claims are not substantiated and there was no Purchase Agreement signed.

FNSB has entered its defence and counterclaim on 15 Dec 2021.

On 18 May 2022, AHT has informed the Court that they have filed their Affidavit in reply to FNSB's application for Security for Cost; FNSB will file the Affidavit in Reply on or before 24 May 2022.

During the case management on 24 June 2022, FNSB have informed the Court that both parties have agreed to enter into Consent Order for FNSB's application for security for cost. The hearing had been fixed on 4 July 2022, during which, the following has transpired :

- (a) The Plaintiff's solicitor has informed the Court that they have received the sum of RM100,000, being security for costs from the Plaintiff and requested for a next case management date for parties to update the Court on the opening of a trust account for purposes of holding the said sum; and

FNSB has informed the Court during the case management dated 19 August 2022 that FNSB has obtained the necessary approval from CIMB Bank Berhad to open a stakeholder account for the purpose of security for cost. FNSB is currently awaiting clarification from the Bank as well as the documents required by the Bank for the opening of account in order to proceed further.

FNSB has informed the Court that both parties are currently still awaiting clarification from the Bank for the opening of account and requested for a case management to be fixed 2 weeks from 5 September 2022 for parties to update the Court on the status of the matter and the Court has allowed the same.

On 4 October 2022, the Court has instructed the parties to file the Bundle of Pleadings, Common Bundle of Documents, Agreed Facts, Issues to be Tried, Case Summary and List of Witnesses within two months from 4 October 2022 and has fixed for Case Management two months from today for further directions.

Further to the case management on 5 January 2023 and 2 February 2023, the Plaintiff's solicitors have requested an extension of time of one month to get instruction from the Plaintiff and to finalise the Common Bundle of Documents and the Court has allowed and Case Management is fixed on 16 March 2023.

During the 16 March 2023 Case Management, the Court has given one month to finalise all pre-trial documents and at the same time instructed parties to consider whether parties agree to go for mediation.

In the 17 April 2023 Case Management, the Plaintiff's solicitors has informed the Court that parties are still in the midst of discussion (compilation of the Common Bundle of Documents) and the Plaintiff is agreeable to mediation.

The Court has fixed the matter for mediation on 26 May 2023 during which, in view of the unsuccessful mediation, another case management was fixed on 31 July 2023 for parties to update on the status of the filing of the Common Bundle of Documents.

FITTERS DIVERSIFIED BERHAD

Registration No. 198601000595 (149735-M)

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

8. Material Litigation (continued)

(i) Under Shah Alam High Court Civil No.: BA-22NCC-104-08/2021 (continued)

Subsequent to the 31 July 2023 case management, the Court has fixed the matter for case management on 30 August 2023 via Zoom. Further case management has been fixed on 3 October 2023 for parties to update on the pending status.

The matter is fixed for trial on 15 January 2024 to 18 January 2024 and 22 January 2024 to 25 January 2024.

During the 3 October 2023 case management, as the Plaintiff's solicitors are currently awaiting translated documents, another case management has been fixed on 6 November 2023. The Court has vacated the trial dates previously fixed on 15 Jan, 16 Jan and 25 Jan 2024. Other trial dates remain unchanged.

As the translated documents are still pending during the 6 Nov 2023 case management, the next case management is fixed on 6 December 2023. New or additional trial dates to be fixed during the next case management, if necessary.

During the 6 December 2023 case management, the Court had informed that the trial date previously fixed on January 2024 has been vacated and rescheduled to 4 to 7 November 2024 and 11 to 14 November 2024. The Plaintiff's solicitors updated the Court that they have received the English translation documents and are to be included in the Additional Common Bundle of Documents. The Court has instructed the Defendant to file a list of witnesses by today.

During the 28 February 2024 case management, the Court had vacated the trial dates on 4 to 6 November 2024. The Court has directed parties to file their respective witness statements two weeks before the first day of trial on 7 November 2024. The next case management was fixed on 27 March 2024 for the Plaintiff to update on the filing status of additional bundle of documents, during which, a further case management was fixed on 9 May 2024.

During the 9 May 2024 case management, the Plaintiff has informed the Court that they intend to file an amended list of witnesses due to the challenges on the authenticity of the additional documents filed as evidence. The Court has fixed the next case management on 10 October 2024.

(ii) Under Shah Alam High Court Civil No.: BA-22NCC-57-04/2022

On 29 April 2022, FNSB received a sealed Writ and Statement of Claim both dated 29 April 2022 from AHT through its solicitors claiming an amount of Euro 342,857.14, the balance sum under a Purchase and Sales Agreement with AHT Services GmbH ("AHT Services") in relation to the sale of 200KW Biomass Gasification Plant to FNSB at the consideration of Euro1,142,857.14. The transaction was not completed as AHT Services failed to test and commission the gasification plant.

As AHT Services is under liquidation, AHT has been assigned to claim against FNSB.

FITTERS is refuting AHT's allegations as AHT's claims are not substantiated and is premised upon AHT Services' own failure to fulfil its obligations under the Purchase and Sales Agreement.

Contrastingly, FITTERS shall be counterclaiming for the total sum of Euro800,000 previously paid by FNSB to AHT Services pursuant to the Purchase and Sales Agreement for material breach, the terms of which were not fulfilled by AHT Services.

FITTERS has appointed Messrs Ong, Ric & Partners to act for FNSB to refute AHT's claims.

During the Case Management on 26 July 2022 :

- (a) FNSB has filed the Defence and Counterclaim.
- (b) The solicitors for AHT had requested for an extension of time to file their reply and defence to counterclaim till 26 August 2022.
- (c) The Court allowed the extension and AHT is required to file the same on or before 26 August 2022.
- (d) The next case management date has been fixed on 29 August 2022.

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

8. Material Litigation (continued)

(ii) Under Shah Alam High Court Civil No.: BA-22NCC-57-04/2022 (continued)

On 29 August 2022, FNSB updated the Court that Plaintiff's Reply and Defence to Counterclaim was received on 26 August 2022. FNSB is to file and serve its Reply on or before 9 September 2022.

The Plaintiff has filed Notice of Application dated 26 September 2022 supported with Affidavit affirmed by Gero Ferges dated 23 September 2022 to strike out paragraphs 12-19 of our Statement of Defence and Counterclaim.

The Court has fixed the Hearing date on 12 January 2023 for the Plaintiff's Summary Judgment Application as well as the Plaintiff's application to strike out of FNSB's counterclaim, however, the hearing has been postponed to 4 April 2023 as the Plaintiff's Counsel has fallen ill.

The Court has fixed the case management via E-Review on 30 May 2023 for the parties to update the court on the status of mediation. Further to this, the Court has fixed the hearing on 25 August 2023, during which, the Court will fixed the Decision on 18 Dec 2023.

On 18 December 2023, the Court has dismissed both the Plaintiff's Summary Judgment Application and Striking Out Application. The Court has fixed pre-trial case management on 29 December 2024, during which, the Court has directed the parties to file pre-trial documents on or before 26 January 2024. The next case management is on 20 February 2024 to fix trial dates and to update court on the status of the filing of pre-trial documents.

During the case management on 20 February 2024, the Court has directed the Plaintiff to refile the Bundle of Pleadings and Case Summary. The Plaintiff has requested for an extension of time. The Court has fixed the next case management on 26 April 2024, during which the Plaintiff has informed that they intend to file an expert report on the issue of the validity of the assignment from AHT Services SmbH to the Plaintiff. The Court has directed the report to be filed by 26 June 2024 and the Defendant to file the rebuttal report by 26 August 2024, if necessary.

The Court has fixed the matter for trial on 2 to 5 March 2026, witness statements are to be filed 3 months before trial. The final case management is fixed on 2 January 2026.

9. Dividend Payable

The Board of Directors does not recommend the payment of any dividend in respect of the financial period ended 30 June 2024.

FITTERS DIVERSIFIED BERHAD
Registration No. 198601000595 (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	
	30/6/2024	30/6/2023	30/6/2024	30/6/2023
	RM'000	RM'000	RM'000	RM'000
Loss attributable to ordinary equity holders of the Company	(132)	(4,731)	(132)	(4,731)
Adjusted weighted average number of ordinary shares in issue (unit '000)	2,354,109	2,354,109	2,354,109	2,354,109
Basic Loss per share (sen)	(0.01)	(0.20)	(0.01)	(0.20)

(b) Diluted Earnings Per Share

There are no dilutive potential ordinary shares. As such, the diluted earnings per share of the Group is equivalent to basic earnings per share.

FITTERS DIVERSIFIED BERHAD

DATO' SOK ONE A/L ESEN
CHAIRMAN
Kuala Lumpur
22 August 2024