

R&A TELECOMMUNICATION GROUP BERHAD (645677-D)
(Formerly known as Kzen Solutions Berhad)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 JUNE 2011**

	----- Individual Quarter -----		----- Cumulative Quarter -----	
	Current year quarter 30 June 2011 RM'000	Preceding year corresponding quarter 30 June 2010 RM'000	Current year to date 30 June 2011 RM'000	Preceding year corresponding period 30 June 2010 RM'000
Revenue	442	642	907	1,006
Operating expenses	<u>(689)</u>	<u>(514)</u>	<u>(1,135)</u>	<u>(1,133)</u>
Profit before amortisation, depreciation and finance cost	(247)	128	(228)	(127)
Depreciation and amortisation	(87)	(28)	(173)	(56)
Finance cost	-	-	-	-
Other Income	<u>20</u>	<u>15</u>	<u>43</u>	<u>221</u>
Profit Before Tax/(Loss after tax)	(314)	115	(358)	38
Taxation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit After Tax/(Loss after tax)	(314)	115	(358)	38
Other comprehensive income	-	-	-	-
Total comprehensive income/(Loss)	<u><u>(314)</u></u>	<u><u>115</u></u>	<u><u>(358)</u></u>	<u><u>38</u></u>
Profit attributable to :				
Equity holders of the Company	<u><u>(314)</u></u>	<u><u>115</u></u>	<u><u>(358)</u></u>	<u><u>38</u></u>
Total comprehensive income attributable to :				
Equity holders of the Company	<u><u>(314)</u></u>	<u><u>115</u></u>	<u><u>(358)</u></u>	<u><u>38</u></u>
Weighted average no. of ordinary shares in issue ('000)	154,694	65,280	110,234	65,280
Earnings per share (sen):-				
a) Basic	(0.20)	0.18	(0.32)	0.06

Notes :

- (i) Basic earnings per share for the quarter and financial period is calculated based on the net profit divided by the weighted average number of ordinary shares for the quarter and financial period respectively.
- (ii) The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended ("FYE") 31 December 2010 and the accompanying explanatory notes attached to the interim financial report.

R&A TELECOMMUNICATION GROUP BERHAD (645677-D)
(Formerly known as Kzen Solutions Berhad)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011

	As at 30 June 2011 (Unaudited) RM'000	As at 31 December 2010 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	15,441	58
Intangible Assets - Goodwill on consolidation	49,724	-
Intangible Assets - Development cost	5,475	2,227
	<u>70,640</u>	<u>2,285</u>
Current assets		
Receivables	35,355	699
Inventories	2,293	-
Fixed Deposits	3,491	2,355
Cash And Cash Equivalents	17,076	368
	<u>58,215</u>	<u>3,422</u>
Total Assets	<u><u>128,855</u></u>	<u><u>5,707</u></u>
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share capital	87,897	6,528
Share premium	4,099	3,279
Revaluation reserves	-	-
Consolidation reserves	(1,350)	(1,350)
ESOS reserves	-	579
Retained profits	(4,743)	(4,385)
Shareholders' equity	<u>85,903</u>	<u>4,651</u>
Non-current liabilities		
Borrowings	2,652	-
Deferred tax liabilities	503	-
	<u>3,155</u>	<u>-</u>
Current liabilities		
Payables	10,816	1,056
Borrowings	26,829	-
Provision for taxation	2,152	-
	<u>39,797</u>	<u>1,056</u>
Total liabilities	42,952	1,056
Total equity and liabilities	<u><u>128,855</u></u>	<u><u>5,707</u></u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>0.10</u>	<u>0.07</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the FYE 31 December 2010 and the accompanying explanatory notes attached to the interim financial report.

R&A TELECOMMUNICATION GROUP BERHAD (645677-D)
(Formerly known as Kzen Solutions Berhad)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 30 JUNE 2011**

	Current year to date 30 June 2011 (Unaudited) RM	Preceding year corresponding period 30 June 2010 (Unaudited) RM
CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Taxation	(358)	38
Adjustments for Non-cash items	<u>5,036</u>	<u>22</u>
Operating profit before working capital changes	4,678	60
Changes in working capital		
Net change in inventories	-	-
Net change in trade and other receivables	(96)	179
Net change in trade and other payables	<u>52</u>	<u>(202)</u>
	4,634	37
Net cash from operations		
Tax paid	-	-
Net cash used in operating activities	<u>4,634</u>	<u>37</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Development cost incurred	(228)	(212)
Purchase of plant and equipment	<u>(1,071)</u>	<u>-</u>
Net cash used in investing activities	<u>(1,299)</u>	<u>(212)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital	12,960	-
Listing expenses	(1,972)	-
Borrowings	-	-
Placement of fixed deposits	-	-
Interest	<u>30</u>	<u>31</u>
Net cash generated from financing activities	<u>11,018</u>	<u>31</u>
Net Change in Cash and Cash Equivalents	14,353	(144)
Cash and Cash Equivalents at beginning of the period	2,723	2,626
Cash and Cash Equivalents at end of the period	<u><u>17,076</u></u>	<u><u>2,482</u></u>

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the FYE 31 December 2010 and the accompanying explanatory notes attached to the interim financial report.

R&A TELECOMMUNICATION GROUP BERHAD (645677-D)
(Formerly known as Kzen Solutions Berhad)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30 JUNE 2011**

	----- Non-distributable -----			-----<-Distributable->-----		
	Share Capital RM '000	Share Premium RM '000	Merger deficit reserve RM '000	ESOS reserve RM '000	Retained Profits RM '000	Total Equity RM '000
Balance as at 1 January 2011	6,528	3,279	(1,350)	579	(4,385)	4,651
Issue of shares pursuant to acquisition of RASB	69,800	-	-	-	-	69,800
Issue of shares pursuant to ESOS	669	732	-	(579)	-	822
Issuance of shares under private placement	10,900	2,060	-	-	-	12,960
Listing expenses	-	(1,972)	-	-	-	(1,972)
Profit for the period	-	-	-	-	(358)	(358)
Balance as at 30 June 2011	<u>87,897</u>	<u>4,099</u>	<u>(1,350)</u>	<u>-</u>	<u>(4,743)</u>	<u>85,903</u>

As at preceding year corresponding quarter 30 June 2010

Balance as at 1 January 2010	6,528	3,279	(1,350)	579	(4,500)	4,536
Issue of share capital	-	-	-	-	-	-
Profit for the period	-	-	-	-	38	38
Balance as at 30 June 2010	<u>6,528</u>	<u>3,279</u>	<u>(1,350)</u>	<u>579</u>	<u>(4,462)</u>	<u>4,574</u>

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the FYE 31 December 2010 and the accompanying explanatory notes attached to the interim financial report.