

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 JUNE 2012**

| | Individual Quarter | | Cumulative Period | |
|---|--|--|--|--|
| | Current year quarter 30/06/2012 RM'000 Unaudited | Preceding year quarter 30/06/2011 RM'000 Unaudited | Current year to date 30/06/2012 RM'000 Unaudited | Preceding year to date 30/06/2011 RM'000 Unaudited |
| Continuing operations | | | | |
| Revenue | 25,290 | 12,803 | 25,290 | 12,803 |
| Cost of sales | (25,037) | (14,295) | (25,037) | (14,295) |
| Gross profit / (loss) | 253 | (1,492) | 253 | (1,492) |
| Other operating income | | | | |
| - Interest income | 2,006 | 294 | 2,006 | 294 |
| - Profit from Islamic deposits | - | 1 | - | 1 |
| - Other operating income | 870 | 962 | 870 | 962 |
| - Gain on fair value of derivative | 21,533 | - | 21,533 | 0 |
| Unrealised foreign exchange gain / (loss), net | 20,966 | (829) | 20,966 | (829) |
| Administrative expenses | (3,708) | (4,194) | (3,708) | (4,194) |
| Other operating expenses | (36) | (1,941) | (36) | (1,941) |
| Depreciation | (296) | (267) | (296) | (267) |
| Finance costs | (18,524) | (206) | (18,524) | (206) |
| Share of results of associates | (45) | - | (45) | - |
| Profit/(loss) before taxation | 23,019 | (7,672) | 23,019 | (7,672) |
| Tax expense | (35) | (371) | (35) | (371) |
| Profit / (loss) for the period | 22,984 | (8,043) | 22,984 | (8,043) |
| Profit / (loss) for the period | 22,984 | (8,043) | 22,984 | (8,043) |
| Other comprehensive (loss)/ income : | | | | |
| Changes in the fair value of available-for-sale financial assets | (40,484) | 2,654 | (40,484) | 2,654 |
| Exchange difference from translation of foreign operations | (19,014) | (2,287) | (19,014) | (2,287) |
| Other comprehensive (loss) / income for the period, net of tax | (59,498) | 367 | (59,498) | 367 |
| Total comprehensive loss for the period | (36,514) | (7,676) | (36,514) | (7,676) |
| Profit / (loss) for the period | | | | |
| Attributable to: | | | | |
| Equity holders of the parent | 22,986 | (8,045) | 22,986 | (8,045) |
| Non-controlling interest | (2) | 2 | (2) | 2 |
| | 22,984 | (8,043) | 22,984 | (8,043) |
| Total comprehensive loss for the period | | | | |
| Equity holders of the parent | (36,539) | (7,883) | (36,539) | (7,883) |
| Non-controlling interest | 25 | 207 | 25 | 207 |
| | (36,514) | (7,676) | (36,514) | (7,676) |
| Basic earnings/ (loss) per share attributable to equity holders of the Company (sen): | | | | |
| - profit / (loss) | 4.08 | (1.43) | 4.08 | (1.43) |
| Diluted loss per share attributable to equity holders of the Company (sen) | N/A | N/A | N/A | N/A |

(The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2012)

ZELAN BERHAD 27676-V

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012

| | AS AT END OF CURRENT QUARTER 30 JUNE 2012 RM'000 Unaudited | AS AT END OF FINANCIAL YEAR ENDED 31 MARCH 2012 RM'000 Audited | 1 APRIL 2011 RM'000 Unaudited |
|--|--|--|-------------------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 27,160 | 27,948 | 39,353 |
| Investment properties | 5,380 | 5,415 | 5,557 |
| Investments in associates | 11,046 | 12,341 | 15,383 |
| Other receivables | 71,710 | 69,015 | 0 |
| Cash and bank balances (restricted) | 40,865 | 40,440 | 1,790 |
| Available-for-sale financial assets | 333,168 | 373,652 | 425,420 |
| | <u>489,329</u> | <u>528,811</u> | <u>487,503</u> |
| Current assets | | | |
| Inventories | 9,080 | 9,080 | 9,194 |
| Trade and other receivables | 251,242 | 238,470 | 521,920 |
| Tax recoverable | 24,194 | 38,693 | 47,640 |
| Deposit, cash and bank balances | 20,616 | 16,769 | 16,811 |
| | <u>305,132</u> | <u>303,012</u> | <u>595,565</u> |
| TOTAL ASSETS | <u>794,461</u> | <u>831,823</u> | <u>1,083,068</u> |
| EQUITY AND LIABILITIES | | | |
| Equity attributable to equity holders of the parent | | | |
| Share capital | 281,632 | 281,632 | 281,632 |
| Reserves | (89,089) | (52,550) | (12,161) |
| | <u>192,543</u> | <u>229,082</u> | <u>269,471</u> |
| Non-controlling interest | (104) | (129) | 11,631 |
| Total equity | <u>192,439</u> | <u>228,953</u> | <u>281,102</u> |
| Non-current liabilities | | | |
| Borrowings | 284,108 | 283,934 | 36 |
| Derivative financial liability | 10,886 | 32,419 | 0 |
| Deferred tax liabilities | 2,675 | 2,676 | 2,697 |
| | <u>297,669</u> | <u>319,029</u> | <u>2,733</u> |
| Current liabilities | | | |
| Trade and other payables | 256,057 | 239,237 | 504,511 |
| Borrowings | 17,733 | 15,105 | 201,525 |
| Current tax liabilities | 1,328 | 1,307 | 18 |
| Provisions for liabilities | 29,235 | 28,192 | 93,179 |
| | <u>304,353</u> | <u>283,841</u> | <u>799,233</u> |
| Total liabilities | <u>602,022</u> | <u>602,870</u> | <u>801,966</u> |
| TOTAL EQUITY AND LIABILITIES | <u>794,461</u> | <u>831,823</u> | <u>1,083,068</u> |
| Net assets per share (RM) | <u>0.34</u> | <u>0.41</u> | <u>0.48</u> |

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2012)

ZELAN BERHAD 27676-V

STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 JUNE 2012

| | Attributable to equity holders of the parent | | | | | | | Non-controlling interest RM'000 | Total Equity RM'000 | |
|--|--|-------------------------|-------------------------------|-----------------------------|-----------------------------|--------------------------------|------------------------------|------------------------------------|------------------------|-----------------|
| | Share Capital RM'000 | Share Premium RM'000 | Translation Reserve RM'000 | Capital Reserve * RM'000 | General Reserve * RM'000 | Fair Value Reserve ^ RM'000 | Accumulated Losses RM'000 | | | Total RM'000 |
| Balance as at 1 April 2012 | 281,632 | 124,396 | 51,772 | 35,457 | 4,254 | 98,618 | (367,047) | 229,082 | (129) | 228,953 |
| <u>Comprehensive loss:</u> | | | | | | | | | | |
| Loss for the period | - | - | - | - | - | - | 22,986 | 22,986 | (2) | 22,984 |
| <u>Other comprehensive income:</u> | | | | | | | | | | |
| Currency translation reserve | - | - | (19,041) | - | - | - | - | (19,041) | 27 | (19,014) |
| Fair value gain on available-for-sale financial assets | - | - | - | - | - | (40,484) | - | (40,484) | - | (40,484) |
| Total comprehensive income / (loss) for the period | - | - | (19,041) | - | - | (40,484) | 22,986 | (36,539) | 25 | (36,514) |
| Balance as at 30 June 2012 | 281,632 | 124,396 | 32,731 | 35,457 | 4,254 | 58,134 | (344,061) | 192,543 | (104) | 192,439 |
| Balance as at 1 April 2011 | 281,632 | 124,396 | 54,007 | 35,457 | 4,254 | 150,386 | (380,661) | 269,471 | 11,631 | 281,102 |
| <u>Comprehensive loss:</u> | | | | | | | | | | |
| Loss for the period | - | - | - | - | - | - | (8,045) | (8,045) | 2 | (8,043) |
| <u>Other comprehensive income:</u> | | | | | | | | | | |
| Currency translation difference | - | - | (2,492) | - | - | - | - | (2,492) | 205 | (2,287) |
| Fair value gain on available-for-sale financial assets | - | - | - | - | - | 2,654 | - | 2,654 | - | 2,654 |
| Total comprehensive income / (loss) for the period | - | - | (2,492) | - | - | 2,654 | (8,045) | (7,883) | 207 | (7,676) |
| Balance as at 30 June 2011 | 281,632 | 124,396 | 51,515 | 35,457 | 4,254 | 153,040 | (388,706) | 261,588 | 11,838 | 273,426 |

* These reserves relate to net gain from disposals of investment in shares, issue of bonus shares by a subsidiary out of post-acquisition reserves and transfer of profits to a statutory reserve by an overseas subsidiary.

^ This reserve relates to changes in fair value of an available-for-sale financial assets

(The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2012)

ZELAN BERHAD 27676-V

**STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 30 JUNE 2012**

| | Current year to date 30/06/2012 RM'000 | Preceding year to date 30/06/2011 RM'000 |
|---|---|---|
| OPERATING ACTIVITIES | | |
| Profit / (loss) for the period | 22,986 | (8,045) |
| Adjustments for : | | |
| Tax expense | 35 | 371 |
| Depreciation of property, plant and equipment | 1,449 | 1,762 |
| Depreciation of investment properties | 35 | 35 |
| (Gain)/loss on disposal of property, plant and equipment | (315) | 837 |
| Changes in fair value of derivative | (21,533) | - |
| Interest income | (2,006) | (294) |
| Profit from Islamic deposits | - | (1) |
| Finance costs | 18,524 | 374 |
| Unrealised foreign exchange loss / (gain) | 0 | (614) |
| Dividend income | (1,250) | 0 |
| Non-controlling interest | (2) | 2 |
| Share of results of associates | 45 | - |
| | <u>17,968</u> | <u>(5,573)</u> |
| Changes in working capital : | | |
| Receivables | (15,293) | 97,433 |
| Payables | 9,063 | (97,498) |
| Cash flows generated / (used in) operations | <u>11,738</u> | <u>(5,638)</u> |
| Tax refund | 14,484 | 9 |
| Net cash flows from / (used in) operating activities | <u>26,222</u> | <u>(5,629)</u> |
| INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (15) | - |
| Proceeds from disposal of property, plant and equipment | 338 | 3,151 |
| Dividends received from associate company | 1,250 | - |
| Interest received | 250 | 294 |
| Profit from Islamic deposits received | - | 1 |
| Net cash flows from investing activities | <u>1,823</u> | <u>3,446</u> |
| FINANCING ACTIVITIES | | |
| Repayments of borrowings | - | (218) |
| Proceeds from borrowings | - | 204 |
| Repayments of hire purchase liabilities | (48) | (43) |
| Interest paid | (4,569) | (374) |
| Additional deposits pledged as security | (583) | (1,148) |
| Net cash flows from financing activities | <u>(5,200)</u> | <u>(1,579)</u> |
| Net movement in cash and cash equivalents | 22,845 | (3,762) |
| Cash and cash equivalents at beginning of the period | 6,140 | 16,632 |
| Currency translation differences | (19,156) | (1,656) |
| Cash and cash equivalents at end of the period | <u>9,829</u> | <u>11,214</u> |

(The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2012)