



ZHULIAN

Annual Report 2012

We Go Beyond Now

"In ZHULIAN, we define the future as now and beyond. Thus, we seize every opportunity that we have at present and take strategic and proactive actions to create the future. For us, vision without action is merely a dream. Actions without a clear future vision leads to nowhere. Only by having a clear vision with strategic actions, we can go far beyond now and shape the future we desire. Our perseverance towards achieving excellence in our performance, our dedication in serving our people and our determination to stand by our commitments to our entrepreneurs and responsibility to our valued shareholders, have kept our vision and goals clear and our strategies and actions on track."

Vision

We aspire to become a respectful leading company for health and beauty products by gaining customers enthusiasm and trust through continuous improvement driven by innovation, teamwork and integrity.

Mission

We are dedicated to excel in resource management, product quality and customer service to ensure customers will continue to value our products, ZHULIAN members will build their businesses, employees will build their careers and shareholders will build their wealth. The following are seven guiding principles of our business practice:

- **Being innovative** in managing our brands and products to enhance our competitiveness.
- **Being enthusiastic** in serving our customers to our best.
- **Being mindful** to provide a conducive working and business environment for our people.
- **Being respectful** towards diversity in building a strong people network.
- **Being passionate** in developing entrepreneurial spirit among our people.
- **Being hearty** in contributing positively to our communities and our environment.
- **Being visionary** in building our financial solidity and maximising our shareholder return.

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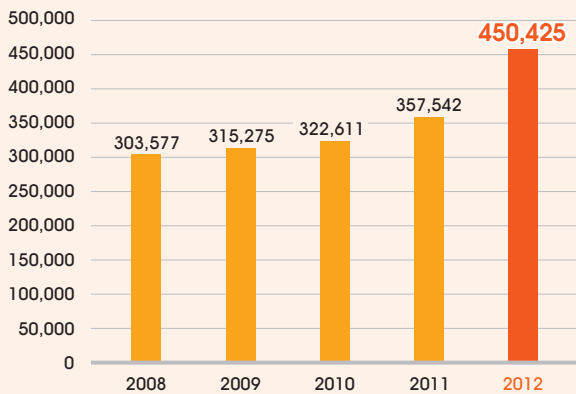
FIVE-YEAR GROUP FINANCIAL HIGHLIGHTS

YEAR ENDED 30 NOVEMBER

	2012	2011	2010	2009	2008
1. RESULTS (RM'000)					
Revenue	450,425	357,542	322,611	315,275	303,577
Profit Before Taxation ("PBT")	141,327	115,072	105,897	102,704	94,993
Profit After Taxation	117,094	95,320	86,672	82,057	74,690
2. STATEMENT OF FINANCIAL POSITION (RM'000)					
Total Equity Attributable to Owners of The Company	451,844	392,319	351,987	320,111	279,500
Total Assets	528,845	446,219	405,612	373,334	342,457
Total Borrowings	—	—	—	—	—
3. RATIO					
Net Dividends Per Ordinary Share (sen)	15.50	12.00	12.00	14.00	11.00
Earnings Per Share (sen)	25.46	20.72	18.93	17.83	16.23
Net Assets Per Share (sen)	98.23	85.29	76.52	69.59	60.76
Gearing Ratio (%)	0%	0%	0%	0%	0%

FIVE-YEAR GROUP FINANCIAL CHARTS

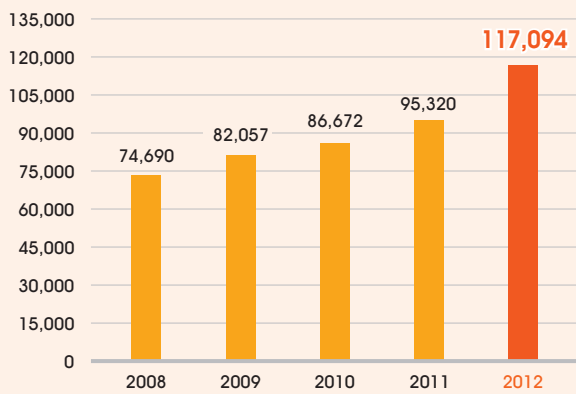
Revenue
(RM'000)



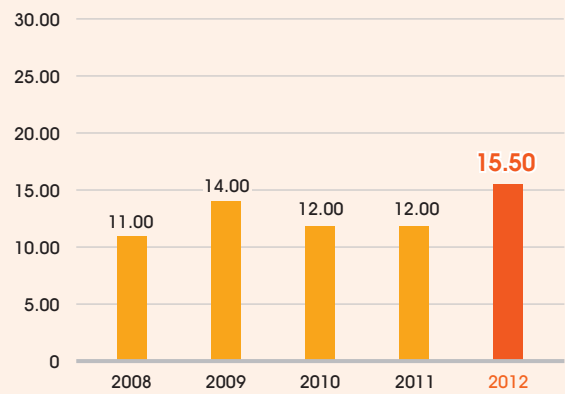
Profit Before Taxation
(RM'000)



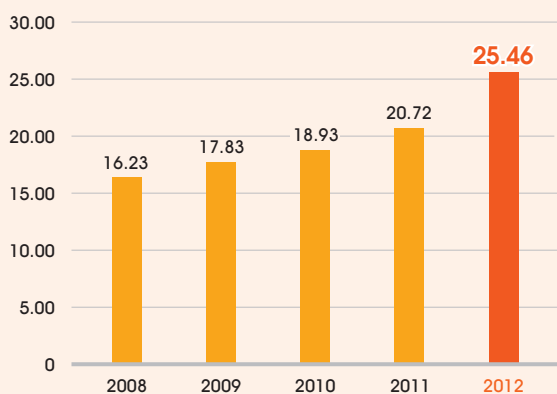
Profit After Taxation
(RM'000)



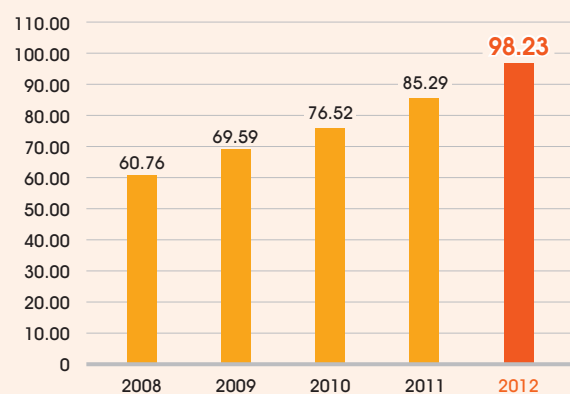
Net Dividend Per Ordinary Share
(sen)



Earning Per Share
(sen)



Net Assets Per Share
(sen)



SYNERGISTIC INTEGRATION FOR ENHANCED COMPETITIVE EDGE

CORPORATE REVIEW



Corporate Profile

Chairman's Statement /
Penyata Pengerusi

Group Structure

Corporate Information

Directors' Profile

CORPORATE PROFILE

ZHULIAN CORPORATION BERHAD (“ZHULIAN” or the Company) was initially incorporated in Malaysia on 2 January 1997 under the Companies Act, 1965 as a private limited company, namely **ZHULIAN CORPORATION SDN. BHD.** Subsequently on 28 February of that same year, the private limited company was converted into a public limited company and assumed the present name. On the 27 April 2007, **ZHULIAN** was officially listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Securities”).

ZHULIAN is an investment holding company of **ZHULIAN** Group of Companies. Our core business is in Multi-level Marketing (MLM), with diversified interests in the manufacturing and trading of an array of widely diversified products and also printing business. The core activities of the subsidiaries and associate are as follows:

Multi-level Marketing	
ZHULIAN INDUSTRIES SDN. BHD. (304448-X)	Manufacturing of consumer products
ZHULIAN JEWELLERY MANUFACTURING SDN. BHD. (183361-U)	Manufacturing of costume / fine jewellery and accessories
BEYOND PRODUCTS TECHNOLOGY SDN. BHD. (386717-K)	Manufacturing of home technology products
ZHULIAN MANUFACTURING SDN. BHD. (392763-V)	Manufacturing of bedroom apparels and therapeutic products
AMAZING VESTRAX SDN. BHD. (688963-U)	Manufacturing of personal care products
ZHULIAN NUTRACEUTICAL SDN. BHD. (644402-D)	Manufacturing of traditional products
ZHULIAN PRINTING INDUSTRIES SDN. BHD. (216788-X)	Printing of brochures, leaflets, catalogues, name cards and other related documents
MASTER SQUARE SDN. BHD. (389011-A)	Trading of consumer products
ZHULIAN MARKETING (M) SDN. BHD. (186058-T)	Direct marketing of costume jewellery and consumer products
ZHULIAN (SINGAPORE) PTE. LTD. (200105275R)	Direct marketing of all kinds of costume jewellery and consumer products
PT. ZHULIAN INDONESIA	Direct marketing of costume jewellery and consumer products
ZHULIAN (THAILAND) LTD. [(3) 1207/2539]	Direct marketing of costume jewellery and consumer products
Investment Holding	
ZHULIAN MANAGEMENT SDN. BHD. (374415-M)	Provision of management services and investment holding
ZHULIAN LABUAN LIMITED (LL07218)	Investment holding
Others	
ZHULIAN DEVELOPMENT SDN. BHD. (321164-M)	Property development
DIAMOND INSPIRATION SDN. BHD. (375186-D)	Operator of cafeteria for the employees of the Group
ZHULIAN VENTURES SDN. BHD. (665168-A)	Dormant
ZHULIAN PROPERTIES SDN. BHD. (665167-D)	Dormant
SELAT NUSANTARA DEVELOPMENT SDN. BHD. (665240-M)	Dormant
DEXASSETS SDN. BHD. (686970-K)	Dormant
ZHULIAN CONSTRUCTION SDN. BHD. (415546-H)	Dormant
ZHULIAN DEVELOPMENT CO., LTD. (0125555010809)	Dormant

CHAIRMAN'S STATEMENT

“.....ZHULIAN Group has again proved that it is a viable and dynamic business with good potential to grow beyond what it is today. The double-digit revenue growth of 26% in the financial year of 2012 is the highest growth ever recorded by the Group in the past 4 years, reflecting dynamism of the Group to expand further by continually seeking breakthrough, not only in the existing business scope but also taking a big leap in broadening its business horizon by expanding its market reach and business approach in a more creative and innovative manner. ”



Dear Valued Shareholders,

On behalf of the Board of Directors of **ZHULIAN CORPORATION BERHAD** (“ZHULIAN” or “the Company”), I am pleased to present the Annual Report and Audited Consolidated Financial Statements of **ZHULIAN** and its subsidiaries (“ZHULIAN Group” or “the Group”) for the financial year ended 30 November 2012 (FY 2012).

OVERVIEW

“Staying committed to our business model, putting our loyal MLM Leaders and Distributors at our heart, being responsible and accountable to our shareholders, and our dedication towards our vision, mission and business values have enabled us to reach where we are today.”

Over the past six years, we have navigated steadily through a series of significant challenges, keeping a long-term perspective, maintaining a disciplined approach to manage our expenses, investments and our portfolio of integrated businesses for sustainable growth. Staying committed to our business model, putting our loyal MLM Leaders and Distributors at our heart, being responsible and accountable to our shareholders, and our dedication towards our vision, mission and business values have enabled us to reach where we are today.

In FY 2012, we continued to grow and managed to launch a number of new products to address unmet needs across the region. We strengthened our product portfolios in some areas, including kitchenware which is a new market segment as well as nutritious beverage market segment and jewellery product segment where a new milk beverage product and two new collections of gold-plated and rhodium-plated jewellery items have been added into the existing range. These are consistent by developing our business policy of always delivering meaningful innovations by developing high quality products to maintain our competitive edge as a player in multi-level marketing (MLM) industry and build a more agile company to seize market opportunities.

Revenue up

26% to **RM450.43 million** the highest growth in the past 4 years

Net profit increased **23%** to **RM117.09 million**

FINANCIAL PERFORMANCE

Despite challenging global economy backdrop, ZHULIAN's market which is centralised in the Southeast Asian region did not feel much impact of the financial crisis happening in United States and Europe countries, except for the escalating raw material prices, particularly the hiking gold price. In FY 2012, ZHULIAN managed to sustain its domestic demands with a growth of 9% and fetched a remarkable 41% increase in the revenue derived from exports to regional market, mainly from sales to Thailand and Indonesia. Overall, ZHULIAN's revenue is up 26% to RM450.43 million in the financial year of 2012 from RM357.54 million last financial year in which growth was only 11%.

The Group's Profit Before Tax in 2012 was RM141.33 million with an increase of 23% from RM115.07 million in the preceded year. The increase in Profit Before Tax was mainly contributed by the increases in revenue and share of profit

from associate in Thailand. The Group's net profit also increased by 23% to RM117.09 million from the year 2011's net profit of RM95.32 million, indicating an effective cost control and a robust growth in its sales as well as its profitability.

The Group's remarkable performance in the year of review also signified that ZHULIAN Group has again proved that it is a viable and dynamic business with good potential to grow beyond what it is today. The double-digit revenue growth of 26% in FY 2012 is the highest growth ever recorded by the Group in the past 4 years, reflecting dynamism of the Group to expand further by continuingly seeking breakthrough, not only in the existing business scope but also taking a big leap in broadening its business horizon by expanding its market reach and business approach in a more creative and innovative manner.

EARNING PER SHARE (“EPS”)

The basic EPS for FY 2012 ended November 30, 2012 stands at 25.46 sen as compare to 20.72 sen in FY 2011.



DIVIDENDS

The Group’s financial results demonstrated the strength of **ZHULIAN**’s underlying business and our dedication to deliver shareholder value.

Therefore, the Board of Directors declared a 4th interim single-tier dividend of 3 sen and a special single-tier dividend of 3.5 sen. Taken together with the interim dividends declared earlier in the year of 3 sen each quarter, the total dividends for the financial year ended 30 November, 2012 amounts to 15.5 sen, bringing total dividend payout to RM71.3 million, which is equivalent to 60.9% of 2012 net earnings.

OPERATION REVIEW

ZHULIAN has been able to sustain an uptrend in its revenue for the past few years, managed to drive customers’ and Distributors’ loyalty and able to position itself firmly in the market place by offering high quality new products and implementing strategic marketing programmes.

Expanding Market Reach

As for the local markets, besides continue taking appropriate initiatives to boost the Peninsular Malaysia market, **ZHULIAN** took more aggressive approach in tapping into East Malaysia region by organising more marketing programmes and improving the delivery efficiency as the Group still sees Sabah and Sarawak as a market with huge potential to grow and will continue to endeavour in improving the market sentiment.





As far as the export markets are concerned, particularly in Thailand which has become the major contributor of our export revenue, a new warehouse is under construction at Korat in the northeast region of Thailand to improve the logistic efficiency and expedite delivery of products for our Distributors at the northern part of Thailand. Whereas to provide solution to logistics issue which was all along a great challenge to ZHULIAN in Indonesia, PT. ZHULIAN INDONESIA had appointed sub-agents and mobile stockists to reach more customers and Distributors who stay at outskirts area, far from our authorised agencies which are only located at the town area.



Enhancing Brand Positioning

In 2012, the Group continued to use Billboard as its advertising tool as it was found to be very effective to create awareness among the general public about ZHULIAN's products and services. The Group placed a total of 181 Billboards along the North-South Highways, East Coast Region and Klang Valley in Peninsular Malaysia. Besides that, we also launched a promotion at radio station before Hari Raya Aidilfitri to connect the public with our products and to attract them to our authorised agencies.

Increasing Product Mix

Its new products launched in 2012 received overwhelming response from the market and fetched considerable profit for the year under review. The new products include **COOKLINE SUPREME CERAMIC COATED NON-STICK COOKWARE** and **COLOSKIM SKIM MILK AND COLOSTRUM MIX**. In addition, two new collections of gold-plated and rhodium-plated jewellery products were also launched to meet the seasonal demands of Hari Raya Aidilfitri.



Improving Infrastructures and Facilities

The Group continued to upgrade the audio-visual facilities, such as lighting and sound systems of its own 2000 pax auditorium. Housed under **ZHULIAN International Headquarters** situated at Plot 41 Bayan Lepas Industrial Estate, this auditorium is only used for organising marketing functions for tens of thousands Distributors from all over Malaysia, Thailand, Indonesia and Singapore. The sophisticated LED screen measuring approximately 130 sq. metres which was recently installed in the auditorium has become the latest sensation to the Distributors.





AWARDS AND RECOGNITIONS

A hallmark of quality excellence

In the year of review, **ZHULIAN MARKETING (M) SDN. BHD.** received two recognitions, namely the 2nd International Standard Quality Award 2012 – Quality Multi-level Marketing Company and 2nd International Standard Quality Award 2012 – Masterclass Company (Multi-level Marketing) for its uncompromising commitment to quality excellence and its prominent market position in the multi-level marketing industry.

CORPORATE GOVERNANCE

Adhering to integrity, honesty, transparency and accountability

The Group believes in adopting the best practices in the area of corporate governance. The Board, Management and staff are dedicated to upholding the core values of transparency, integrity, honesty and accountability which are fundamental to the Group's sustainability.

The Board is fully committed to integrity and fair dealing in all its activities, and has adopted the best practice of corporate governance in all areas of its business towards enhancing business prosperity and corporate accountability with the ultimate objective of safeguarding the interests of all stakeholders and enhancing shareholders' value. The core principles of the Group's Corporate Governance are clearly laid down by the Board in the Group's Statement on Corporate Governance and the Statement on Internal Control in this Annual Report.

CORPORATE SOCIAL RESPONSIBILITIES

A Visionary and Hearty Company

As a group of companies with vision and heart, **ZHULIAN** promotes a culture of sharing and caring in our business by conducting our business with conscience, integrity and respect to the need of our people. We in the Group hold on to the belief that a business should be able to bring positive changes to the quality of life of the communities and the environment where people live and work. We are doing every way we can to help our people live a better life by offering an equitable business opportunity. We strive to improve the well-being of mankind through our business model and the products we develop, manufacture and distribute to our market. In the year 2012, the Group undertook various corporate social responsibility initiatives and contribute in cash and in kind to fulfil our responsibility as a corporate citizen in the aspect of the workplace, community, environment and marketplace.

“ With the optimistic outlook of the regional countries’ economy and our strategic forward planning business approach, we remain **confident** that the Group will be able to **maintain the growth momentum** in the coming financial year.”

OUTLOOK AND PROSPECTS

The Malaysian Institute of Economic Research (MIER) has forecast the Malaysian economy growing by 5.6% in year 2013, driven by domestic demand including private consumption. Meanwhile, the World Bank estimates Thailand's economy will grow by 5% next year despite flat growth in the global economy. While an economic outlook report released by a reputable bank said Indonesia will benefit from strong investment and domestic consumption that will continue to drive growth and its economy would likely to remain resilient and is expected to expand by 6.3% in 2013.

Although the economy of the ASEAN countries is predicted to remain strong next year, there are still some concerns about uncertainties of the global economy which may

cause an impact to the raw material prices. Nevertheless, the Group will continue to focus on the ASEAN markets with plans to further expand the infrastructures and logistics aspect of our major markets. The Group however will also step-up control through more efficient and focused operations in order to be more cost-effective while adopting more innovative marketing approaches to tackle untapped segments in the existing markets. Our plans for the next financial year include increasing our product mix, extending market reach and expanding our distribution network. With the optimistic outlook of the regional countries’ economy and our strategic forward planning business approach, we remain confident that the Group will be able to maintain the growth momentum in the coming financial year.

ZHULIAN is better positioned today than at any time in its history to **deliver sustainable growth** and **maximise shareholder value.....**

APPRECIATION

I am indeed very proud of the Group's achievements in 2012 and undoubtedly, it marked another year of sustained progress and continued improvement in our fundamentals. **ZHULIAN** will continue to grow and expand healthily by delivering relevant products and meaningful innovations to Distributors and customers in seizing new market opportunities, and remaining committed to a proven business model and set of values embodied in **ZHULIAN** that make all of us proud. Thanks to the extraordinary commitment and dedication of our people, including our 320 authorised agents, 674,000 Leaders and Distributors in our MLM network as well as the management and staff under the Group, also other members of the Board for their diligence, hard work and visionary insights. Not forgetting to thank our business associates, suppliers and bankers for their continued support and cooperation. I also would like to extend my deepest appreciation to you, our shareholders for your firm support. **ZHULIAN** is better positioned today than at any time in its history to deliver sustainable growth and maximise shareholder value for you, our loyal shareholders.

On Behalf of the Board
ZHULIAN CORPORATION BERHAD

HAJI WAN MANSOOR BIN WAN OMAR
Chairman, Independent Non-Executive Director

PENYATA PENGERUSI

“.....Kumpulan **ZHULIAN** sekali lagi membuktikan bahawa ia adalah sebuah perniagaan yang berdaya maju dan dinamik yang berpotensi untuk tumbuh lebih cemerlang daripada hari ini. Perolehan pertumbuhan dua-digit sebanyak 26% pada tahun kewangan 2012 adalah pertumbuhan tertinggi yang pernah direkodkan oleh Kumpulan sepanjang 4 tahun yang lepas, menggambarkan kedinamikan Kumpulan untuk berkembang pesat dengan sentiasa mengejar pembaharuan, bukan sahaja di dalam skop perniagaan sedia ada bahkan menjangkau horizon perniagaan yang lebih jauh dengan memperluaskan lagi capaian pasarannya dan pendekatan perniagaannya secara lebih kreatif dan lebih inovatif. ”



Para Pemegang Saham Yang Dihargai,

Bagi pihak Lembaga Pengarah **ZHULIAN CORPORATION BERHAD** (“ZCB” atau “Syarikat”), saya dengan sukacitanya membentangkan Laporan Tahunan dan Penyata Kewangan Disatukan Yang Diaudit bagi **ZCB** dan subsidiarinya (“Kumpulan”) untuk tahun kewangan yang berakhir pada 30 November 2012 (“FY 2012”).

TINJAUAN

“Mengekalkan komitmen terhadap model perniagaan kita, menyematkan para Pemimpin dan Pengedar MLM kita di hati, bertanggungjawab dan dipertanggungjawabkan dengan para pemegang saham, serta keazaman kita menjulang visi, misi dan nilai-nilai perniagaan kita membolehkan kita menjangkau ke kedudukan hari ini.”

Sepanjang enam tahun yang lalu, kita telah teguh merentasi pelbagai cabaran besar, berpegang kepada pandangan jangka panjang, mengekalkan pendekatan berdisiplin dalam menguruskan perbelanjaan, pelaburan dan portfolio perniagaan yang bersepadu bagi pertumbuhan yang mampan. Mengekalkan komitmen terhadap model perniagaan kita, menyematkan para Pemimpin dan Pengedar MLM kita di hati, bertanggungjawab dan dipertanggungjawabkan dengan para pemegang saham, serta keazaman kita menjulang visi, misi dan nilai-nilai perniagaan kita membolehkan kita menjangkau ke kedudukan hari ini.

Dalam FY 2012, kita terus membangun dan berjaya melancarkan beberapa produk baru bagi memenuhi permintaan yang belum dipenuhi lagi di rantau ini. Kita mengukuhkan kandungan portfolio produk kita dalam beberapa lingkungan, termasuklah perkakas dapur iaitu satu segmen pasaran yang baru; produk minuman susu yang baru di dalam segmen pasaran minuman nutrisi, serta dua koleksi barangan kemas baru yang terdiri daripada barangan kemas saduran emas dan saduran rhodium bagi segmen produk barangan kemas, telah ditambahkan ke rangkaian produk sedia ada. Perkembangan ini adalah konsisten dengan polisi perniagaan kita iaitu sentiasa menawarkan inovasi bermakna melalui produk berkualiti tinggi bagi mengekalkan kelebihan dalam persaingan sebagai peserta pasaran industri Pemasaran Berbilang Tingkat (MLM) dan seterusnya, membina sebuah syarikat yang lebih tangkas merebut peluang-peluang di dalam pasaran.

Perolehan meningkat

26% ke **RM450.43 juta** pertumbuhan tertinggi sepanjang 4 tahun lepas

Keuntungan bersih meningkat **23%** ke **RM117.09 juta**

PRESTASI KEWANGAN

Walaupun berada di dalam situasi ekonomi yang mencabar, pasaran ZHULIAN yang tertumpu pada rantau Asia Tenggara tidak begitu terkesan dengan krisis ekonomi yang melanda Amerika Syarikat dan Negara-negara Eropah, kecuali kenaikan harga-harga bahan mentah, terutamanya bagi harga emas. Dalam FY 2012, ZHULIAN berjaya menampung permintaan domestik dengan pertumbuhan sebanyak 9% dan memperolehi kenaikan perolehan menakjubkan sebanyak 41% daripada eksport ke pasaran serantau, khususnya hasil jualan ke Thailand dan Indonesia. Keseluruhannya, perolehan ZHULIAN meningkat sebanyak 26% ke RM450.43 juta bagi FY 2012 berbanding RM357.54 juta di dalam tahun kewangan sebelumnya yang merekodkan pertumbuhan hanya sebanyak 11%.

Keuntungan Sebelum Cukai Kumpulan bagi tahun 2012 adalah RM141.33 juta dengan peningkatan sebanyak 23% daripada RM115.07 juta pada tahun sebelumnya. Peningkatan Keuntungan Sebelum Cukai sebahagian

besar disumbangkan oleh peningkatan perolehan dan perkongsian keuntungan daripada syarikat sekutu di Thailand. Keuntungan bersih Kumpulan juga meningkat sebanyak 23% ke RM117.09 juta berbanding keuntungan bersih bagi tahun 2011 iaitu RM95.32 juta, menandakan kawalan kos yang berkesan serta pertumbuhan pesat jualan dan keuntungan.

Prestasi mengkagumkan Kumpulan di dalam tahun tinjauan juga menunjukkan Kumpulan ZHULIAN sekali lagi membuktikan bahawa ia adalah sebuah perniagaan yang berdaya maju dan dinamik yang berpotensi untuk tumbuh lebih cemerlang daripada hari ini. Perolehan pertumbuhan dua-digit sebanyak 26% pada tahun kewangan 2012 adalah pertumbuhan tertinggi yang pernah direkodkan oleh Kumpulan sepanjang 4 tahun yang lepas, menggambarkan kedinamikan Kumpulan untuk berkembang pesat dengan sentiasa mengejar pembaharuan, bukan sahaja di dalam skop perniagaan sedia ada bahkan menjangkau horizon perniagaan yang lebih jauh dengan memperluaskan lagi capaian pasarannya dan pendekatan perniagaannya secara lebih kreatif dan lebih inovatif.

PENDAPATAN SESAHAM (“EPS”)

Pendapatan sesaham asas bagi FY 2012 berakhir November 30, 2012 adalah 25.46 sen berbanding 20.72 sen pada FY 2011.



DIVIDEN

Keputusan kewangan Kumpulan menunjukkan kekuatan perniagaan **ZHULIAN** dan keazaman kita dalam menambahkan nilai kepada para pemegang saham.

Oleh yang demikian, Lembaga Pengarah telah mengisytiharkan dividen interim satu peringkat ke-4 sebanyak 3 sen dan dividen satu peringkat khas sebanyak 3.5 sen. Apabila dikira bersama dividen yang diisytiharkan di awal tahun iaitu sebanyak 3 sen setiap suku tahun, jumlah dividen bagi tahun kewangan berakhir 30 November, 2012 berjumlah 15.5 sen, dan menjadikan jumlah pembayaran dividen sebanyak RM71.3 juta, iaitu bersamaan 60.9% daripada perolehan bersih tahun 2012.

TINJAUAN OPERASI

ZHULIAN telah berjaya mengekalkan tren menaik bagi perolehannya untuk tahun-tahun yang lalu, memacu kesetiaan para pelanggan dan Pendedar serta berupaya mengukuhkan kedudukannya di dalam pasaran dengan menawarkan produk-produk baru yang berkualiti tinggi dan melaksanakan program-program pemasaran strategik.

Meluaskan Jangkauan Pasaran

Bagi pasaran tempatan, selain terus melaksanakan usaha yang sesuai bagi merangsang pasaran di Semenanjung Malaysia, **ZHULIAN** telah mengamalkan pendekatan lebih agresif bagi menembusi rantau Malaysia Timur, dengan menganjurkan lebih banyak program pemasaran dan memperbaiki keberkesanan penghantaran kerana Kumpulan masih lagi melihat Sabah dan Sarawak sebagai satu pasaran yang mempunyai potensi pengembangan yang cukup besar dan akan meneruskan usaha untuk meningkatkan sentimen pasaran.





Bagi pasaran eksport pula, terutamanya Thailand yang telah menjadi penyumbang utama perolehan eksport kita, sebuah gudang baru sedang dibina di Korat yang terletak di Timur Laut Thailand bagi meningkatkan kecekapan logistik dan mempercepatkan penghantaran produk kepada para Penedar kita yang berada di bahagian utara Thailand. Manakala, sebagai penyelesaian kepada masalah logistik yang mencabar bagi ZHULIAN di Indonesia, PT. ZHULIAN INDONESIA telah melantik sub-ejen dan stokis bergerak untuk sampai ke lebih ramai pelanggan dan Penedar yang tinggal di kawasan luar bandar, yang terletak jauh daripada agensi-agensi bertauliah kita yang terdapat di kawasan bandar sahaja.



Mengukuhkan Perletakan Jenama

Pada tahun 2012, Kumpulan kekal dengan penggunaan Papan Iklan Besar sebagai alat pengiklannya kerana didapati sangat berkesan mewujudkan kesedaran orang awam terhadap produk dan perkhidmatan ZHULIAN. Kumpulan telah menempatkan sejumlah 181 Papan Iklan Besar di sepanjang Lebuhraya Utara-Selatan, kawasan Pantai Timur serta Lembah Klang di Semenanjung Malaysia. Selain itu, kita turut melancarkan promosi radio sebelum Hari Raya Aidilfitri untuk memperkenalkan orang awam kepada rangkaian produk kita serta menarik orang awam untuk ke agensi-agensi bertauliah kita.

Menambah Campuran Produk

Produk-produk baru yang dilancarkan di tahun 2012 telah menerima sambutan yang menggalakkan daripada pasaran dan meraih banyak keuntungan sepanjang tahun dalam tinjauan. Antara produk baru yang dilancarkan adalah **COOKLINE SUPREME CERAMIC COATED NON-STICK COOKWARE** dan **CAMPURAN SUSU SKIM DAN KOLOSTRUM COLOSKIM**. Selain itu, dua koleksi baru yang terdiri daripada produk barangan kemas saduran emas dan saduran rhodium telah dilancarkan bagi memenuhi permintaan musim perayaan iaitu Hari Raya Aidilfitri.



Meningkatkan Prasarana dan Kemudahan

Kumpulan telah meningkatkan kemudahan audio-visual, seperti sistem pencahayaan dan bunyi bagi auditoriumnya yang dapat memuatkan sehingga 2000 orang. Bertempat di Ibu Pejabat Antarabangsa ZHULIAN di Plot 41, Bayan Lepas Industrial Estate, auditorium ini hanya digunakan bagi menganjurkan majlis-majlis pemasaran buat ribuan Pengedar dari seluruh Malaysia, Thailand, Indonesia dan Singapura. Skrin LED canggih berukuran kira-kira 130 meter persegi yang baru dipasang di auditorium ini telah menjadi sensasi terkini buat para Pengedar.





ANUGERAH DAN PENGIKTIRAFAN

Ciri kecemerlangan kualiti

Pada tahun dalam tinjauan, **ZHULIAN MARKETING (M) SDN. BHD.** telah menerima dua pengiktirafan, iaitu "The 2nd International Standard Quality Award 2012 – Quality Multi-level Marketing Company" dan "The 2nd International Standard Quality Award 2012 – Masterclass Company (Multi-level Marketing)" kerana komitmen tanpa komprominya terhadap kecemerlangan kualiti serta kedudukan pentingnya di dalam industri pemasaran berbilang tingkat.

TADBIR URUS KORPORAT

Berpegang teguh terhadap integriti, kejujuran, ketelusan dan kebertanggungjawaban

Kumpulan meyakini penggunaan amalan takbir urus korporat terbaik. Lembaga, Pengurusan dan kakitangan berdedikasi untuk menjulang nilai-nilai teras seperti ketelusan, integriti, kejujuran dan kebertanggungjawaban yang penting bagi pengendalian / kebertahanan Kumpulan.

Lembaga berkomitmen sepenuhnya terhadap integriti dan keadilan dalam setiap aktiviti, dan telah mengamalkan tadbir urus korporat terbaik bagi segenap bahagian perniagaannya demi meningkatkan kemakmuran perniagaan dan kebertanggungjawaban korporat dengan objektif utamanya iaitu melindungi kepentingan para pemegang sahamnya serta menambahkan nilai-nilai kepada para pemegang sahamnya. Prinsip teras Tadbir Korporat Kumpulan telah dibentangkan secara jelas oleh Lembaga di dalam Penyata Tadbir Urus Korporat (*Statement of Corporate Governance*) dan Penyata Kawalan Dalaman (*Statement on Internal Control*) di dalam Laporan Tahunan ini.

TANGGUNGJAWAB SOSIAL KORPORAT

Sebuah Syarikat Yang Berwawasan dan Beramal

Sebagai sebuah kumpulan syarikat yang memiliki mata dan mata hati, **ZHULIAN** memupuk budaya berkongsi dan prihatin di dalam perniagaan ini dengan menjalankan perniagaan kita menggunakan keprihatinan, integriti dan hormat terhadap keperluan orang-orang kita. Kami, di dalam Kumpulan menggenggam kepercayaan bahawa sesebuah perniagaan seharusnya berupaya membawa perubahan positif ke atas kualiti kehidupan masyarakat dan alam sekitar di mana masyarakat hidup dan bekerja. Kita melakukan sebaik mungkin demi membantu orang-orang kita menikmati kehidupan yang lebih baik dengan menawarkan peluang perniagaan saksama. Kita berusaha meningkatkan kesejahteraan insan melalui model perniagaan kita dan rangkaian produk yang kita bangukan, kilangan dan edarkan ke pasaran. Dalam tahun 2012, Kumpulan telah melaksanakan pelbagai usaha tanggungjawab sosial korporatnya selain menyumbangkan wang tunai dan bukan tunai bagi memenuhi tanggungjawab kita sebagai warga korporat dari aspek tempat kerja, komuniti, alam sekitar dan persekitaran pasaran.

“ Dengan tinjauan yang optimistik terhadap ekonomi negara-negara serantau serta pendekatan perniagaan kita yang sentiasa merancang ke depan, kita kekal yakin bahawa Kumpulan akan berupaya mengekalkan momentum pertumbuhan di dalam tahun kewangan hadapan.”

TINJAUAN DAN PROSPEK

Institut Penyelidikan Ekonomi Malaysia (MIER) telah meramalkan pertumbuhan ekonomi Malaysia sebanyak 5.6% bagi tahun 2013, yang mana ia dipacu oleh permintaan domestik, termasuk penggunaan swasta. Sementara itu, Bank Dunia menganggarkan bahawa ekonomi Thailand akan tumbuh sebanyak 5% pada tahun hadapan walaupun ekonomi dunia mengalami pertumbuhan yang mendatar. Dalam pada itu, sebuah laporan tinjauan ekonomi yang dikeluarkan oleh sebuah bank bereputasi baik menyatakan bahawa Indonesia akan mendapat manfaat daripada pelaburan yang kukuh dan penggunaan domestik yang akan terus memacu pertumbuhan, dan ekonominya kemungkinan akan kekal berdaya saing dan dijangkakan akan menjangkau sehingga 6.3% pada tahun 2013.

Walaupun ekonomi negara-negara ASEAN diramalkan akan kekal kukuh di tahun hadapan, masih terdapat beberapa kekusutan terhadap ketidakpastian ekonomi

dunia yang mungkin memberi kesan kepada harga bahan mentah. Namun begitu, Kumpulan akan terus memfokus kepada pasaran ASEAN dengan perancangan untuk mengembangkan lagi aspek prasarana dan logistik bagi pasaran utama kita. Kumpulan akan turut mempertingkatkan lagi kawalan merentasi operasi yang lebih cekap dan terfokus agar lebih kos-berkesan sambil mengamalkan pendekatan-pendekatan pemasaran yang lebih berinovasi demi merebut peluang yang belum diterokai di dalam pasaran sedia ada. Rancangan kita bagi tahun kewangan berikutnya termasuklah menambahkan campuran produk, meluaskan jangkauan pasaran serta melebarkan lagi rangkaian pengedaran kita. Dengan tinjauan yang optimistik terhadap ekonomi negara-negara serantau serta pendekatan perniagaan kita yang sentiasa merancang ke depan, kita kekal yakin bahawa Kumpulan akan berupaya mengekalkan momentum pertumbuhan di dalam tahun kewangan hadapan.

ZHULIAN berada di tempat yang lebih baik hari ini berbanding masa-masa lain di dalam lipatan sejarahnya untuk **memberikan pertumbuhan yang berkekalan dan memaksimumkan nilai pemegang saham.....**

PENGHARGAAN

Saya amat berbangga dengan pencapaian Kumpulan bagi tahun 2012 dan sesungguhnya ia menandakan satu lagi tahun dengan kemajuan berkekalan dan peningkatan berterusan bagi dasar perniagaan kita. **ZHULIAN** akan terus tumbuh dan bercambah secara sihat dengan menyalurkan produk berkaitan dan inovasi bermakna kepada para Penedar dan pelanggan untuk meraih peluang pasaran yang baru, dan kekal terikat kepada model perniagaan yang terbukti dan nilai-nilai murni di dalam **ZHULIAN** yang menjadi kebanggaan kita semua. Terima kasih di atas iltizam dan dedikasi luar biasa menakjubkan daripada orang-orang kita, termasuk 320 ejen bertauliah serta 674,000 Pemimpin dan Penedar di dalam rangkaian MLM kita, barisan Pengurusan dan kakitangan di bawah naungan Kumpulan, serta ahli-ahli Lembaga yang lain di atas ketekunan, kerajinan dan pandangan berwawasan mereka. Tidak lupa juga rakan-

rakan sekutu, pembekal-pembekal dan bank-bank kerana sokongan padu dan kerjasama berterusan yang diberikan. Saya juga ingin merakamkan ucapan setinggi-tinggi penghargaan kepada anda, para pemegang saham di atas sokongan kuat anda. **ZHULIAN** berada di tempat yang lebih baik hari ini berbanding masa-masa lain di dalam lipatan sejarahnya untuk memberikan pertumbuhan yang berkekalan dan memaksimumkan nilai pemegang saham kepada anda, para pemegang saham yang setia.

Bagi pihak Lembaga Pengarah
ZHULIAN CORPORATION BERHAD

HAJI WAN MANSOOR BIN WAN OMAR

Pengerusi, Pengarah Bebas Bukan Eksekutif

GROUP STRUCTURE

A WELL-INTEGRATED MLM BUSINESS NETWORK

“ ZHULIAN Group of Companies has an extensive integrated business network across the Southeast Asian region focusing on MLM as its core activities. We develop, manufacture and distribute our products to the local market and also export to Thailand, Indonesia and Singapore markets through our associate company and subsidiaries.”



CORPORATE INFORMATION

BOARD OF DIRECTORS

Haji Wan Mansoor Bin Wan Omar
(Independent Non-Executive Chairman)

Teoh Beng Seng
(Group President and Chief Executive Officer)

Teoh Meng Keat
(Group Managing Director)

Khoo Teng It
(Group Executive Director)

Teoh Meng Lee
(Group Executive Director)

Teoh Meng Soon
(Group Executive Director)

Diong Chin Teck
(Senior Independent Non-Executive Director)

Tan Lip Gay
(Independent Non-Executive Director)

AUDIT COMMITTEE

Diong Chin Teck (Chairman)
Haji Wan Mansoor Bin Wan Omar
Tan Lip Gay

NOMINATING COMMITTEE

Tan Lip Gay (Chairman)
Haji Wan Mansoor Bin Wan Omar
Diong Chin Teck

REMUNERATION COMMITTEE

Tan Lip Gay (Chairman)
Haji Wan Mansoor Bin Wan Omar
Teoh Meng Keat

PRINCIPAL PLACE OF BUSINESS

Plot 42, Bayan Lepas Industrial Estate,
Phase IV, 11900 Penang.
Telephone No.: 04-6162020
Fax No.: 04-6425989

COMPANY SECRETARIES

Ong Tze-En (MAICSA 7026537)
Tai Yit Chan (MAICSA 7009143)

AUDITORS

Messrs KPMG
Chartered Accountants
1st Floor, Wisma Penang Garden
42, Jalan Sultan Ahmad Shah
10050 Pulau Pinang
Telephone No.: 04-2272288
Fax No.: 04-2271888

REGISTERED OFFICE

Suite 2-1, 2nd Floor
Menara Penang Garden
42-A, Jalan Sultan Ahmad Shah
10050 Pulau Pinang
Telephone No.: 04-2294390
Fax No.: 04-2265860

SHARE REGISTRAR

Agriteum Share Registration Services Sdn Bhd
2nd Floor, Wisma Penang Garden
42, Jalan Sultan Ahmad Shah
10050 Pulau Pinang
Telephone No.: 04-2282321
Fax No.: 04-2272391

PRINCIPAL BANKERS

CIMB Bank Berhad
United Overseas Bank (Malaysia) Bhd

SOLICITORS

Murad & Foo
Sitham & Associates

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities")
(Listed since 27 April 2007)
Stock Code : 5131
Stock Name : **ZHULIAN**
Syariah Status : Approved by Syariah Advisory Council and Securities Commission

WEBSITES:

<http://www.zhulian.com>
<http://www.zhulian.com.my>

DIRECTORS' PROFILE

Haji Wan Mansoor Bin Wan Omar

Independent Non-Executive Chairman

Haji Wan Mansoor Bin Wan Omar, a Malaysian aged 64, was appointed to our Board as an Independent Non-Executive Chairman on 30 October 2006. An economics graduate from the University of Malaya, he had begun his illustrious career with the Malaysian Administrative and Diplomatic Service in various departments and ministries including public services department, Malaysian student departments in Washington D.C. and the Implementation Coordination Unit and Economic Planning Unit in the Prime Minister's Department. He has 33 years of experience in public service. In his last posting, he was appointed the Director of Consumer Affairs in the Ministry of Domestic Trade and Consumer Affairs. Over the years, he has actively participated in many seminars and training courses both locally and overseas, including a Master of Business and Public Administration course at the Southeastern University in Washington D.C. in 1983; a Certificate in Industrial Cooperation and Small and Medium Industries organised by the Ministry of Science and Technology Korea in 1985, a Seminar by the Overseas Economics Cooperation Fund Japan in 1986 and the RVB Executive Programme in Management, Netherland Specialisation on Small Entrepreneurship Promotion and Industrial Assistance in 1988. An active contributor to the local industries, he is currently the Vice President of the Malaysian Association of Standard Users, the Chief Liaison Officer of the Malaysian Islamic Chamber of Commerce, an honorary Secretary General to the Malaysian Chamber of Rural Industry Entrepreneurs and Secretary General to the CODUID (Koperasi Dewan Usahawan Industri Desa Malaysia).

Haji Wan Mansoor Bin Wan Omar has attended all Board Meetings held during the financial year ended 30 November 2012 since his appointment to the Board of Directors of **ZHULIAN CORPORATION BERHAD**. Haji Wan Mansoor Bin Wan Omar does not have any family relationship with any other directors of the Group. He has had no conflict of interest with the Company and no conviction for offences within the past ten (10) years.

Teoh Beng Seng

Group President and Chief Executive Officer

Teoh Beng Seng, a Malaysian aged 54, is the founder, Group President and Chief Executive Officer of our Group, having been appointed to our Board since 29 April 2006.

As Group President and Chief Executive Officer, he has created our Group's master plan for growth, directing our Group's operations and leading us from success to success. Despite facing overwhelming odds along the way, his visionary stewardship of the Group has been proven with the rapid growth achieved by our Group over the years. Within the period from its inception to the present day, our Group has successfully expanded our direct selling operations from our home base in Malaysia to countries such as Thailand, Indonesia and Singapore. Benefiting from his vast experience and business acumen, he has also led the Group in building its growing manufacturing capabilities, allowing the Group to master and develop an extensive range of manufacturing operations to support its dynamic expansion to produce the Group's expanding range of innovative products.

Teoh Beng Seng began his career in the jewellery manufacturing industry early in his youth, honing his skills as an able apprentice who showed keen enthusiasm and dedication to learning the intricacies of the trade. In the late 1970's, he successfully set up his own jewellery business venture, trading under the name of Hup Seng Goldsmith. He gradually built for himself a prominent standing as a reputable jeweller both in the local and overseas industry, travelling extensively to broaden his scope and to keep in touch with the latest jewellery trends. Having successfully created his own distinctive **ZHULIAN** brand of gold-plated costume jewellery products, in 1989 he decided to market them through the direct selling concept via the Group's direct selling arm – **ZHULIAN MARKETING (M) SDN BHD**.

Teoh Beng Seng has attended three out of four Board Meetings held during the financial year ended 30 November 2012. Teoh Beng Seng is the brother of Teoh Meng Keat, Teoh Meng Lee and Teoh Meng Soon. He has had no conflict of interest with the Company and no conviction for offences within the past ten (10) years.

Teoh Meng Keat

Group Managing Director

Teoh Meng Keat, a Malaysian aged 46, is the Group Managing Director, having been appointed to our Board since 29 April 2006. He began his early career in 1990 as the Administrative and Finance Manager of **ZHULIAN JEWELLERY MANUFACTURING SDN. BHD.** In 1992, he was promoted to the post of Executive Director and in 1998 to Group Managing Director in recognition of his service distinction. Drawing upon his over 14 years of wide experience in finance, IT and corporate management, he is instrumental in coordinating and carrying out the Group's objectives as set out by the Group President and Chief Executive Officer and in seeking excellence in every area of its operations.

He is also responsible for overseeing our Group's direct selling operations in Malaysia, Thailand, Indonesia and Singapore, providing a firm guiding hand in ensuring the Group's continued growth and expansion and has created a corporate culture of service excellence in all areas of our Group's operations.

He is currently active in various trade organisations and is presently an honorary individual lifetime member of the Asian Regional Training and Development Organisation, a member of the Malaysian Invention and Design Society as well as a member of the Malaysian National Computer Confederation.

Teoh Meng Keat has attended all Board Meetings held during the financial year ended 30 November 2012. Teoh Meng Keat is the brother of Teoh Beng Seng, Teoh Meng Lee and Teoh Meng Soon. He has had no conflict of interest with the Company and no conviction for offences within the past ten (10) years.

Khoo Teng It

Group Executive Director

Khoo Teng It, a Malaysian aged 50, was appointed to our Board on 29 April 2006 as an Executive Director and subsequently promoted to the current position as Group Executive Director cum Personal Assistant to Chief Executive Officer on 21 June 2012. He is responsible for implementing and overseeing the entire operation of the Group and also the Product Development activities. He is also involved in ongoing human resources development programmes particularly in recruitment, training, skills development and human resources advancement.

He has brought with him vast experience gained from his many years of close involvement in IT-related industries dealing in both the software and hardware fields. His exposure to the information technology industry includes consulting, installation, maintenance and support as well as application software used in personal computers, servers and embedded systems.

Khoo Teng It has attended all Board Meetings held during the financial year ended 30 November 2012. Khoo Teng It does not have any family relationship with any other directors of the Company. He has had no conflict of interest with the Company and no conviction for offences within the past ten (10) years.

Teoh Meng Lee

Group Executive Director

Teoh Meng Lee, a Malaysian aged 43, was appointed to our Board on 15 July 2009 as an Executive Director and subsequently promoted to Group Executive Director on 21 June 2012. He is responsible for managing the operations of **BEYOND PRODUCTS TECHNOLOGY SDN. BHD.** and **ZHULIAN MANUFACTURING SDN. BHD.** He is responsible for production planning and strategy, scheduling of material requisitions and inventory management for the manufacturing activities of the specified plants. He joined **ZHULIAN JEWELLERY MANUFACTURING SDN. BHD.** in 1996 as a Coordinator and was promoted to the position of Production Control Manager at the end of 1996. He was subsequently promoted to the position of Operations Director in 2003.

In his capacity as the Operations Director as well as the head of our R&D team for home technology products, he has continuously improved our products through ongoing R&D and implementation of new production technology. He has extensive experience in the manufacturing industry and has contributed significantly to the establishment of our production planning and inventory control system for our manufacturing activities.

Teoh Meng Lee has attended all Board Meetings held during the financial year ended 30 November 2012. Teoh Meng Lee is the brother of Teoh Beng Seng, Teoh Meng Keat and Teoh Meng Soon. He has had no conflict of interest with the Company and no conviction for offences within the past ten (10) years.

Teoh Meng Soon

Group Executive Director

Teoh Meng Soon, a Malaysian aged 43, was appointed to our Board on 15 July 2009 as an Executive Director and he was elevated to his current position as Group Executive Director on 21 June 2012. He heads the operations of **ZHULIAN INDUSTRIES SDN. BHD.** and **ZHULIAN NUTRACEUTICAL SDN. BHD.** He is a certified environmental professional by Department Of Environment Malaysia in the operation of Industrial Effluent Treatment System - Biological Process since 2010 and also in Scheduled Waste Management since 2011. He has in-depth experience in research and development as well as the manufacturing processes of food products and traditional supplements, leads the food division's R&D team and is also involved in the implementation and continuous improvement of our wide ranging quality control procedures that ensures that high product quality is consistently maintained and uncompromised to meet the stringent quality standards of ISO and GMP.

He joined **ZHULIAN JEWELLERY MANUFACTURING SDN. BHD.** in 1993 as a Plating Operator and was promoted to the position of Plating Process Manager in 1996. He was subsequently promoted to the position of Production Director in 2003 when he was given the responsibility to run the food manufacturing division and he was also instrumental in setting up the nutraceutical products division in 2010.

Teoh Meng Soon has attended all Board Meetings held during the financial year ended 30 November 2012. Teoh Meng Soon is the brother of Teoh Beng Seng, Teoh Meng Keat and Teoh Meng Lee. He has had no conflict of interest with the Company and no conviction for offences within the past ten (10) years.

Diong Chin Teck

Senior Independent Non-Executive Director

Diong Chin Teck, a Malaysian aged 80, was appointed to our Board as an Independent Non-Executive Director on 30 October 2006. Subsequently, he was appointed as the Senior Independent Non-Executive Director in our Board on 15 October 2008. He is a Fellow of The Institute of Chartered Accountants in Australia and a member of the Malaysian Institute of Accountants. He obtained his professional training in accountancy in Melbourne, Australia and was admitted as a member of The Institute of Chartered Accountants in Australia in 1996.

He joined KPMG in 1967 and worked in their Kuala Lumpur, Ipoh and Penang offices. He was made a Partner of KPMG in 1971. The Penang office grew under his leadership from a small practice to a sizeable office when he retired from the partnership in 1988. While he was with KPMG, he was involved in providing audit, taxation and consultancy services to clients from various industries including manufacturing, plantation and the banking sector.

Diong Chin Teck was the Company Secretary of Oriental Holdings Berhad and its subsidiaries from 1974 to February 2010. His role as Company Secretary also requires him to provide advisory services on corporate matters ranging from acquisition of companies and properties in both Malaysia and overseas to compliance with the various statutory and governmental bodies. He is currently an Independent Non-Executive Director of Eurospan Holdings Berhad, Globetronics Technology Bhd and Asas Dunia Berhad.

Diong Chin Teck has attended three out of four Board Meetings held during the financial year ended 30 November 2012. Diong Chin Teck does not have any family relationship with any other directors of the Company. He has had no conflict of interest with the Company and no conviction for offences within the past ten (10) years.

Tan Lip Gay

Independent Non-Executive Director

Tan Lip Gay, Malaysia aged 49, was appointed to our Board as an Independent Non-Executive Director on 30 October 2006. He graduated from Middlesex Polytechnic in London, England with a Bachelor of Laws (LLB) Honours degree in 1987 and subsequently received his Certificate in Legal Practise (CLP) in 1988. In 1989, he was admitted to the High Court of Malaya as an advocate and solicitor.

In 1990, he set up his own legal firm, Leong, Ng & Tan with his partners and today it is an established legal practice in the country. An active participant in community services, he was awarded the Pingat Jasa Kebaktian (PJK) by the Yang Di-Pertua Negeri Pulau Pinang in 2001 in recognition of his selfless services. His unrelenting commitment towards his community and active interest in social work led to his receiving another state award from the Di-Pertua Negeri Pulau Pinang – the Pingat Kelakuan Terpuji (PKT) in 2005.

Tan Lip Gay has attended all Board Meetings held during the financial year ended 30 November 2012. Tan Lip Gay does not have any family relationship with any other directors of the Company. He has had no conflict of interest with the Company and no conviction for offences within the past ten (10) years.

TRANSFORMING VISION INTO STRATEGIC ACTIONS



**BUSINESS
REVIEW**

Taking on challenges in our operating environment, Leveraging opportunities to achieve our goals

“We managed to strengthen our business fundamentals significantly while achieving record revenue growth and increased gross margin. Our business model has remained appealing to our Distributors and has been proven to be the driving factor to the company’s continued growth. Combining the well-integrated infrastructure we have today, including our manufacturing facilities with our highly-motivated distribution network and highly-skilled workforce, we have created a significant value proposition and competitive edge that will enable us to move beyond where we are today.”

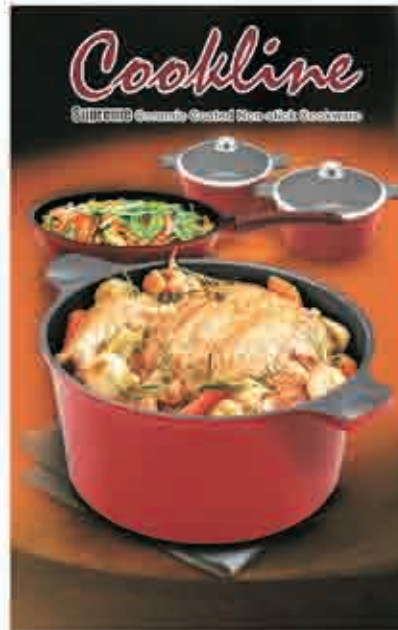
The Group took full advantage of the challenging operating environment in FY2012 by implementing more aggressive and strategised marketing programmes as well as improving our systems and infrastructure. Driven by a stronger overseas demands and stable domestic demands, our Group recorded the best financial results in 2012 if compare with its past 5-year track record with a boost of 26% increase in revenue of RM357.54 million last financial year to RM450.43 million in FY2012. We also saw a significant increase in our export businesses across Southeast Asia region especially in Thailand and Indonesia. In 2012, we

managed to strengthen our business fundamentals significantly while achieving record revenue growth and increased gross margin. Our business model has remained appealing to our Distributors and significantly has been proven to be the driving factor to the company’s continued growth. Combining the well-integrated infrastructure we have today, including our manufacturing facilities with our highly motivated distribution network and highly-skilled workforce, we have created a significant value proposition and competitive edge that will enable us to move beyond where we are today.



Venturing into New Market Segments

While evaluating its existing product portfolio including gold plated and rhodium plated jewellery, nutritional health products, food and beverage products, home technology products, disposable sanitary, homeware, personal care and beauty care products in making product rationalisation decisions, the Group managed to further diversify its product mix and venture into new market segments in the year of review by launching COOKLINE SUPREME CERAMIC COATED NON-STICK COOKWARE and COLOSKIM SKIM MILK AND COLOSTRUM MIX in the year. Besides, we also added more variety in our fashion jewellery collection by launching a total of 25 new designs that comprises gold-plated and rhodium-plated rings, brooches, necklace, bracelets and pendants.



Upgrading Skills and Know-how of Distributors

The Group is well aware of the importance of training and development programmes in order to improve ZHULIAN Distributors' competency and know-how in order to help them realise their full potential and be more resilient to market challenges. With this objective, various new marketing programmes specially designed to build their professional skill and instil a positive mindset were introduced in 2012 and were considerably effective in grooming quality Leaders.





Enhancing Connection with the Leaders, Distributors and Customers

The factory visit programmes continued to receive overwhelmed response during the reviewed year whereby it attracted nearly 10,000 visitors from all over Malaysia, Thailand, Singapore and Indonesia. The Group had fully-utilised its comprehensive facilities especially the 2000-pax auditorium housed in its headquarters building to hold motivational sessions in conjunction with the factory visit programme. This programme was proven to be effective in fostering the engagement between the Company, ZHULIAN Distributors and the customers as well as cultivating the sense of belonging among the existing

Distributors and customers of ZHULIAN to take a closer look on how ZHULIAN managed to provide high quality value-added products and services, and emerge as one of the leading MLM companies in the region.

Besides the factory visit programmes, ZHULIAN also hosted various gatherings during festive occasions at the international headquarters with the aim to bring its Distributors, Leaders and Agents together for promoting better interaction between them and ZHULIAN.



In 2012, the Group also launched "Let's Chat" Customer Service Hotline to forge close ties with Distributors and customers. The initiative was applauded by its Distributors as this signifies that ZHULIAN is one step further to connect with its people and the public. The Group believes the close connection and loyalty with its people can indeed differentiate ZHULIAN among other competitors in the market and drive successful business performance.



By constantly implementing improvement measures, we are confident that we will be able to move closer to our goal of delivering better quality of product and services in a much more effective and efficient manner. The management will continue to focus on identifying and implementing similar opportunities in the future, which will assure a basis for strong, sustainable profits.

Creating More Excitements among Distributors

Paris, France was chosen by ZHULIAN to be the 2013's venue to hold the Diamond International Forum and a campaign named as "Go Diamond, Go Paris" was launched as soon as year 2012 kicked off. This had successfully stirred the excitements among Distributors and became the driving factor for them to increase their sales in order to meet the qualifying conditions to participate in the event. Another sales campaign held in the reviewed year was travel incentive campaign offering qualifiers with free holiday package to Bangkok and package to perform Umrah. Not only these two campaigns managed to motivate Distributors and Leaders in ZHULIAN, it is also effective in boosting the overall productivity which augured well for network expansion and revenue growth.





Continue to Upgrade Facilities to Overwhelm Visitors

The state-of-the-art facilities housed under ZHULIAN International Headquarters building has become one of the pull factors attracting visitors since the building was re-open in July, 2011 for visitation after a massive face-lift. Since then, the Group continued to upgrade the audio-visual facilities, such as lighting and sound systems in the huge auditorium which is able to accommodate 2000 people. The sophisticated LED screen measuring approximately 130 sq. metres installed as the stage backdrop in the auditorium is believed to be the biggest private-owned LED Screen in Malaysia. Other than that, the cafeteria in the headquarters building was also renovated to provide complete amenities and utmost comfort to make the Visitors feel at home.



Putting More Focus on Untapped Market Potential

Given that revenues generated from East Malaysia region in the past financial years were still very minimal as compared to those from West Malaysia, the Group remained positive on the market potentiality of Sabah and Sarawak in view of the market which remains largely untapped. In year 2012, the Group organised a few marketing programmes to help boost the sales of the region.

Expediting Delivery to Thailand and Indonesia Market

ZHULIAN business in Thailand has been flourishing in the recent years and today its network size has expanded to nearly 570,000 Distributors and more than 200 Authorised Agencies. Its rapid growth was evident in its impressive revenue of Baht 6.03 billion in the year of review. Its existing market is centralised in the central region of Thailand. The regional head office building located strategically at Bangbuathong, Nontaburi province is equipped with a huge warehouse, administrative office and a 6,000 pax auditorium building. Realising that there is huge market potential at the north-eastern part of Thailand, ZHULIAN (THAILAND) LTD. had commenced the construction project of its new warehouse at Korat, Thailand and the groundbreaking ceremony for the project was held in October 2012. This initiative will open the door to more market opportunities at untapped market in the northern and eastern regions of Thailand.





On the other hand, due to the geographical constraints of Indonesia, it has been a great challenge to ensure a speedy delivery system with the existing number of authorised agencies. Thus, ZHULIAN had appointed sub-agents and mobile stockists to serve the customers and Distributors who stay at places distanced from where the agencies are located.

Creating Awareness to ZHULIAN Brandname

A total of 181 Billboards have been placed at strategic spots along the North-South Highways, East Coast Region and Klang Valley in Peninsular Malaysia. Besides that, we also promoted the ZHULIAN brand name through a radio promotion programme before Hari Raya Aidilfitri where hundreds of discount vouchers were given to respondents of the radio show.





**CULTIVATING
A CULTURE OF
GIVING AND
SHARING**

**CORPORATE
SOCIAL
RESPONSIBILITY**



Giving Back to the Society

Corporate Social Responsibility (CSR) has been an important part of the ZHULIAN Group for the past 23 years. The Group continues to cultivate and celebrate the culture of giving to society. Since it joined the realm of MLM, the Group has strived to harness entrepreneurial excellence through sharing its proven business opportunity in driving sustainable growth of the company as well as bringing positive change to those involved in the business.

The Group has always been mindful of its responsibility as a caring corporate citizen, channelling back to society in everyway it can. Its unwavering commitment to social responsibility can be seen in the many charitable activities and its continued efforts to reach and fulfil the needs of its Distributors, employees as well as protecting the environment and offering helps to the under privileged group in the communities.

MARKETPLACE

Being a corporate citizen who is responsible and accountable to our stakeholders, we adhere to the principles of integrity, honesty, transparency and accountability. We promote ethical business practice to build the trust within our people and manage our business with conscience and people at heart.

In order to safeguard the Distributors' and customers' best interest and maintain goodwill in the marketplace, the Group has been making it a practise to comply with all the provisions of Direct Sales and Anti-Pyramid Scheme Act 1993. In the beginning of year 2012, ZHULIAN participated in the Code of Ethics Recognition Programme (COERP) which is a global voluntary recognition programme in collaboration with the World Federation of Direct Selling Associations (WFDSA) and was awarded the GOLD RECOGNITION. Besides that, the Group also regularised its MLM business operations with comprehensive incentive plan and a set of rules of conduct stipulated in its ZHULIAN GOLDEN BUSINESS GUIDE which binds all ZHULIAN registered Distributors.

Meanwhile, being an ethical market player, all the companies under the Group are also fully committed to comply with all the statutory and regulatory requirements set by the relevant authorities. We also ensure that our products delivered to Distributors and customers meet the highest quality standards with value added benefits. The food manufacturing division of the Group which has obtained the Good Manufacturing Practice (GMP) status also conforms to the requirements of ISO 9001-2008 quality management system which signified its commitment to uncompromised quality.



ENVIRONMENT

In ZHULIAN, we are committed to create a culture in our organisation where employees show great concern for environment and pay immense attention to efficient resource utilisation. We take appropriate steps to promote prevention of environmental pollution throughout our business processes and continuously make the effort to minimise impact on the environment through effective management of resources and waste wherever possible. The Group has an environmental policy in place to periodically review its operations to ensure the environmental concerns are duly addressed.

ZHULIAN also plays an active role in promoting safe and healthy environment, where we educate our Distributors through our promotional materials to increase their awareness about the danger of environmental pollution as well as providing solutions to minimise its harmful effects through our innovative products.

We also take considerable steps to reduce the danger of waste resulting from our manufacturing operations. Our manufacturing facilities which produce nutritional food and beverage and health supplements at Plot 3 and the plated jewellery and home technology products manufacturing facilities at Plot 42 are equipped with water treatment plants to treat the waste water in order to ensure water released to the drains contains no contaminants.



Moreover, the Group also encourages energy saving practises through the use of energy saving fluorescent tubes and bulbs, and LED lights at our facilities at Plot 41 to cut down electricity consumption. As part of our efforts to promote green environment, we also planted plenty of greeneries at the surroundings and foyer of our premises and placed many green leafy plants inside our buildings.





WORKPLACE

ZHULIAN is committed to putting in place policies that promote the retention and development of its staff. We recognise that people spend a large part of their lives at their place of employment, so we make people-friendly enhancements to our working environment and promote the creation of pleasant spaces and conducive learning environment for each and every employee.

We are in the opinion that it is a corporate responsibility to establish an atmosphere that prioritises occupational safety and health in all social and corporate environments. **ZHULIAN** has formed an Occupational Safety and Health Committee which is responsible for ensuring employees' safety and health in the workplace. Due measures are taken to ensure the facilities are properly maintained and inspections on equipment and tool are carried out to ensure they meet the cleanliness and safety standards. The committee also actively assesses daily operation to mitigate the risk of hazards at workplace and maintains regulatory compliance. Various trainings are held to educate the staff on how to handle product safely, and to promote the wearing of safety gear such as safety shoes, glove, face masks, hearing protection, and safety goggles etc.

Our training system for employees consists of passing down everyday business know-how and acumen through on-the-job training. Knowledge and skills that are difficult to acquire through on-the-job training as well as career development are provided through external trainings. Experienced trainers from inside or outside the company provide expertise and skills training, or motivational education. Senior management and supervisory level staff are also sent for a managerial training programme that focuses on skills that drive our businesses.

At **ZHULIAN**, we recognise the contributions of our employees. That is why we provide them with a unique and competitive benefits package. In the year of review, we revised the salaries of our workforce to comply with the minimum wages ruling set-forth by the Government. In addition to that, every employee who works under the umbrella of **ZHULIAN** Group is also covered with a Group Hospitalisation and Surgical Insurance as an added benefit.



COMMUNITY

In line with its philosophy of giving back to the community, **ZHULIAN** contributed to various charitable causes in the year of review, such as Malaysian Red Crescent Society, National Kidney Fund, Penang Adventist Hospital's Cancer Fund, St. Nicholas' Home Penang and Women's Centre For Change.

On top of that **ZHULIAN** also became one of the sponsors of "Love Alive Charity Concert 2" organised and sponsored by Rotaract Club of Penang to raise fund for National Kidney Foundation. The Group also sponsored 10,000 bottles of 500 ml Beyond Water's Natural Living Water and two units of Beyond Water Bio-active Reforming System to Penang Starwalk 2012. The walk was jointly organised by The Star and Penang Amateur Athletics Association and endorsed by the state Education Department and Penang Municipal Council.



To motivate our Distributors to strive for excellence, the Group also encourage their children to excel in their studies along with their parents by setting up an Education Trust Fund. A total of 52 children received the fund in the year under review.





As part of the ZHULIAN Group's CSR programmes, ZHULIAN INDUSTRIES SDN BHD and BEYOND PRODUCTS TECHNOLOGY SDN BHD, each contributed RM275,000, totalling RM550,000 to Buddhist Tzu-Chi Merits Society Malaysia for sponsoring 10 units of dialysis machines at Tzu Chi Dialysis Centre to provide free dialysis treatment to the poor and needy dialysis patients.



The Group also adopts an open door policy that promotes communications and interactions with the customers and the public in an effort to build and maintain a trusting relationship. One good example is its Factory Visit Programme which is held frequently through the years. Occasionally, ZHULIAN also receives visitors from public institutions or associations. In year 2012, the Group engaged in interactions with a group of students from Islamic Science University of Malaysia who came for a plant tour at our International Headquarters in Bayan Lepas, Penang.





CORPORATE GOVERNANCE

SAFEGUARDING AND MAXIMISING SHAREHOLDERS' INTEREST



**Statement on Corporate
Governance**

Audit Committee Report

Statement on Internal Control

Other Corporate Disclosure

STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors of ZHULIAN CORPORATION BERHAD (“the Board”) is committed to the adoption of the corporate governance principles embodied in the Malaysian Code on Corporate Governance (“the Code”) as well as in the Bursa Malaysia Securities Berhad Main Market Listing Requirements (“Listing Requirements”). The Board believes that a high standard of corporate governance is paramount in safeguarding the best interest of shareholders and enhancing shareholders’ value continually.

As such, the Board has strived to uphold its conduct in line with four key concepts, namely transparency, accountability and integrity as well as corporate performance to maximise shareholder value.

The Board is pleased to provide the following statements that outline corporate governance, which were in place for the financial year ended 30 November 2012.

Statement of Principles

The following statement sets out how the Company has applied the Principles of Corporate Governance in Part 1 of the Code. The Principles are dealt with under the headings of:

- A. Board of Directors;
- B. Directors’ Remuneration;
- C. Shareholders; and
- D. Accountability and Audit.

A. Board Of Directors

Board Responsibilities

The Board acknowledges responsibility for providing stewardship of the Company and its subsidiaries’ (“the Group”) business and affairs on behalf of the shareholders with a view of enhancing long term shareholder value. The Board’s principal focus is on the overall strategic direction, development and control of the Group. Hence, the Board has established ZHULIAN’s vision and mission and is responsible for setting the strategic direction of the Group, establishing goals for the Management, monitoring the achievement of these goals and reviewing the Group’s internal controls and reporting procedures.

Meetings

The Board convenes a meeting at quarterly intervals, or whenever necessitated by matters of urgency. During the financial year ended 30 November 2012, the Board met on four (4) occasions, where it discussed various matters including the Group’s financial results, investment decisions, operation planning and the overall direction of the Group.

The agenda for each Board meeting and documents containing the relevant information are prepared for the Board in advance of each meeting. All proceedings from Board meetings are recorded and the minutes thereof signed by the Chairman of the meeting.

Details of Directors’ attendance at meetings of the Board, during the financial year ended 30 November 2012 are as follows:

Directors	Attendance
Executive Directors	
Mr Teoh Beng Seng (Group President and Chief Executive Officer)	3/4
Mr Teoh Meng Keat (Group Managing Director)	4/4
Mr Khoo Teng It	4/4
Mr Teoh Meng Soon	4/4
Mr Teoh Meng Lee	4/4
Independent Non-Executive Directors	
Tuan Haji Wan Mansoor bin Wan Omar (Chairman)	4/4
Mr Diong Chin Teck	3/4
Mr Tan Lip Gay	4/4

Board Committees

The Board has delegated appropriate responsibilities to Board Committees, namely Audit Committee, Nominating Committee and Remuneration Committee, in order to enhance business and operational efficiency and efficacy. Terms of references have been established for all Board Committees and the Board receives reports of their proceedings and deliberations. The Chairmen of the Committees report to the Board the outcome of the Committee meetings and such reports are incorporated in the minutes of the full Board meeting.

The Chairman of the Audit Committee is the member of the Malaysian Institute of Accountants and Institute of Chartered Accountants in Australia. The Committee members are able to read, analyse and interpret financial statements.

Board Balance

At the date of this statement, the Board consists of eight members, comprising three Independent Non-Executive Directors and five Executive Directors. The Board composition complies with the Directors' independence requirement set out under paragraph 15.02 of the Listing Requirements which requires that at least two Directors or one-third of the Board of the Company, whichever is the higher, are independent Directors. A brief profile of each Director is presented on pages 21 to 24 of this Annual Report.

The diverse background and specialisation of each Director means that the Board is collectively equipped to provide guidance to the Group in areas such as finance, corporate affairs and legal affairs, marketing, operations and governmental affairs. The Executive Directors are responsible for implementing the policies and decisions of the Board, overseeing the operations as well as co-ordinating the development and implementation of business and corporate strategies, reporting, clarifying and communicating matters at the Board meeting. The Independent Non-Executive Directors bring to bear objective and independent judgement to the decision making of the Board and provide a capable check and balance for the Executive Directors. As such, there is a proper balance in the Board because of the presence of Independent Non-Executive Directors of the calibre necessary to carry sufficient weight in Board decisions.

The Independent Non-Executive Directors contribute significantly in areas such as policy and strategy, performance monitoring as well as improving governance and controls. Together with the Executive Directors who have intimate knowledge of the business, the Board is constituted of individuals who have a proper understanding and competence to deal with the current and emerging issues.

There is a clear division of responsibilities at the head of the Company to ensure a balance of authority and power. The Board is led by Tuan Haji Wan Mansoor bin Wan Omar as the Independent Non-Executive Chairman whilst the executive management of the Company is led by Mr Teoh Beng Seng as the Group President and Chief Executive Officer.

The Board holds the view that its current composition fairly reflects the investments of shareholders in the Company.

Supply of Information

All Directors are supplied with information in a timely manner through reports and Board papers which are circulated prior to the meetings. This practice enables the Directors to obtain further information and explanation, where necessary, before the meetings.

In addition, every Director is accorded unhindered access to the advice and services of the Company Secretaries, of whom the Board believes to be competent in the performance of their duties. The Board believes that the current Company Secretaries are capable of carrying out their duties to ensure the effective functioning of the Board. The Company's Articles of Association specify that the removal of the Company Secretary is a matter for the Board as a whole.

In respect of soliciting independent professional advice, the Board as a whole will determine, whether as a full Board or in their individual capacity, to take this measure where necessary and under appropriate circumstances in furtherance of their duties. The independent professional advice, where obtained, will be at the Company's expense. Nevertheless, where necessary and under appropriate circumstances in furtherance of his duties, a Director may do so with the prior consent of the Chairman.

Appointments to the Board

Nominating Committee

The Nominating Committee, during the financial year ended 30 November 2012, comprised the following members:

Director	
Mr Tan Lip Gay	- Chairman, Independent Non-Executive Director
Tuan Haji Wan Mansoor bin Wan Omar	- Member, Independent Non-Executive Chairman
Mr Diong Chin Teck	- Member, Senior Independent Non-Executive Director

During the financial year, the Nominating Committee met once (1) and attended by all its members with the exception of Mr Diong Chin Teck who was absent.

The Nominating Committee has been empowered by the Board and through its terms of reference, to bring to the Board recommendations on the appointment of new Directors. The Committee also analyses the structure, size and composition of the Board as well as considers succession planning for senior Board members. In addition, the Committee systematically assesses the effectiveness of the Board, Board Committees and the contribution of each individual Director on an annual basis.

Appointment Process

The Committee meets at least once every year and additional meetings are convened whenever the need arises. The Committee shall annually review the Board's required mix of skills, competencies and experience for the Board to discharge its duties effectively and the Committee met to deliberate on the retirement by rotation of Directors and their eligibility for re-election at the Company's Annual General Meeting.

The Committee, prior to recommending candidates for directorships, considers his or her skills, knowledge, experience, professionalism, integrity and ability to discharge responsibilities as required.

Re-election of Directors

In accordance with the Company's Articles of Association, at least one-third of the Directors shall retire by rotation at each subsequent Annual General Meeting of the Company, providing an avenue to the shareholders to renew their mandate. The Directors to retire in each year are those who have been longest in office since their appointment or re-appointment.

Directors over seventy (>70) years of age are required to submit themselves for re-appointment annually in accordance with Section 129 (6) of the Companies Act, 1965.

Directors standing for re-election at the Annual General Meeting of the Company to be held on 8 May 2013 are detailed in the Notice of the Sixteenth Annual General Meeting on page 124.

Directors' Training

The Board ensures that appointees to the Board are individuals of sufficient calibre, knowledge and experience to fulfil the duties of a Director of the Company. Such individuals are considered and evaluated by the Nominating Committee as described above.

All Directors have attended and successfully completed the Mandatory Accreditation Programme prescribed by Bursa Malaysia Securities Berhad. The Directors are encouraged to attend various external professional programmes to keep abreast with developments of the business environment as well as with the new statutory and regulatory requirements.

The Company Secretaries circulate relevant guidelines for the Board's reference and briefed the Board on these updates at the quarterly Board Meetings. The External Auditors also briefed the Board members on any new Financial Reporting Standards that would affect the Group's financial statements during the year.

Training workshops and seminars attended by Directors are as follows:

Training Programme
Corporate Reporting
Accounting for Financial Instruments – A Fundamental and Practical Approach
PwC Tax Seminar 2012
The Success Principles
Water Activity and its Application in Food Industries
Validation Principles and Practices
Seminar Peraturan-peraturan Kualiti Alam Sekeliling (Effluen Perindustrian) 2009 Dan (Udara Bersih) 1978
SME Mentoring Programme

The Directors will continue to undergo relevant training programmes to further enhance their skills and knowledge.

B. Directors' Remuneration

Remuneration Committee

During the financial year ended 30 November 2012, the Remuneration Committee comprised the following members:

Director	
Mr Tan Lip Gay	- Chairman, Independent Non-Executive Director
Tuan Haji Wan Mansoor bin Wan Omar	- Member, Independent Non-Executive Chairman
Mr Teoh Meng Keat	- Member, Group Managing Director

During the financial year, the Remuneration Committee met once (1) and attended by all its members.

The Committee is primarily responsible for recommending the remuneration framework for Executive Directors and senior management staff, including their salary packages.

In arriving at the framework and levels of remuneration, the Committee considers information prepared by independent consultants and survey data on the remuneration practices of comparable companies. None of the Executive Directors participated in any way in determining their individual remuneration. Similarly, whilst the Board, as a whole, determines the remuneration of Non-Executive Directors, the individual Director concerned abstains from the decision in respect of his remuneration.

Directors' fees are set within a framework comprising responsibility fees, attendance fees and the performance of the Group. The Company pays each of its Directors an annual fee, which is approved by the shareholders at the Annual General Meeting of the Company.

The policy adopted by the Remuneration Committee is to provide a package necessary to attract, retain and reward Directors for their individual performance in managing the business of the Company and to align the interest of these Directors with those of the shareholders.

Details of the nature and amount of each major element of the remuneration of Directors of the Company, during the financial year, are as follows:

Category	Fees (RM'000)	Salaries (RM'000)	Bonus (RM'000)	Allowance (RM'000)	EPF – Employer Contribution (RM'000)	Total (RM'000)
Executive Directors	—	4,016	497	28	536	5,077
Non-Executive Directors	120	—	—	10	—	130
Total	120	4,016	497	38	536	5,207

The number of Directors whose remuneration fell within the following bands is shown below:

Range of remuneration	Executive Directors	Non-Executive Directors
RM50,000 and below	—	3
RM150,000 to RM500,000	3	—
RM1,100,000 to RM2,000,000	1	—
RM2,100,000 to RM3,000,000	1	—

C. Shareholders

Dialogue between Companies and Investors

Cognisant of the value of continuous communication with its stakeholders, including the general public, the Company utilises various channels such as its Annual Report, quarterly announcements to Bursa Securities and during Annual General Meetings and Extraordinary General Meetings as well as through its website www.zhulian.com.my and www.zhulian.com. In addition to these formal channels, the Management provides briefings to the financial communities during the financial year under review.

Annual General Meeting

The Annual General Meeting is the principal forum for dialogue with private shareholders, investors and institutional investors that allows the stakeholders to have a clear and complete picture of the Company's performance and position. Notice of the meeting and related documents are sent to shareholders at least 21 days before the meeting is to be held.

The quarterly and full financial results and the Annual Report of the Company are available on the website of Bursa Securities.

While the Company endeavours to provide as much information as possible to its shareholders and stakeholders, it is mindful of the legal and regulatory framework governing the release of material and price sensitive information.

D. Accountability and Audit

Financial Reporting

In its quest to present a balanced and meaningful assessment of the Group's financial performance and prospects at the end of the financial year, the Board is assisted by the Audit Committee in overseeing the Group's financial reporting processes as well as the quality of its financial reporting.

The annual financial statements, quarterly announcements of results to the shareholders and the Chairman's statement in the Annual Report are the three primary means of communication on the results and business performance of the Group.

Directors' Responsibility Statement in respect of the Preparation of the Audited Financial Statements

The Board is responsible for ensuring that the annual financial statements of the Group give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and of their results and cash flows for the year then ended. In preparing the financial statements, the Directors have ensured that approved accounting standards applicable in Malaysia, the provisions of the Companies Act, 1965 and the Listing Requirements have been complied with.

In preparing the financial statements, the Directors have selected and applied consistently suitable accounting policies and made reasonable and prudent judgments and estimates.

The Directors also have a responsibility under the Companies (Amendment) Act 2007 to have in place a system of internal control that will provide reasonable assurance that:

- assets of the Company are safeguarded against loss from unauthorised use or disposition; and
- all transactions are properly authorised and that they are recorded as necessary to enable the preparation of true and fair profit and loss accounts and balance sheets and to give a proper account of the assets.

Internal Controls

The Statement on Internal Control furnished on pages 49 to 50 of this Annual Report provides an overview of the state of internal controls within the Group during the financial year ended 30 November 2012.

Relationship with the Auditors

Key features underlying the relationship of the Audit Committee with the external auditors are included in the Audit Committee's terms of reference as detailed on pages 47 to 48 of this Annual Report.

A summary of the activities of the Audit Committee during the financial year under review, including the evaluation of the independent audit process, are set out in the Audit Committee Report on pages 46 to 48 of this Annual Report.

The Board and Management strive to maintain a professional and transparent relationship with the external auditors in the conduct of the audit and towards ensuring compliance with requirements of the appropriate accounting standards. Additionally the Audit Committee has been explicitly accorded the power to communicate directly with the external auditors.

Statement of Compliance

The Group has complied with all the Best Practices in Corporate Governance set out in Part 2 of the Code throughout the financial year ended 30 November 2012.

This statement is issued in accordance with a resolution of the Directors dated 23 January 2013.

AUDIT COMMITTEE REPORT

Membership

Directors who have served as members of the Audit Committee (“the Committee”) during the financial year ended 30 November 2012 and as at the date of this report are:

Directors	
Mr Diong Chin Teck	Chairman, Senior Independent Non-Executive Director (Fellow of The Institute of Chartered Accountants, Australia and member of Malaysian Institute of Accountants)
Mr Tan Lip Gay	Member, Independent Non-Executive Director
Tuan Haji Wan Mansoor bin Wan Omar	Member, Independent Non-Executive Chairman

Terms of Reference

The Audit Committee act as a Committee of the Board of Directors with the terms of reference set out on pages 47 to 48 of this Annual Report.

Meetings

The Committee convened four (4) meetings during the financial year under review. The meeting were structured through the use of agendas, which were distributed to members with sufficient notification.

The Company Secretary was present at all the meetings. Representatives of the External Auditors, Messrs KPMG, Chartered Accountants, the Senior Administration Manager, Group Chief Accountant and Head of Internal Audit also attended the meetings, where appropriate, upon invitation of the Committee.

During the financial year under review, the Committee met twice with the External Auditors without the presence of Executive Directors which complies to the requirement of the Best Practices in Corporate Governance set out in Part 2 BB III of the Code.

Details of Directors’ attendances at meetings of the Audit Committee during the financial year ended 30 November 2012 are as follows:

Directors	Attendance
Mr Diong Chin Teck (Chairman)	3/4
Mr Tan Lip Gay	4/4
Tuan Haji Wan Mansoor bin Wan Omar	4/4

Summary of activities of the Committee during the financial year ended 30 November 2012

The Committee carried out its duties in accordance with its terms of reference during the year. The main activities undertaken by the Committee were as follows:

- Reviewed with the external auditors their scope of work and audit plan;
- Reviewed the quarterly financial result announcements of the Group prior to seeking the Board of Director’s approval and releasing the results to the Bursa Securities;
- Reviewed External Auditors’ reports in relation to audit and accounting issues arising from the audit and updates of new developments on accounting standards issued by the Malaysian Accounting Standards Board;
- Reviewed the audited financial statements for the financial year ended 30 November 2012 before they were approved by the Board;

- Reviewed operational procedures to ensure that the Group is in compliance with the Company Act 1965, Main Market Listing Requirements of Bursa Securities and other legislative and reporting requirements;
- Reviewed and approved the Internal Audit Plan for adequacy of scope and coverage on the activities of the Group;
- Reviewed internal audit findings of PT. ZHULIAN INDONESIA (subsidiary company) and ZHULIAN (THAILAND) LTD. (associate company).
- Reviewed the Internal Audit Reports to ensure that appropriate actions were taken on the recommendations of the internal audit function;
- Reviewed and recommended the Statement on Corporate Governance, Statement on Internal Control and Audit Committee Report, to the Board for approval and inclusion in the Annual Report;
- Recommended appropriate training programmes for Board of Directors and internal audit personnel to ensure that they are well equipped to discharge their duties and responsibilities.

Terms of reference of the Audit Committee

Composition of the Audit Committee

An Audit Committee shall be appointed by the Board from among their numbers (pursuant to a resolution of the Board of Directors) and shall fulfil the following requirements: -

- (a) the Audit Committee must be composed of not less than three (3) members;
- (b) all must be Non-Executive Directors, with a majority of them being Independent Directors; and
- (c) at least one (1) member of the Audit Committee:-
 - (i) must be a member of the Malaysian Institute of Accountants; or
 - (ii) if he is not a member of the Malaysian Institute of Accountants, he must have at least three (3) years' working experience and:-
 - (aa) he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
 - (bb) he must be a member of one of the association of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967;
 - (iii) fulfils such other requirements as prescribed or approved by the Bursa Securities.
- (d) Alternate Director is not allowed to become a member of the Audit Committee.

The Committee shall elect a Chairman from among its members who shall be an independent Director.

In the event of any vacancy in the Audit Committee resulting in the non-compliance of (a), (b) & (c) above, the Board must fill the vacancy within three (3) months.

The term of office and performance of the Audit Committee and each of its members shall be reviewed by the Board at least once every three years to determine whether the Audit Committee and its members have carried out their duties in accordance with their terms of reference.

Meetings

The Audit Committee shall hold at least four regular meetings per year and such additional meetings as the Chairman of the Audit Committee shall decide in order to fulfil its duties. In addition, the Chairman of the Audit Committee may call for a meeting of the Audit Committee if a request is made by any member of the Audit Committee or the Board, or the internal or external auditors.

The quorum for a meeting of the Committee shall be two members, majority of whom must be independent Directors.

The Company Secretaries shall be the secretaries of the Audit Committee.

The Company shall ensure that the attendance of the other Directors and employees of the Company at any particular Audit Committee meeting is only at the Audit Committee's invitation and is specific to the relevant meeting.

The Audit Committee shall regulate its own procedure, in particular, the calling of meetings, the notice and agenda to be given of such meetings, the voting and proceeding of such meetings, the keeping of minutes and the custody, production and inspection of such minutes.

The Company Secretaries who act as Secretaries of the Committee shall circulate the minutes of each meeting to all members of the Board.

Duties and Responsibilities

- a) To review the following and to report the same to the Board:-
- i) To review the quarterly announcements to the Bursa Securities and year end financial statements prior to the approval by the Board, focusing on: -
 - changes in or implementation of major accounting policy changes;
 - significant and unusual events or adjustments;
 - going concern assumption; and
 - compliance with accounting standards and other legal requirements.
 - ii) To review with the external auditors the following:-
 - the audit plan;
 - the evaluation of the system of internal controls;
 - the audit report;
 - auditor's management letter and management response; and
 - problems and reservation arising from the interim and final audit.
 - iii) To review the internal audit functions on the following: -
 - adequacy of the scope, function, competency and resources of the internal audit functions and that it has the necessary authority to carry out its work;
 - the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
 - internal audit plan, consider the major findings of internal audit, fraud investigations and actions and steps taken by management in response to audit findings;
 - adequacy of risk management system to safeguard the Company's assets; and
 - assessment of the performance of the outsourced internal audit team.
 - iv) To review:-
 - any letter of resignation from the external auditors of the Company or Group; and
 - whether there is reason (supported by grounds) to believe that the Company or Group's external auditor is not suitable for re-appointment;
 - the assistance given by the employees of the Company or Group to the external auditors; and
 - any related party transactions and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity.
- b) To recommend the nomination of a person or persons as external auditors and the audit fees.
- c) To act upon the Board of Director's request to investigate and report on any issues or concerns in regards to the management of the Company.
- d) To promptly report to the Bursa Securities on matters reported by the Audit Committee to the Board of Directors of the Company which has not been satisfactorily resolved resulting in breach of the Listing Requirements.
- e) To undertake such other responsibilities as may be agreed by the Audit Committee and the Board.

Authority

The Audit Committee shall, wherever necessary and reasonable for the performance of its duties, in accordance with a procedure to be determined by the Board of Directors and at the cost of the Company:-

- (a) have authority to investigate any matter within its term of reference;
- (b) have the resources which are required to perform its duties;
- (c) have full and unrestricted access to any information pertaining to the Company;
- (d) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity;
- (e) be able to obtain independent professional or other advice; and
- (f) be able to convene meetings with external auditors, the internal auditors or both, excluding the attendance of other Directors and employees of the Company, whenever deemed necessary.

This statement is issued in accordance with a resolution of the Directors dated 23 January 2013.

STATEMENT ON INTERNAL CONTROL

Introduction

Paragraph 15.26(b) of the Listing Requirements requires the Board of Directors of public listed companies to include in its Annual Report a "statement about the state of internal control of the listed issuer as a group". Furthermore, the Malaysian Code on Corporate Governance requires all listed companies to maintain a sound system of internal control to safeguard shareholders' investment and the Company's assets.

The Board is committed to maintaining a sound system of internal control in the Group and is pleased to provide the following statement, which outlines the nature and scope of internal control of the Group during the financial year ended 30 November 2012.

Board Responsibility

The Board is ultimately responsible for maintaining the Group's system of internal control, which includes the establishment of an appropriate control environment and framework to safeguard shareholders' investment and Group's assets as well as reviewing the adequacy and integrity of these systems. Because of the limitations that are inherent in any system of internal control, this system is designed to manage, rather than eliminate, the risk of failure to achieve corporate objectives. Accordingly, it can only provide reasonable but not absolute assurance against material misstatement or loss. The system of internal control covers, inter-alia, financial, operational and compliance controls and risk management procedures.

Risk Management Processes

The objective is to add maximum sustainable value to all the business activities in the Group, measures and control systems are in place to manage the business risks faced by the Group, so as to increase the probability of success, and reduces both the probability of failure and the uncertainty of achieving the Group's overall objectives and goals.

The Board has established a proper risk management framework that conforms to the Internal Control Guidance to better identify, assess and prioritise the possible risk factors that may affect the results of the goals set, then brainstorm the mitigation actions for each risk factor and build a risk profile to ensure the risks are under control.

In this context, the risk management function is led by the Internal Audit Department whereby the process is integrated into the operation system of the related companies under the Group with each director, manager and head of department responsible for the management of risk as part of their job description. The Audit Committee that consists of the Board members will then review the Risk Management Report produced by the Internal Audit Department.

In view of risk management is a continuous process which runs throughout the planning, implementation and control process of the Group, the effectiveness of the risk management process are reviewed from time to time and changes may be made to include new risk factors or exclude those no longer applicable when necessary.

Group Internal Audit Function

The Group Internal Audit Function was established by the Board to provide independent assurance on the adequacy of risk management, internal control and governance systems within the Group. The Internal Audit Department operates in accordance with the Internal Audit Charter and reports directly to the Audit Committee.

The internal audit function, which is independent of the activities they audit, maintains their impartiality, proficiency and due professional care by having their plans and reports directly under the purview of the Audit Committee who reviews and approves the internal audit function's annual audit plan, financial budget and human resource requirements to ensure that the function is adequately resourced with competent and proficient internal auditors.

The internal audit function adopted the risk based methodology in its review of key processes of the various operating units in the Group and provided independent and objective reports on the state of internal control of the various operating units within the Group direct to the Audit Committee.

The internal audit function also ensured that Management followed up in the implementation of action plans where control deficiencies were noted during internal audits.

Other Internal Control Processes

Apart from the risk management and internal audits, the Board has put in place the following salient internal control features regulating the Group's operations:

i. Monitoring and review

- a) Periodic Management Meetings to review performance of business divisions includes any significant issues arising from changes in the Group's business environment, which may result in significant risks to the Group and status of action plans to achieve strategic objectives set by the Board;
- b) The Audit Committee reviews the Group's quarterly financial performance together with Management, which is subsequently reported to the Board;
- c) Annual budgeting process for all business divisions, to prepare the annual capital and operating expenditure and approval by the Board;
- d) Management information systems which enable transactions to be captured, compiled and reported in a timely and accurate manner.

ii. Standardisation of limits and processes

- a) Standing policies and operating procedures were established to cover as far as possible any significant business processes of the Group;
- b) A chart of authority was established to provide guidance to management in the execution of day-to-day transactions;
- c) Reporting lines have been clearly defined with managers' assigned areas of responsibility;
- d) Achievement by certain business division of certification awarded by International Organization for Standardization and Good Manufacturing Practice.

iii. Other processes

- a) The professionalism and competence of the Group's human resources are maintained through established recruitment process, performance appraisal system and training.
- b) Training and development programmes are conducted both in house and by external trainers to enhance staff competency skills.

Insurance

Sufficient insurance and physical safeguards over major assets are in place to ensure that the assets of the Group are adequately covered against any mishap that may result in material losses to the Group.

Weaknesses in Internal Controls that Resulted in Material Losses

There were no material losses incurred during the financial year ended 30 November 2012 as a result of weaknesses in internal control. The Group continues to take measures to strengthen the internal control environment.

Pursuant to paragraph 15.23 of the Listing Requirements, the external auditor has reviewed this statement for inclusion in the Annual Report for the financial year ended 30 November 2012 and reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal controls.

The total costs incurred in managing the internal audit function which was performed in-house for the financial year ended 30 November 2012 were approximately RM170,000.00.

This statement is issued in accordance with a resolution of the Directors dated 23 January 2013.

OTHER CORPORATE DISCLOSURE

In compliance with Listing Requirements of Bursa Securities, the following information is provided:

UTILISATION OF PROCEEDS

There were no proceeds raised from any corporate proposals during the financial year ended 30 November 2012.

SHARE BUY-BACK

There was no share buy-back effected during the financial year ended 30 November 2012.

OPTIONS OR CONVERTIBLE SECURITIES

There were no options or convertible securities issued by the Company during the financial year ended 30 November 2012.

DEPOSITORY RECEIPT PROGRAMME

The Company did not sponsor any depository receipt programme during the financial year.

SANCTIONS AND/OR PENALTIES

There were no sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management, by the relevant regulatory bodies during the financial year.

NON-AUDIT FEES

During the financial year, a total of RM76,000 was payable to KPMG for non-audit services rendered.

VARIATION IN RESULTS

The Company did not make or announce any profit estimate, forecast or projection during the financial year ended 30 November 2012. There was no variation to the unaudited results which were announced for the financial year ended 30 November 2012.

PROFIT GUARANTEE

There were no profit guarantees during the financial year ended 30 November 2012 by the Company.

MATERIAL CONTRACTS

During the financial year, there were no material contracts by the Company or its subsidiaries involving the Directors' and major shareholders' interests.

CONTRACTS RELATING TO LOANS

There were no contracts relating to loans by the Company involving Directors' and major shareholders' interests.

RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

There were no related party transactions during the financial year ended 30 November 2012.

CORPORATE SOCIAL RESPONSIBILITY

The disclosure on the Corporate Social Responsibility ("CSR") activities or practices undertaken during the financial year ended 30 November 2012 is stated on pages 34 to 38 of the annual report.

DIRECTORS' REPORT

For The Year Ended 30 November 2012

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the year ended 30 November 2012.

Principal activities

The Company is an investment holding company whilst the principal activities of the subsidiaries are as set out in Note 5 to the financial statements.

There has been no significant change in the nature of these principal activities during the financial year.

Results

	Group RM'000	Company RM'000
Profit for the year attributable to :		
Owners of the Company	117,097	71,157
Non-controlling interests	(3)	—
	<hr/> 117,094	<hr/> 71,157

Reserves and provisions

There were no material transfers to or from reserves and provisions during the year under review except as disclosed in the financial statements.

Dividends

Since the end of the previous financial year, the Company :

- i) paid a fourth interim single tier dividend of 3 sen per ordinary share of RM0.50 each, totalling RM13,800,000 in respect of the year ended 30 November 2011 on 24 February 2012;
- ii) paid a first interim single tier dividend of 3 sen per ordinary share of RM0.50 each, totalling RM13,800,000 in respect of the year ended 30 November 2012 on 23 May 2012;
- iii) paid a second interim single tier dividend of 3 sen per ordinary share of RM0.50 each, totalling RM13,800,000 in respect of the year ended 30 November 2012 on 23 August 2012;
- iv) paid a third interim single tier dividend of 3 sen per ordinary share of RM0.50 each, totalling RM13,800,000 in respect of the year ended 30 November 2012 on 7 December 2012;
- v) declared a fourth interim single tier dividend of 3 sen per ordinary share of RM0.50 each, totalling RM13,800,000 in respect of the year ended 30 November 2012 on 23 January 2013 and paid on 13 March 2013; and
- vi) declared a special single tier dividend of 3.5 sen per ordinary share of RM0.50 each, totalling RM16,100,000 in respect of the year ended 30 November 2012 on 23 January 2013 and paid on 13 March 2013.

The Directors do not recommend any final dividend to be paid for the financial year under review.

Directors of the Company

Directors who served since the date of the last report are :

Haji Wan Mansoor Bin Wan Omar	
Teoh Beng Seng	- Group President and Chief Executive Officer
Teoh Meng Keat	- Group Managing Director
Khoo Teng It	- Group Executive Director
Teoh Meng Lee	- Group Executive Director
Teoh Meng Soon	- Group Executive Director
Diong Chin Teck @ Tiong Chin Sang	
Tan Lip Gay	

Directors' interests in shares

The interests and deemed interests in the ordinary shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows :

	Balance at 1.12.2011	Bought	(Sold)	Balance at 30.11.2012
Number of ordinary shares of RM0.50 each				
Haji Wan Mansoor Bin Wan Omar :				
Interest in the Company :				
- own	13,333	—	—	13,333
Teoh Beng Seng :				
Interest in the Company :				
- own	47,900,280	—	—	47,900,280
Deemed interest in the Company :				
- own	240,816,455	—	—	240,816,455
Teoh Meng Keat :				
Interest in the Company :				
- own	26,869,600	—	—	26,869,600
- others #	2,666,666	—	—	2,666,666
Khoo Teng It :				
Interest in the Company :				
- own	213,333	—	—	213,333
- others #	73,333	—	—	73,333
Teoh Meng Lee :				
Interest in the Company :				
- own	6,375,999	—	—	6,375,999
Teoh Meng Soon :				
Interest in the Company :				
- own	6,306,666	—	—	6,306,666
Diong Chin Teck @ Tiong Chin Sang :				
Interest in the Company :				
- own	33,333	—	—	33,333
Tan Lip Gay :				
Interest in the Company :				
- own	20,000	—	—	20,000

Directors' interests in shares (continued)

	Balance at 1.12.2011	Bought	(Sold)	Balance at 30.11.2012
Number of ordinary shares of RM1.00 each				
Teoh Beng Seng :				
Deemed interest in a subsidiary, ZHULIAN CONSTRUCTION SDN. BHD. :				
- own	124,000	—	—	124,000
Number of ordinary shares of USD1.00 each				
Deemed interest in a subsidiary, ZHULIAN LABUAN LIMITED :				
- own	40,000	—	—	40,000
Number of ordinary shares of Rp1,000,000 each				
Deemed interest in a subsidiary, PT. ZHULIAN INDONESIA :				
- own	3,000	—	—	3,000

These are shares held in the name of the spouse and are treated as interest of the Director in accordance with Section 134(12)(c) of the Companies Act, 1965.

By virtue of his interest in the shares of the Company, Mr. Teoh Beng Seng is also deemed interested in the shares of the subsidiaries during the financial year to the extent that the Company has an interest.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, other than those transactions entered into in the ordinary course of business between the Group and a company in which a Director has substantial financial interest as disclosed in Note 25 to the financial statements.

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Issue of shares and debentures

There were no changes in the authorised, issued and paid-up capital of the Company and no debentures were issued by the Company during the financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Other statutory information

Before the statements of financial position and statements of comprehensive income of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- i) all known bad debts have been written off and adequate provision made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances :

- i) that would render the amount written off for bad debts, or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist :

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, and
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 30 November 2012 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Subsequent event

The details of such event are disclosed in Note 28 to the financial statements.

Auditors

The auditors, Messrs KPMG, have indicated their willingness to accept re-appointment.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors :

.....
Teoh Beng Seng

.....
Teoh Meng Keat

Penang,

Date : 27 March 2013

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As At 30 November 2012

	Note	2012 RM'000	2011 RM'000
Assets			
Property, plant and equipment	3	127,460	120,304
Investment property	4	16,708	16,958
Goodwill	6	1,168	1,168
Investment in an associate	7	97,120	72,265
Other investments	8	7,039	6,451
Deferred tax assets	9	1,061	883
Total non-current assets		250,556	218,029
Trade and other receivables	10	77,673	49,250
Inventories	11	61,991	48,799
Current tax assets		942	2,438
Cash and cash equivalents	12	137,683	127,703
Total current assets		278,289	228,190
Total assets		528,845	446,219
Equity			
Share capital	13	230,000	230,000
Reserves	14	221,844	162,319
Total equity attributable to owners of the Company		451,844	392,319
Non-controlling interests		29	32
Total equity		451,873	392,351
Liabilities			
Deferred tax liabilities	9	4,272	3,711
Total non-current liabilities		4,272	3,711
Trade and other payables	15	67,107	45,273
Current tax liabilities		5,593	4,884
Total current liabilities		72,700	50,157
Total liabilities		76,972	53,868
Total equity and liabilities		528,845	446,219

The notes on pages 67 to 109 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For The Year Ended 30 November 2012

	Note	2012 RM'000	2011 RM'000
Continuing operations			
Revenue	16	450,425	357,542
Changes in finished goods and work-in-progress		2,564	2,410
Raw materials and consumables used		(141,936)	(100,715)
Employee benefits expenses		(38,084)	(32,198)
Depreciation		(8,840)	(7,754)
Other operating expenses		(181,810)	(152,667)
Other operating income		12,017	12,962
Results from operating activities	17	94,336	79,580
Share of profit of equity accounted investee, net of tax		46,991	35,492
Profit before tax		141,327	115,072
Tax expense	19	(24,233)	(19,752)
Profit for the year		117,094	95,320
Other comprehensive income, net of tax			
Foreign currency translation differences for foreign operations		171	(10)
Fair value of available-for-sale financial assets		290	(15)
Share of other comprehensive income of equity accounted investee, net of tax		(2,833)	201
Total other comprehensive (expense)/income for the year, net of tax		(2,372)	176
Comprehensive income for the year		114,722	95,496
Profit attributable to :			
Owners of the Company		117,097	95,320
Non-controlling interests		(3)	—
Profit for the year		117,094	95,320
Comprehensive income attributable to :			
Owners of the Company		114,725	95,496
Non-controlling interests		(3)	—
Comprehensive income for the year		114,722	95,496
Basic earnings per ordinary share (sen)	20	25.46	20.72

The notes on pages 67 to 109 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Year Ended 30 November 2012

	Attributable to owners of the Company						Total equity RM'000
	Share capital RM'000	Non-distributable Translation reserve RM'000	Non-distributable Fair value reserve RM'000	Distributable Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	
At 1 December 2010	230,000	(10)	36	121,997	352,023	32	352,055
Foreign currency translation differences for foreign operations	—	(10)	—	—	(10)	—	(10)
Fair value of available-for-sale financial assets	—	—	(15)	—	(15)	—	(15)
Share of other comprehensive income of equity accounted investee, net of tax	—	201	—	—	201	—	201
Total other comprehensive income for the year Profit for the year	—	191	(15)	95,320	176	—	176
Comprehensive income for the year	—	191	(15)	95,320	95,496	—	95,496
Total distribution to owners - Dividends to owners of the Company (Note 21)	—	—	—	(55,200)	(55,200)	—	(55,200)
At 30 November 2011	230,000	181	21	162,117	392,319	32	392,351
Note 13	Note 14	Note 14	Note 14	Note 14			
At 1 December 2011	230,000	181	21	162,117	392,319	32	392,351
Foreign currency translation differences for foreign operations	—	171	—	—	171	—	171
Fair value of available-for-sale financial assets	—	—	290	—	290	—	290
Share of other comprehensive income of equity accounted investee, net of tax	—	(2,833)	—	—	(2,833)	—	(2,833)
Total other comprehensive income for the year Profit for the year	—	(2,662)	290	117,097	(2,372)	—	(2,372)
Comprehensive income for the year	—	(2,662)	290	117,097	114,725	(3)	114,722
Total distribution to owners - Dividends to owners of the Company (Note 21)	—	—	—	(55,200)	(55,200)	—	(55,200)
At 30 November 2012	230,000	(2,481)	311	224,014	451,844	29	451,873
Note 13	Note 14	Note 14	Note 14	Note 14			

The notes on pages 67 to 109 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For The Year Ended 30 November 2012

	Note	2012 RM'000	2011 RM'000
Cash flows from operating activities			
Profit before tax from continuing operations		141,327	115,072
Adjustments for :			
Depreciation of :			
- property, plant and equipment	3	8,590	7,684
- investment property	4	250	70
Interest income	17	(4,123)	(4,140)
Property, plant and equipment written off	17	109	1,693
Gain on disposal of plant and equipment	17	(298)	(314)
Share of profit of equity accounted investee, net of tax		(46,991)	(35,492)
Impairment loss on other investments	17	10	751
Operating profit before changes in working capital		98,874	85,324
Changes in working capital :			
Trade and other receivables		(28,495)	(999)
Inventories		(13,185)	(4,431)
Trade and other payables		8,753	(2,336)
Cash generated from operations		65,947	77,558
Tax paid		(21,720)	(18,715)
Dividends received from an associate		19,303	14,707
Net cash from operating activities		63,530	73,550
Cash flows from investing activities			
Purchase of other investments		(308)	(646)
Interest received		4,123	4,140
Proceeds from disposal of plant and equipment		363	317
Purchase of property, plant and equipment	3	(16,236)	(15,422)
Additions to investment property	4	—	(10,573)
Net cash used in investing activities		(12,058)	(22,184)
Cash flows from financing activities			
Dividends paid to owners of the Company		(41,400)	(55,200)
Net cash used in financing activities		(41,400)	(55,200)
Net increase / (decrease) in cash and cash equivalents		10,072	(3,834)
Effect of exchange rate fluctuations on cash held		(92)	(11)
Cash and cash equivalents at 1 December		127,654	131,499
Cash and cash equivalents at 30 November	A	137,634	127,654

CONSOLIDATED STATEMENT OF CASH FLOWS

For The Year Ended 30 November 2012 (Continued)

NOTE

A. Cash and cash equivalents

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following consolidated statement of financial position amounts :

	Note	2012 RM'000	2011 RM'000
Short term deposits with licensed banks	12	116,492	47,919
Cash and bank balances	12	21,191	79,784
		137,683	127,703
Less : Deposits pledged	12.1	(49)	(49)
		137,634	127,654

The notes on pages 67 to 109 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As At 30 November 2012

	Note	2012 RM'000	2011 RM'000
Assets			
Investment in subsidiaries	5	181,936	177,236
Other investments	8	7,039	6,451
Total non-current assets		188,975	183,687
Other receivables	10	64,022	11,048
Current tax assets		18	198
Cash and cash equivalents	12	22,387	50,430
Total current assets		86,427	61,676
Total assets		275,402	245,363
Equity			
Share capital	13	230,000	230,000
Reserves	14	31,425	15,178
Total equity attributable to owners of the Company		261,425	245,178
Liabilities			
Other payables	15	13,977	185
Total current liabilities		13,977	185
Total equity and liabilities		275,402	245,363

The notes on pages 67 to 109 are an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

For The Year Ended 30 November 2012

	Note	2012 RM'000	2011 RM'000
Continuing operations			
Revenue	16	70,200	52,400
Other operating expenses		(398)	(1,143)
Other operating income		1,802	765
Results from operating activities			
Tax expense	19	(447)	—
Profit for the year		71,157	52,022
Other comprehensive income/(expense), net of tax			
Fair value of available-for-sale financial assets		290	(15)
Total other comprehensive income / (expense) for the year, net of tax		290	(15)
Comprehensive income for the year		71,447	52,007

The notes on pages 67 to 109 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For The Year Ended 30 November 2012

	Share capital RM'000	Non-distributable Fair value reserve RM'000	Distributable Retained earnings RM'000	Total equity RM'000
At 1 December 2010	230,000	36	18,335	248,371
Total other comprehensive income for the year				
- Fair value of available-for-sale financial assets	—	(15)	—	(15)
Profit for the year	—	—	52,022	52,022
Comprehensive income for the year	—	(15)	52,022	52,007
Total distribution to owners - Dividends to owners of the Company (Note 21)	—	—	(55,200)	(55,200)
At 30 November 2011 / 1 December 2011	230,000	21	15,157	245,178
Total other comprehensive income for the year				
- Fair value of available-for-sale financial assets	—	290	—	290
Profit for the year	—	—	71,157	71,157
Comprehensive income for the year	—	290	71,157	71,447
Total distribution to owners - Dividends to owners of the Company (Note 21)	—	—	(55,200)	(55,200)
At 30 November 2012	230,000	311	31,114	261,425
	Note 13	Note 14	Note 14	

The notes on pages 67 to 109 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

For The Year Ended 30 November 2012

	Note	2012 RM'000	2011 RM'000
Cash flows from operating activities			
Profit before tax from continuing operations		71,604	52,022
Adjustments for :			
Dividend income	17	(70,200)	(52,400)
Interest income	17	(1,802)	(765)
Impairment loss on other investments	17	10	751
Operating loss before changes in working capital		(388)	(392)
Changes in working capital :			
Other receivables		(29,674)	58,406
Other payables		(8)	(6)
Cash (used in) / generated from operations		(30,070)	58,008
Tax (paid) / refunded		(267)	18
Dividends received		42,200	55,200
Net cash from operating activities		11,863	113,226
Cash flows from investing activities			
Additions to investment in subsidiaries	A	—	(11,461)
Purchase of other investments		(308)	(646)
Interest received		1,802	765
Net cash from / (used in) investing activities		1,494	(11,342)
Cash flows from financing activities			
Dividends paid to owners of the Company		(41,400)	(55,200)
Net cash used in financing activities		(41,400)	(55,200)
Net (decrease) / increase in cash and cash equivalents		(28,043)	46,684
Cash and cash equivalents at 1 December		50,430	3,746
Cash and cash equivalents at 30 November	12	22,387	50,430

NOTE

A. Additions to investment in subsidiaries

During the financial year, the Company subscribed for the shares in subsidiaries with an aggregate cost of RM4,700,000 (2011 : RM32,000,000) of which RM4,700,000 (2011 : RM20,539,000) were acquired through capitalisation of amount due from subsidiaries.

The notes on pages 67 to 109 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

ZHULIAN CORPORATION BERHAD is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the registered office and principal place of business of the Company are as follows :

Registered office

Suite 2-1, 2nd Floor
Menara Penang Garden
42-A, Jalan Sultan Ahmad Shah
10050 Penang

Principal place of business

Plot 42
Bayan Lepas Industrial Estate
Phase IV
11900 Penang

The consolidated financial statements of the Company as at and for the year ended 30 November 2012 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities") and the Group's interest in an associate.

The Company is principally engaged in investment holding whilst the principal activities of the subsidiaries are as stated in Note 5 to the financial statements.

These financial statements were authorised for issue by the Board of Directors on 27 March 2013.

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Financial Reporting Standards (FRSs) and the Companies Act, 1965 in Malaysia.

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (MASB) but have not been adopted by the Group and the Company :

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2012

- FRS 124, Related Party Disclosures (revised)
- Amendments to FRS 1, First-time Adoption of Financial Reporting Standards - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
- Amendments to FRS 7, Financial Instruments: Disclosures - Transfers of Financial Assets
- Amendments to FRS 112, Income Taxes - Deferred Tax: Recovery of Underlying Assets

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2012

- Amendments to FRS 101, Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2013

- FRS 10, Consolidated Financial Statements
- FRS 11, Joint Arrangements
- FRS 12, Disclosure of Interests in Other Entities
- FRS 13, Fair Value Measurement
- FRS 119, Employee Benefits (2011)
- FRS 127, Separate Financial Statements (2011)
- FRS 128, Investments in Associates and Joint Ventures (2011)
- IC Interpretation 20, Stripping Costs in the Production Phase of a Surface Mine
- Amendments to FRS 7, Financial Instruments : Disclosures - Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS 1, First-time Adoption of Financial Reporting Standards - Government Loans
- Amendments to FRS 1, First-time Adoption of Financial Reporting Standards (Annual Improvements 2009-2011 Cycle)
- Amendments to FRS 101, Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)
- Amendments to FRS 116, Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)
- Amendments to FRS 132, Financial Instruments : Presentation (Annual Improvements 2009-2011 Cycle)
- Amendments to FRS 134, Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)
- Amendments to FRS 10, Consolidated Financial Statements : Transition Guidance
- Amendments to FRS 11, Joint Arrangements : Transition Guidance
- Amendments to FRS 12, Disclosure of Interests in Other Entities : Transition Guidance

1. Basis of preparation (Continued)

(a) Statement of compliance (Continued)

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2014

- Amendments to FRS 132, Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS 10, Consolidated Financial Statements : Investment Entities
- Amendments to FRS 12, Disclosure of Interests in Other Entities : Investment Entities
- Amendments to FRS 127, Separate Financial Statements (2011) ; Investment Entities

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2015

- FRS 9, Financial Instruments (2009)
- FRS 9, Financial Instruments (2010)
- Amendments to FRS 7, Financial Instruments : Disclosures - Mandatory Effective Date of FRS 9 and Transition Disclosures

The Group's and the Company's financial statements for annual period beginning on 1 December 2012 will be prepared in accordance with the Malaysian Financial Reporting Standards (MFRSs) issued by the MASB and International Financial Reporting Standards (IFRSs). As a result, the Group and the Company will not be adopting the above FRSs, Interpretations and amendments that will be effective for annual periods beginning on or after 1 January 2012.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in Note 2 to the financial statements.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia (RM), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes :

- Note 4 - valuation of investment property
- Note 6 - assessment on impairment of goodwill
- Note 9 - recognition of deferred tax assets

2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements, and have been applied consistently by the Group entities, unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including unincorporated entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Control exists when the Company has the ability to exercise its power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is held for sale or distribution. The cost of investments includes transaction costs.

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

Acquisitions on or after 1 December 2010

For acquisitions on or after 1 December 2010, the Group measures the cost of goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Acquisitions between 1 January 2006 and 1 December 2010

For acquisitions between 1 January 2006 and 1 December 2010, goodwill represents the excess of the cost of the acquisition over the Group's interest in the recognised amount (generally fair value) of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess was negative, a bargain purchase gain was recognised immediately in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations were capitalised as part of the cost of the acquisition.

Acquisitions prior to 1 January 2006

For acquisitions prior to 1 January 2006, goodwill represents the excess of the cost of the acquisition over the Group's interest in the fair values of the net identifiable assets and liabilities.

2. Significant accounting policies (Continued)

(a) Basis of consolidation (Continued)

(iii) Acquisitions of non-controlling interests

The Group treats all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

(iv) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(v) Associates

Associates are entities, including unincorporated entities, in which the Group has significant influence, but not control, over the financial and operating policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method less any impairment losses, unless it is classified as held for sale or distribution. The cost of the investment includes transaction costs. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the associates, after adjustments if any, to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investments is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

Investments in associates are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investments includes transaction costs.

(vi) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and the owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(vii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the associates. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2. Significant accounting policies (Continued)

(b) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date, except for those that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments or a financial instrument designated as a hedge of currency risk, which are recognised in other comprehensive income.

(ii) Operations denominated in functional currencies other than Ringgit Malaysia

The assets and liabilities of operations denominated in functional currencies other than RM, including goodwill and fair value adjustments arising on acquisition, are translated to RM at exchange rates at the end of the reporting period, except for goodwill and fair value adjustments arising from business combinations before 1 January 2011 which are treated as assets and liabilities of the Company. The income and expenses of foreign operations, are translated to RM at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve (FCTR) in equity. However, if the operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control or significant influence is lost, the cumulative amount in the FCTR related to that foreign operation is reclassified to profit or loss as part of the profit or loss on disposal.

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate that includes a foreign operation while retaining significant influence, the relevant proportion of the cumulative amount is reclassified to profit or loss.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the FCTR in equity.

(c) Financial instruments

(i) Initial recognition and measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the instrument.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract and the host contract is not categorised at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

2. Significant accounting policies (Continued)

(c) Financial instruments (Continued)

(ii) *Financial instrument categories and subsequent measurement*

The Group and the Company categorise financial instruments as follows:

Financial assets

(a) *Financial assets at fair value through profit or loss*

Fair value through profit or loss category comprises financial assets that are held for trading, including derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial assets that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Other financial assets categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(b) *Held-to-maturity investments*

Held-to-maturity investments category comprises debt instruments that are quoted in an active market and the Group or the Company has the positive intention and ability to hold them to maturity.

Financial assets categorised as held-to-maturity investments are subsequently measured at amortised cost using the effective interest method.

(c) *Loans and receivables*

Loans and receivables category comprises debt instruments that are not quoted in an active market.

Financial assets categorised as loans and receivables are subsequently measured at amortised cost using the effective interest method.

(d) *Available-for-sale financial assets*

Available-for-sale category comprises investment in equity and debt securities instruments that are not held for trading.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. Other financial assets categorised as available-for-sale are subsequently measured at their fair values with the gain or loss recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses arising from monetary items and gains and losses of hedged items attributable to hedge risks of fair value hedges which are recognised in profit or loss. On derecognition, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss. Interest calculated for a debt instrument using the effective interest method is recognised in profit or loss.

All financial assets, except for those measured at fair value through profit or loss, are subject to review for impairment (see Note 2(k)(i)).

2. Significant accounting policies (Continued)

(c) Financial instruments (Continued)

(ii) Financial instrument categories and subsequent measurement (Continued)

Financial liabilities

All financial liabilities are subsequently measured at amortised cost other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Other financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(iii) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are classified as financial liability and are amortised to profit or loss using a straight-line method over the contractual period or, when there is no specified contractual period, recognised in profit or loss upon discharge of the guarantee. When settlement of a financial guarantee contract becomes probable, an estimate of the obligation is made. If the carrying value of the financial guarantee contract is lower than the obligation, the carrying value is adjusted to the obligation amount and accounted for as a provision.

(iv) Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting. Trade date accounting refers to:

- (a) the recognition of an asset to be received and the liability to pay for it on the trade date, and
- (b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

(v) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

2. Significant accounting policies (Continued)

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. Cost also may include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged between knowledgeable willing parties in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices for similar items when available and replacement cost when appropriate.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other operating income" and "other operating expenses" respectively in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group or the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The depreciation rates for the current and comparative periods based on their estimated useful lives are as follows :

	%
Buildings	2
Freehold shoplots	2
Building improvements	10
Plant and machinery, moulds, tools and equipment	10 - 50
Furniture, fittings and office equipment	10 - 50
Motor vehicles	20

Depreciation methods, useful lives and residual values are reviewed at the end of the reporting period, and adjusted as appropriate.

2. Significant accounting policies (Continued)

(e) Leased assets

(i) Finance lease

Leases in terms of which the Group or the Company assumes substantially all the risks and rewards ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Leasehold land which in substance is a finance lease is classified as property, plant and equipment or investment property, where appropriate.

(ii) Operating lease

Leases, where the Group or the Company does not assume substantially all the risks and rewards of ownership are classified as operating leases and, except for property interest held under operating lease, the leased assets are not recognised on the statement of financial position. Property interest held under an operating lease, which is held to earn rental income or for capital appreciation or both, is classified as investment property.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent rentals are charged to profit or loss in the reporting period in which they are incurred.

Leasehold land which in substance is an operating lease is classified as prepaid lease payments.

(f) Intangible assets

(i) Goodwill

Goodwill arises on business combinations is measured at cost less any accumulated impairment losses. In respect of equity-accounted associates, the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted associates.

(ii) Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in profit or loss as incurred.

Expenditure on development activities, whereby the application of research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset.

The expenditure capitalised includes the cost of materials, direct labour and overheads costs that are directly attributable to preparing the asset for its intended use. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. Other development expenditure is recognised in profit or loss as incurred.

Capitalised development expenditure is measured at cost less any accumulated amortisation and any accumulated impairment losses.

2. Significant accounting policies (Continued)

(f) Intangible assets (Continued)

(iii) Amortisation

Goodwill is not amortised but is tested for impairment annually and whenever there is an indication that it may be impaired.

(g) Investment property

(i) Investment property carried at cost

Investment properties are properties which are owned or held under a leasehold interest to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. These include freehold land and leasehold land which in substance is a finance lease. Properties that are occupied by the companies in the Group are accounted for as owner-occupied rather than as investment properties.

Investment properties are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Transfers between investment property and property, plant and equipment do not change the carrying amount of the property transferred.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of 50 years for buildings and 44 years for short term leasehold land. Freehold land is not depreciated.

An investment property is derecognised on its disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount is recognised in profit or loss in the period in which the item is derecognised.

(ii) Determination of fair value

The Directors estimate the fair values of the Group's investment property without involvement of independent valuers.

The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably.

Investment property under construction is valued by estimating the fair value of the completed investment property and then deducting from that amount the estimated costs to complete construction, financing costs and a reasonable profit margin.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories is measured based on the first-in, first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of work-in-progress and finished goods, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2. Significant accounting policies (Continued)

(h) Inventories (Continued)

The fair value of inventories acquired in a business combination is determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

(i) Non-current asset held for sale or distribution to owners

Non-current assets, or disposal group comprising assets and liabilities that are expected to be recovered primarily through sale or distribution to owners rather than through continuing use, are classified as held for sale or distribution.

Immediately before classification as held for sale or distributions, the assets, or components of a disposal group, are remeasured in accordance with the Group's accounting policies. Thereafter generally the assets, or disposal group are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets and investment property, which continue to be measured in accordance with the Group's accounting policies. Impairment losses on initial classification as held for sale or distribution and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Intangible assets and property, plant and equipment once classified as held for sale or distribution are not amortised or depreciated. In addition, equity accounting of equity accounted associates ceases once classified as held for sale or distribution.

(j) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Group and the Company in the management of their short term commitments. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits, if any.

(k) Impairment

(i) Financial assets

All financial assets (except for financial assets categorised as fair value through profit or loss, investment in subsidiaries and investment in associates) are assessed at each reporting date whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. Losses expected as a result of future events, no matter how likely, are not recognised. For an investment in an equity instrument, a significant or prolonged decline in the fair value below its cost is an objective evidence of impairment.

An impairment loss in respect of loans and receivables and held-to-maturity investments is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account.

An impairment loss in respect of available-for-sale financial assets is recognised in profit or loss and is measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and the asset's current fair value, less any impairment loss previously recognised. Where a decline in the fair value of an available-for-sale financial asset has been recognised in the other comprehensive income, the cumulative loss in other comprehensive income is reclassified from equity to profit or loss.

2. Significant accounting policies (Continued)

(k) Impairment (Continued)

(i) Financial assets (Continued)

An impairment loss in respect of unquoted equity instrument that is carried at cost is recognised in profit or loss and is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available-for-sale is not reversed through profit or loss.

If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed, to the extent that the asset's carrying amount does not exceed what the carrying amount would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss.

(ii) Other assets

The carrying amounts of other assets (except for inventories, deferred tax assets and non-current assets (or disposal groups) classified as held for sale) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each period at the same time.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to group of cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (groups of cash-generating units) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

2. Significant accounting policies (Continued)

(l) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(i) Issue expenses

Costs directly attributable to the issue of instruments classified as equity are recognised as a deduction from equity.

(ii) Ordinary shares

Ordinary shares are classified as equity.

(m) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) State plans

The Group's contributions to statutory pension funds are charged to profit or loss in the financial year to which they relate. Once the contributions have been paid, the Group has no further payment obligations.

(n) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(o) Contingencies

(i) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(ii) Contingent assets

Where it is not possible that there is an inflow of economic benefits, or the amount cannot be estimated reliably, the asset is not recognised in the statements of financial position and is disclosed as a contingent asset, unless the probability of inflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets unless the probability of inflow of economic benefits is remote.

2. Significant accounting policies (Continued)

(p) Revenue and other income

(i) Goods sold

Revenue from the sale of goods in the course of ordinary activities is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when persuasive evidence exists, that the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

(ii) Services

Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at the end of the reporting period. The stage of completion is assessed by reference to surveys of work performed.

(iii) Dividend income

Dividend income is recognised in profit or loss on the date that the Group's or the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

(iv) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss except for interest income arising from temporary investment of borrowings taken specifically for the purpose of obtaining a qualifying asset which is accounted for in accordance with the accounting policy on borrowing costs.

(q) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Unutilised reinvestment allowance and investment tax allowance, being tax incentives that is not a tax base of an asset, is recognised as a deferred tax asset to the extent that it is probable that the future taxable profits will be available against the unutilised tax incentive can be utilised.

2. Significant accounting policies (Continued)

(r) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(s) Earnings per ordinary share

The Group presents basic earnings per share data for its ordinary shares (EPS). Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

(t) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the chief operating decision maker, which in this case is the Chief Executive Officer of the Group, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

3. Property, plant and equipment - Group

	Short term leasehold land RM'000	Buildings RM'000	Freehold shoplots RM'000	Building improvements RM'000	Plant and machinery, moulds, tools and equipment RM'000	Furniture, fittings and office equipment RM'000	Motor vehicles RM'000	Capital work-in-progress RM'000	Total RM'000
Cost									
At 1 December 2010	12,674	50,668	8,782	—	19,759	24,148	2,537	18,014	136,582
Additions	—	5,264	—	—	1,084	7,044	—	2,030	15,422
Disposals	—	(1,702)	—	—	(3)	(2)	(1,123)	—	(1,128)
Reclassifications	—	12,685	—	—	(453)	(366)	—	—	(2,521)
Effect of movements in exchange rates	(63)	—	193	—	802	4,527	3	(18,014)	133
At 30 November 2011 / 1 December 2011	12,611	66,915	8,975	—	21,189	35,351	1,417	2,030	148,488
Additions	—	4,900	—	190	3,145	7,696	305	—	16,236
Disposals	—	(59)	—	—	(82)	(89)	(701)	—	(799)
Reclassifications	—	1,883	—	—	—	(368)	—	—	(509)
Effect of movements in exchange rates	(478)	—	163	—	—	147	1	(2,030)	(377)
At 30 November 2012	12,133	73,639	9,138	190	24,243	42,674	1,022	—	163,039
Accumulated depreciation									
At 1 December 2010	1,137	4,077	694	—	8,506	5,850	2,174	—	22,438
Depreciation for the year	460	1,410	180	—	2,196	3,305	133	—	7,684
Disposals	—	—	—	—	(1)	(1)	(1,123)	—	(1,125)
Written off	—	(199)	—	—	(296)	(333)	—	—	(828)
Reclassifications	—	—	—	—	511	(511)	—	—	—
Effect of movements in exchange rates	(4)	—	15	—	—	3	1	—	15
At 30 November 2011 / 1 December 2011	1,593	5,288	889	—	10,916	8,313	1,185	—	28,184
Depreciation for the year	433	1,572	182	3	2,315	3,938	147	—	8,590
Disposals	—	(5)	—	—	(4)	(53)	(677)	—	(734)
Written off	—	(5)	—	—	(75)	(320)	—	—	(400)
Effect of movements in exchange rates	382	—	16	—	—	(460)	1	—	(61)
At 30 November 2012	2,408	6,855	1,087	3	13,152	11,418	656	—	35,579
Carrying amounts									
At 1 December 2010	11,537	46,591	8,088	—	11,253	18,298	363	18,014	114,144
At 30 November 2011 / 1 December 2011	11,018	61,627	8,086	—	10,273	27,038	232	2,030	120,304
At 30 November 2012	9,725	66,784	8,051	187	11,091	31,256	366	—	127,460

4. Investment property - Group

	Note	Freehold land RM'000	Short term leasehold land RM'000	Freehold shoplots RM'000	Total RM'000
Cost					
At 1 December 2010		—	—	412	412
Additions		—	10,573	—	10,573
Transfer from land held for property development		6,092	—	—	6,092
At 30 November 2011 / 1 December 2011 / 30 November 2012		6,092	10,573	412	17,077
Accumulated depreciation					
At 1 December 2010		—	—	49	49
Depreciation for the year	17	—	60	10	70
At 30 November 2011 / 1 December 2011		—	60	59	119
Depreciation for the year	17	—	240	10	250
At 30 November 2012		—	300	69	369
Carrying amounts					
At 1 December 2010		—	—	363	363
At 30 November 2011 / 1 December 2011		6,092	10,513	353	16,958
At 30 November 2012		6,092	10,273	343	16,708
Fair values					
At 1 December 2010		—	—	363	363
At 30 November 2011 / 1 December 2011		12,626	11,365	390	24,381
At 30 November 2012		12,626	18,732	560	31,918

The following are recognised in profit or loss in respect of investment property :

	Group	
	2012 RM'000	2011 RM'000
Direct operating expenses :		
- non-income generating investment property	348	114

5. Investment in subsidiaries - Company

	2012 RM'000	2011 RM'000
Unquoted shares, at cost	181,936	177,236

Details of subsidiaries are as follows :

Name of Subsidiaries	Effective ownership interest		Country of incorporation	Principal activities
	2012	2011		
ZHULIAN JEWELLERY MANUFACTURING SDN. BHD.	100%	100%	Malaysia	Manufacturing of costume / fine jewellery and accessories
ZHULIAN MARKETING (M) SDN. BHD.	100%	100%	Malaysia	Direct marketing of costume jewellery and consumer products
ZHULIAN INDUSTRIES SDN. BHD.	100%	100%	Malaysia	Manufacturing of consumer products
BEYOND PRODUCTS TECHNOLOGY SDN. BHD.	100%	100%	Malaysia	Manufacturing of home technology products
ZHULIAN MANUFACTURING SDN. BHD.	100%	100%	Malaysia	Manufacturing of bedroom apparels and therapeutic products
MASTER SQUARE SDN. BHD.	100%	100%	Malaysia	Trading of consumer products
ZHULIAN PRINTING INDUSTRIES SDN. BHD.	100%	100%	Malaysia	Printing of brochures, leaflets, catalogues, name cards and other related documents
ZHULIAN MANAGEMENT SDN. BHD. ("ZMSB")	100%	100%	Malaysia	Provision of management services and investment holding
AMAZING VESTRAX SDN. BHD.	100%	100%	Malaysia	Manufacturing of personal care products
ZHULIAN NUTRACEUTICAL SDN. BHD.	100%	100%	Malaysia	Manufacturing of traditional products
DIAMOND INSPIRATION SDN. BHD.	100%	100%	Malaysia	Operator of cafeteria for the employees of the Group
ZHULIAN DEVELOPMENT SDN. BHD. ("ZDSB")	100%	100%	Malaysia	Property development
ZHULIAN VENTURES SDN. BHD.	100%	100%	Malaysia	Dormant
ZHULIAN PROPERTIES SDN. BHD.	100%	100%	Malaysia	Dormant
SELAT NUSANTARA DEVELOPMENT SDN. BHD.	100%	100%	Malaysia	Dormant

5. Investment in subsidiaries - Company (Continued)

Name of Subsidiaries	Effective ownership interest		Country of incorporation	Principal activities
	2012	2011		
ZHULIAN LABUAN LIMITED *	80%	80%	Malaysia	Investment holding
DEXASSETS SDN. BHD.	100%	100%	Malaysia	Dormant
<i>Subsidiary of ZDSB</i>				
ZHULIAN CONSTRUCTION SDN. BHD.	62%	62%	Malaysia	Dormant
<i>Subsidiaries of ZMSB</i>				
PT. ZHULIAN INDONESIA *	60%	60%	Indonesia	Direct marketing of costume jewellery and consumer products
ZHULIAN (SINGAPORE) PTE. LTD. *	100%	100%	Singapore	Direct marketing of all kinds of costume jewellery and consumer products

* Not audited by member firms of KPMG International

6. Goodwill, at cost - Group

	2012 RM'000	2011 RM'000
At 30 November	1,168	1,168

Impairment testing for cash-generating units containing goodwill

Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating unit (CGU) that is expected to benefit from that business combination. The carrying amount of goodwill is allocated to the business segment of multi-level marketing as CGU.

The recoverable amount of the CGU was based on value in use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period extrapolated using growth rates determined based on historical experience, management's assessment of future trends and expectations of market developments in the industries concerned.

The key assumptions on which the cash flow projections are based relate to discount rates, sales growth rates and expected changes in operating costs. In determining the recoverable amount of CGU, the projected cash flows were discounted using pre-tax discount rate of 9.0% (2011 : 9.0%) which is specific to the CGU.

7. Investment in an associate - Group

	2012 RM'000	2011 RM'000
Unquoted shares, at cost	10,287	10,287
Share of post-acquisition reserves	89,465	61,777
Share of other comprehensive income, net of tax	(2,632)	201
	97,120	72,265

Summary financial information for an associate, not adjusted for the percentage ownership held by the Group :

	Country of incorporation	Effective ownership interest	Revenue (100%) RM'000	Profit for the year (100%) RM'000	Total assets (100%) RM'000	Total liabilities (100%) RM'000
2012						
ZHULIAN (THAILAND) LTD. and its subsidiary	Thailand	49%	589,811	103,110	338,256	130,841
2011						
ZHULIAN (THAILAND) LTD.	Thailand	49%	479,529	71,431	247,333	99,853

The principal activity of the associate consists of direct marketing of costume jewellery and consumer products. During the financial year ended 30 November 2012, **ZHULIAN (THAILAND) LTD.** incorporated a wholly-owned subsidiary, **ZHULIAN DEVELOPMENT CO., LTD.** in Thailand with the principal activity of real estate development.

The financial year end of the associate is 31 December.

8. Other investments - Group and Company

	Quoted unit trust in Malaysia RM'000
2012	
Non-current	
Available-for-sale financial assets	9,600
Less : Impairment loss	(2,561)
	7,039
Representing item : At fair value	7,039
Market value of quoted investments	7,039
2011	
Non-current	
Available-for-sale financial assets	9,002
Less : Impairment loss	(2,551)
	6,451
Representing item : At fair value	6,451
Market value of quoted investments	6,451

9. Deferred tax assets / (liabilities) - Group

Recognised deferred tax assets / (liabilities)

Deferred tax assets and liabilities are attributable to the following :

	Assets		Liabilities		Net	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Property, plant and equipment	237	192	(7,584)	(6,168)	(7,347)	(5,976)
Provisions	120	97	1,760	1,016	1,880	1,113
Tax loss carry-forwards	704	594	—	—	704	594
Other items	—	—	1,552	1,441	1,552	1,441
	1,061	883	(4,272)	(3,711)	(3,211)	(2,828)

9. Deferred tax assets / (liabilities) - Group (Continued)

The component and movement in temporary differences during the year are as follows :

	At 1 December 2010 RM'000	Effect of movements in exchange rates RM'000	Recognised in profit or loss (Note 19) RM'000	At 30 November 2011 RM'000	Effect of movements in exchange rates RM'000	Recognised in profit or loss (Note 19) RM'000	At 30 November 2012 RM'000
Assets							
Property, plant and equipment	119	(2)	75	192	(16)	61	237
Provisions	212	(2)	(113)	97	(8)	31	120
Tax loss carry-forwards	216	(3)	381	594	(51)	161	704
	547	(7)	343	883	(75)	253	1,061
Liabilities							
Property, plant and equipment	(4,935)	—	(1,233)	(6,168)	—	(1,416)	(7,584)
Provisions	420	—	596	1,016	—	744	1,760
Other items	1,580	—	(139)	1,441	—	111	1,552
	(2,935)	—	(776)	(3,711)	—	(561)	(4,272)
Net deferred tax assets / (liabilities)	(2,388)	(7)	(433)	(2,828)	(75)	(308)	(3,211)

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at net) :

	2012 RM'000	2011 RM'000
Taxable temporary differences	(342)	(175)
Capital allowances carry-forwards	813	45
Tax loss carry-forwards	1,661	1,484
Provisions	50	689
Other items	59	(3)
	2,241	2,040

The tax loss carry-forwards and capital allowances carry-forwards do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits there from.

The comparative figures have been restated to reflect the revised tax loss carry-forwards and capital allowances carry-forwards available to the Group.

10. Trade and other receivables

	Note	Group		Company	
		2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Trade					
Amount due from an associate	10.1	65,955	38,819	—	—
Others		1,013	1,516	—	—
		66,968	40,335	—	—
Non-trade					
Amount due from subsidiaries	10.2	—	—	21,478	15
Other receivables		1,094	1,014	21	1
Deposits	10.3	3,806	282	3,504	5
Prepayments		5,805	7,619	19	27
Dividend receivable		—	—	39,000	11,000
		10,705	8,915	64,022	11,048
		77,673	49,250	64,022	11,048

10.1 Amount due from an associate

The trade receivable due from an associate is subject to the normal trade terms.

10.2 Amount due from subsidiaries

Included in non-trade receivables due from subsidiaries of the Company is an amount of RM21,462,113 (2011 : RM Nil) subject to interest at 2.74% (2011 : Nil) per annum, unsecured and repayable on demand.

10.3 Deposits

Included in deposits of the Group and of the Company is an amount of RM3,500,000 (2011 : RM Nil) in respect of deposit paid for the purchase of an industrial property.

11. Inventories - Group

	2012 RM'000	2011 RM'000
Raw materials	28,562	19,068
Work-in-progress	8,911	9,191
Finished goods	20,715	17,538
Consumables	3,803	3,002
	61,991	48,799

12. Cash and cash equivalents

	Note	Group		Company	
		2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Short term deposits with licensed banks	12.1	116,492	47,919	22,001	5,404
Cash and bank balances		21,191	79,784	386	45,026
		137,683	127,703	22,387	50,430

12.1 Short term deposits with licensed banks

Included in short term deposits with licensed banks of the Group is RM49,000 (2011 : RM49,000) pledged for a banking facility.

13. Share capital

	Amount 2012 RM'000	Number of shares 2012 '000	Amount 2011 RM'000	Number of shares 2011 '000
Authorised	500,000	1,000,000	500,000	1,000,000
Issued and fully paid shares classified as equity instruments :	230,000	460,000	230,000	460,000

14. Reserves

	Note	Group		Company	
		2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Non-distributable					
Translation reserve	14.1	(2,481)	181	—	—
Fair value reserve	14.2	311	21	311	21
Distributable					
Retained earnings	14.3	224,014	162,117	31,114	15,157
		221,844	162,319	31,425	15,178

The movements in reserves are shown in statements of changes in equity.

14. Reserves (Continued)

14.1 Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of the Group entities with functional currencies other than RM.

14.2 Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale financial assets until the investments are derecognised or impaired.

14.3 Retained earnings

The Company is able to distribute dividends out of its entire retained earnings as at 30 November 2012 as the Company has opted for the single tier system.

15. Trade and other payables

	Note	Group		Company	
		2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Trade payables		20,110	13,790	—	—
Non-trade					
Other payables	15.1	20,762	20,244	4	7
Accrued expenses		12,435	11,239	173	178
Dividends payable		13,800	—	13,800	—
		46,997	31,483	13,977	185
		67,107	45,273	13,977	185

15.1 Other payables

Included in other payables of the Group is an amount of RM18,169,000 (2011 : RM17,903,000) in respect of security deposits received from agents and an associate.

16. Revenue

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Dividend income	—	—	70,200	52,400
Sale of goods	444,218	352,459	—	—
Services rendered	6,207	5,083	—	—
	450,425	357,542	70,200	52,400

17. Results from operating activities

Results from operating activities are arrived at :

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
After charging :				
Auditors' remuneration				
- Audit fees				
KPMG Malaysia				
- current year	196	179	42	36
- prior year	17	2	6	—
Other auditors	35	38	—	—
- Non audit fees				
KPMG Malaysia	17	26	17	26
Affiliates of KPMG Malaysia	59	59	3	3
Other auditors	4	4	—	—
Inventories written off	529	131	—	—
Inventories written down	665	—	—	—
Personnel expenses (including key management personnel)				
- Wages, salaries and others	34,482	29,186	10	12
- Contributions to state plans	3,602	3,012	—	—
Depreciation of :				
- property, plant and equipment (Note 3)	8,590	7,684	—	—
- investment property (Note 4)	250	70	—	—
Impairment loss on :				
- Trade receivables	—	244	—	—
- Other investments	10	751	10	751
Property, plant and equipment written off	109	1,693	—	—
Loss on foreign exchange				
- Realised (net)	1,818	273	—	—
- Unrealised (net)	1,105	—	—	—
Research and development expenditure	78	97	—	—
Rental of machinery	11	7	—	—
Rental of premises	517	566	—	—
and after crediting :				
Dividend income from subsidiaries (unquoted)	—	—	70,200	52,400
Gain on disposal of plant and equipment	298	314	—	—
Interest income	4,123	4,140	1,802	765
Gain on foreign exchange				
- Unrealised	—	1,264	—	—
Reversal of impairment loss on trade receivables	146	—	—	—
Reversal of inventories written down	—	576	—	—

18. Key management personnel compensations

The key management personnel compensations are as follows :

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Directors of the Company				
- Fees	120	120	120	120
- Remuneration	5,088	5,412	10	12
Other Directors				
- Fees	23	27	—	—
- Remuneration	558	529	—	—
	5,789	6,088	130	132

There were no other key management personnel apart from the Directors of Group entities, having authority and responsibility for planning, directing and controlling the activities of the Group entities either directly or indirectly.

19. Tax expense

Recognised in profit or loss

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Income tax expense on continuing operations	24,233	19,752	447	—
Share of tax of equity - accounted investee	14,883	15,372	—	—
Total income tax expense	39,116	35,124	447	—

Major components of income tax expense include :

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Current tax expense				
- Current year	23,575	19,984	438	4
- Prior year	350	(665)	9	(4)
Total current tax recognised in profit or loss	23,925	19,319	447	—
Deferred tax expense				
Origination/(Reversal) of temporary differences				
- Current year	204	(35)	—	—
- Prior year	104	468	—	—
Total deferred tax recognised in profit or loss	308	433	—	—
Share of tax of equity - accounted investee	14,883	15,372	—	—
Total income tax expense	39,116	35,124	447	—

19. Tax expense (Continued)

Reconciliation of effective tax expense

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Profit for the year	117,094	95,320	71,157	52,022
Total income tax expense	39,116	35,124	447	—
Profit excluding tax	156,210	130,444	71,604	52,022
Income tax calculated at Malaysian tax rate of 25% (2011 : 25%)	39,052	32,611	17,901	13,005
Effect of tax rates in foreign jurisdictions *	(545)	2,679	—	—
Non-deductible expenses	1,505	1,384	98	277
Tax exempt income	(283)	(293)	(17,644)	(13,278)
Tax incentives	(1,288)	(1,085)	—	—
Change in unrecognised temporary differences	201	25	—	—
Other items	20	—	83	—
Under/(Over) provided in prior year	454	(197)	9	(4)
Income tax expense	39,116	35,124	447	—

* The associate operates in a tax jurisdiction with lower tax rate (2011 : higher tax rate) and a subsidiary operates in a tax jurisdiction with lower tax rate.

20. Basic earnings per ordinary share

The calculation of basic earnings per ordinary share was based on the profit attributable to ordinary shareholders of RM117,097,000 (2011 : RM95,320,000) and a weighted average number of ordinary shares outstanding during the financial year of 460,000,000 (2011 : 460,000,000).

21. Dividends

Dividends recognised in the current year by the Company are :

	2012 RM'000	2011 RM'000
<i>In respect of financial year ended 30 November 2010</i>		
- Fourth interim single tier dividend of 3 sen per ordinary share paid on 8 March 2011	—	13,800
<i>In respect of financial year ended 30 November 2011</i>		
- First interim single tier dividend of 3 sen per ordinary share paid on 31 May 2011	—	13,800
- Second interim single tier dividend of 3 sen per ordinary share paid on 7 September 2011	—	13,800
- Third interim single tier dividend of 3 sen per ordinary share paid on 15 November 2011	—	13,800
- Fourth interim single tier dividend of 3 sen per ordinary share paid on 24 February 2012	13,800	—
<i>In respect of financial year ended 30 November 2012</i>		
- First interim single tier dividend of 3 sen per ordinary share paid on 23 May 2012	13,800	—
- Second interim single tier dividend of 3 sen per ordinary share paid on 23 August 2012	13,800	—
- Third interim single tier dividend of 3 sen per ordinary share paid on 7 December 2012	13,800	—
	55,200	55,200
Gross dividends per ordinary share (sen)	15.50	12.00
Net dividends per ordinary share (sen)	15.50	12.00

The Directors declared :

- (i) a fourth interim single tier dividend of 3 sen per ordinary share of RM0.50 each, totalling RM13,800,000 in respect of the year ended 30 November 2012 on 23 January 2013 and paid on 13 March 2013; and
- (ii) a special single tier dividend of 3.5 sen per ordinary share of RM0.50 each, totalling RM16,100,00 in respect of the year ended 30 November 2012 on 23 January 2013 and paid on 13 March 2013.

The financial statements do not reflect these dividends declared after 30 November 2012, which will be accounted for as appropriation of retained earnings in the year ending 30 November 2013.

The gross dividends per ordinary share and net dividends per ordinary share as disclosed above take into account the total interim, special and final dividends for the financial year.

22. Contingent liabilities, unsecured - Company

Continuing financial support

The Company has undertaken to provide continuing financial support to certain subsidiaries to enable them to meet their financial obligations as and when they fall due.

Corporate guarantees

The Company has issued corporate guarantees to financial institutions for banking facilities granted to certain subsidiaries up to limits of RM2.1 million (2011 : RM2.1 million) of which RM1.3 million (2011 : RM1.6 million) was utilised as at the end of the reporting date.

23. Commitments - Group

(a) Capital commitments

	2012 RM'000	2011 RM'000
Property, plant and equipment		
Authorised but not contracted for	23,620	2,550
Contracted but not provided for	1,574	6,629
	25,194	9,179

(b) Operating lease commitments

The future minimum lease payments under non-cancellable leases are as follows :

	2012 RM'000	2011 RM'000
Less than one year	5	8
Between one and five years	19	—
	24	8

24. Operating segments

The Group is principally confined to the manufacture and sale of costume jewellery and consumer products on a direct sales basis which are principally carried out in Malaysia, Thailand, Indonesia and Singapore. The operations in Thailand are principally carried out by an associate of the Group. Accordingly, information by operating segments on the Group's operations as required by FRS 8 is not presented.

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of assets. The amounts of non-current assets do not include financial instruments (including investment in an associate) and deferred tax assets.

Geographical information

	Malaysia RM'000	Thailand RM'000	Indonesia RM'000	Singapore RM'000	Consolidated RM'000
2012					
Revenue	188,290	239,062	20,873	2,200	450,425
Non-current assets	131,370	—	5,875	8,091	145,336
2011					
Revenue	172,118	167,219	15,683	2,522	357,542
Non-current assets	123,722	—	6,537	8,171	138,430

Major customers

The following is major customer with revenue equal or more than 10% of the Group's total revenue :

	Revenue	
	2012 RM'000	2011 RM'000
Associate	239,062	167,219

25. Related parties

Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group or the Company if the Group or the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Group.

The Group has related party relationship with its significant investors, subsidiaries and associate, Directors and key management personnel.

Significant related party transactions

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions of the Group and the Company, other than key management personnel compensation (see Note 18), are as follows :

	Amount transacted for the year ended 30 November	
	2012 RM'000	2011 RM'000
Group		
Associate		
Sales	239,062	167,219
Company		
Subsidiaries		
Advances provided	35,039	8,914
Interest received and receivable	945	—

Significant related party balances are disclosed in Notes 10 and 15 to the financial statements.

26. Financial Instruments

26.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

- (a) Loans and receivables (L&R);
- (b) Available-for-sale financial assets (AFS); and
- (c) Financial liabilities measured at amortised cost (FL).

	Carrying amount RM'000	L & R / (FL) RM'000	AFS RM'000
2012			
Financial assets			
Group			
Other investments	7,039	—	7,039
Trade and other receivables	71,868	71,868	—
Cash and cash equivalents	137,683	137,683	—
	216,590	209,551	7,039
Company			
Other investments	7,039	—	7,039
Other receivables	64,003	64,003	—
Cash and cash equivalents	22,387	22,387	—
	93,429	86,390	7,039
Financial liabilities			
Group			
Trade and other payables	(67,107)	(67,107)	—
Company			
Other payables	(13,977)	(13,977)	—
2011			
Financial assets			
Group			
Other investments	6,451	—	6,451
Trade and other receivables	41,631	41,631	—
Cash and cash equivalents	127,703	127,703	—
	175,785	169,334	6,451
Company			
Other investments	6,451	—	6,451
Other receivables	11,021	11,021	—
Cash and cash equivalents	50,430	50,430	—
	67,902	61,451	6,451
Financial liabilities			
Group			
Trade and other payables	(45,273)	(45,273)	—
Company			
Other payables	(185)	(185)	—

26. Financial instruments (Continued)

26.2 Net gains and losses arising from financial instruments

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Net gains/(losses) arising on :				
Available-for-sale financial assets				
- recognised in other comprehensive income	290	(15)	290	(15)
- recognised in profit or loss	(10)	(751)	(10)	(751)
Loans and receivables (net)	146	(244)	—	—
	426	(1,010)	280	(766)

26.3 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

26.4 Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers and investment in debt securities. The Company's exposure to credit risk arises principally from advances to subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries.

Receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally security deposits are obtained, and credit evaluations are performed on customers required credit over a certain amount.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the statements of financial position.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than 90 days, which are deemed to have higher credit risk, are monitored individually.

Receivables amounting to RM65,840,000 (2011 : RM39,224,000) are partially secured by deposits received as disclosed in Note 15.1.

26. Financial instruments (Continued)

26.4 Credit risk (Continued)

Receivables (Continued)

Exposure to credit risk, credit quality and collateral (continued)

The exposure of credit risk for receivables as at the end of the reporting period by geographic region was :

	Group	
	2012 RM'000	2011 RM'000
Thailand	65,955	38,819
Indonesia	82	79
Malaysia	931	1,437
	66,968	40,335

Impairment losses

The ageing of receivables as at the end of the reporting period was:

	Gross RM'000	Individual impairment RM'000	Collective impairment RM'000	Net RM'000
Group				
2012				
Not past due	64,977	—	—	64,977
Past due 1 - 30 days	1,742	—	—	1,742
Past due 31 - 120 days	105	—	—	105
Past due more than 120 days	298	(154)	—	144
	67,122	(154)	—	66,968
2011				
Not past due	39,429	—	—	39,429
Past due 1 - 30 days	874	—	—	874
Past due 31 - 120 days	28	—	—	28
Past due more than 120 days	304	(300)	—	4
	40,635	(300)	—	40,335

The movements in the allowance for impairment losses of trade receivables during the financial year were :

	Group	
	2012 RM'000	2011 RM'000
At 1 December	300	56
Impairment loss recognised	—	251
Impairment loss reversed	(146)	(7)
At 30 November	154	300

The allowance account in respect of trade receivables is used to record impairment losses. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

26. Financial instruments (Continued)

26.4 Credit risk (Continued)

Investments and other financial assets

Risk management objectives, policies and processes for managing the risk

Investments are allowed only in liquid securities and only with counterparties that have a credit rating equal to or better than the Group.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the Group has only invested in domestic securities. The maximum exposure to credit risk is represented by the carrying amounts in the statements of financial position.

In view of the sound credit rating of counterparties, management does not expect any counterparty to fail to meet its obligations except for the impairment loss recognised in respect of quoted unit trusts below. The Group does not have overdue investments that have not been impaired.

The investments and other financial assets are unsecured.

Impairment losses

An impairment loss in respect of unsecured quoted unit trusts of the Group and the Company of RM9,818 (2011 : RM751,627) was recognised during the financial year owing to significant diminution in value.

The movements in the allowance for impairment loss during the financial year were :

	Group and Company	
	2012 RM'000	2011 RM'000
At 1 December	2,551	1,800
Impairment loss recognised	10	751
At 30 November	2,561	2,551

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM1.3 million (2011 : RM1.6 million) representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

26. Financial instruments (Continued)

26.4 Credit risk (Continued)

Inter company advances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured advances to subsidiaries. The Company monitors the results of the subsidiaries regularly.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Impairment losses

As at the end of the reporting period, there was no indication that the advances to subsidiaries are not recoverable. The Company does not specifically monitor the ageing of the advances to subsidiaries. Nevertheless, these advances are repayable on demand.

26.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables.

The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

26. Financial instruments (Continued)

26.5 Liquidity risk (Continued)

Maturity analysis

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
Group							
2012							
<i>Non-derivative financial liabilities</i>							
Trade and other payables	67,107	—	67,107	67,107	—	—	—
Company							
2012							
<i>Non-derivative financial liabilities</i>							
Other payables	13,977	—	13,977	13,977	—	—	—
Group							
2011							
<i>Non-derivative financial liabilities</i>							
Trade and other payables	45,273	—	45,273	45,273	—	—	—
Company							
2011							
<i>Non-derivative financial liabilities</i>							
Other payables	185	—	185	185	—	—	—

26. Financial instruments (Continued)

26.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices will affect the Group's financial position or cash flows.

26.6.1 Currency risk

The Group is exposed to foreign currency risk on sales, purchases and dividend income that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily US Dollar ("USD"), Singapore Dollar ("SGD"), Brunei Dollar ("BND"), Australian Dollar ("AUD") and EURO ("EUR").

Exposure to foreign currency risk

The Group's exposure to foreign currency (a currency which is other than the currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period was :

	Denominated in				
	USD RM'000	SGD RM'000	BND RM'000	AUD RM'000	EUR RM'000
Group 2012					
Trade and other receivables	65,955	2	—	—	—
Cash and cash equivalents	6,187	53	18	19	1,173
Trade and other payables	(32)	(19)	—	—	—
Net exposure	72,110	36	18	19	1,173
2011					
Trade and other receivables	38,819	1	—	—	—
Cash and cash equivalents	3,758	27	18	1,555	—
Trade and other payables	(34)	(3)	—	—	—
Net exposure	42,543	25	18	1,555	—

Currency risk sensitivity analysis

A 10% (2011 : 10%) strengthening of the RM against the following currencies at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rates, that the Group considered to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

	Profit or loss RM'000
Group 2012	
USD	(5,324)
SGD	(3)
BND	(1)
AUD	(1)
EUR	(88)
Group 2011	
USD	(3,105)
SGD	(2)
BND	(1)
AUD	(117)

26. Financial instruments (Continued)

26.6 Market risk (Continued)

26.6.1 Currency risk (Continued)

Currency risk sensitivity analysis (Continued)

A 10% (2011 : 10%) weakening of RM against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

26.6.2 Interest rate risk

Investments in equity securities and short term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

The Group's interest earning financial assets are mainly short term in nature and are mostly placed in short term deposits and advances to its subsidiaries.

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was :

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Fixed rate instruments				
Financial assets				
- amount due from subsidiaries	—	—	21,462	—
- short term deposits	116,492	47,919	22,001	5,404
- cash at banks	13,080	64,956	382	44,983
	129,572	112,875	43,845	50,387

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

26.6.3 Other price risk

Equity price risk arises from the Group's investments in equity securities.

Risk management objectives, policies and processes for managing the risk

Management of the Group monitors the equity investments on a portfolio basis. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Group Executive Directors, as appropriate.

Equity price risk sensitivity analysis

This analysis assumes that all other variables remain constant and the Group's equity investments moved in correlation with the FTSE Bursa Malaysia KLCI ("FBMKLCI").

A 10% (2011 : 10%) strengthening in FBMKLCI at the end of the reporting period would have increased equity by RM528,000 (2011 : RM484,000). A 10% (2011 : 10%) weakening in FBMKLCI index would have had equal but opposite effect on equity.

26. Financial instruments (Continued)

26.7 Fair value of financial instruments

The carrying amounts of cash and cash equivalents, short term receivables and payables approximate fair values due to the relatively short term nature of these financial instruments.

The fair values of other financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows :

	2012		2011	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
Group and Company				
Quoted unit trusts	7,039	7,039	6,451	6,451

The following summarises the methods used in determining the fair value of financial instruments reflected in the above table.

Investment in equity securities

The fair values of financial assets that are quoted in an active market are determined by reference to their quoted closing bid price at the end of the reporting period.

27. Capital management

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholders' returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected strategic investment opportunities. The Group adopts a formal dividend policy to distribute at least 60% of the Group's net profit to owners of the Company after taking into consideration the following factors and the financial position of the Group in recommending and determining the level of dividend payments, if any, in any particular financial year or period :

- the Group's level of cash, gearing, return on equity and retained earnings;
- the Group's projected level of capital expenditure;
- the Group's investment plans; and
- the Group's working capital requirements.

The Group does not have any bank borrowings during the financial year ended 30 November 2012.

There were no changes in the Group's approach to capital management during the financial year.

28. Subsequent event

Subsequent to the end of the financial year, the Group entered into a Sale and Purchase Agreement on 7 January 2013 to purchase a property at a total cash consideration of RM17.5 million. The acquisition is yet to be completed.

29. Supplementary information on the breakdown of realised and unrealised profits or losses

The breakdown of the retained earnings of the Group and of the Company as at 30 November 2012, into realised and unrealised profits, pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements, are as follows :

	2012		2011	
	Group RM'000	Company RM'000	Group RM'000	Company RM'000
Total retained earnings of the Company and its subsidiaries :				
- Realised	261,308	31,114	225,682	15,157
- Unrealised	(5,141)	—	(2,873)	—
	256,167	31,114	222,809	15,157
Total share of retained earnings of an associate				
- Realised	89,292	—	62,166	—
- Unrealised	173	—	(389)	—
	89,465	—	61,777	—
	345,632	31,114	284,586	15,157
Less : Consolidation adjustments	(121,618)	—	(122,469)	—
Total retained earnings	224,014	31,114	162,117	15,157

The determination of realised and unrealised profits is based on the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

STATEMENT BY DIRECTORS

Pursuant To Section 169(15) Of The Companies Act, 1965

In the opinion of the Directors, the financial statements set out on pages 58 to 108 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 November 2012 and of their financial performance and cash flows for the financial year then ended.

In the opinion of the Directors, the information set out in Note 29 on page 109 to the financial statements has been compiled in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants, and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors :

.....
Teoh Beng Seng

.....
Teoh Meng Keat

Penang,

Date : 27 March 2013

STATUTORY DECLARATION

Pursuant To Section 169(16) Of The Companies Act, 1965

I, **Teoh Beng Seng**, the Director primarily responsible for the financial management of Zhulian Corporation Berhad, do solemnly and sincerely declare that the financial statements set out on pages 58 to 109 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed at Georgetown in the State of Penang on 27 March 2013.

.....
Teoh Beng Seng

Before me :

Goh Suan Bee
(No. P125)
Commissioner for Oaths
Penang

INDEPENDENT AUDITORS' REPORT

To The Members Of ZHULIAN CORPORATION BERHAD
(Company No. 415527-P)
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of Zhulian Corporation Berhad, which comprise the statements of financial position as at 30 November 2012 of the Group and of the Company, and the statements of comprehensive income, changes in equity and cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 58 to 108.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as of 30 November 2012 and of their financial performance and cash flows for the year then ended in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- b) We have considered the accounts and the auditors' report of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 5 to the financial statements.
- c) We are satisfied that the accounts of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- d) The audit reports of the accounts of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Reporting Responsibilities

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The information set out in Note 29 on page 109 to the financial statements has been compiled by the Company as required by the Bursa Malaysia Securities Berhad Listing Requirements and is not required by the Financial Reporting Standards in Malaysia. We have extended our audit procedures to report on the process of compilation of such information. In our opinion, the information has been properly compiled, in all material respects, in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants, and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG
AF 0758
Chartered Accountants

Lee Kean Teong
1857/02/14 (J)
Chartered Accountant

Date : 27 March 2013

Penang



**OTHER
INFORMATION**

**SOLID
FUNDAMENTALS
FOR
SUSTAINABLE
GROWTH**



LIST OF PROPERTIES

Location	Description/ Existing use	(i) Land area (ii) Built-up area (m ²)	Tenure	Approximate age of building (years)	Carrying amounts at 30 Nov 2012 (RM'000)	Date of Acquisition
Plot 42, Bayan Lepas Industrial Estate, Phase IV, 11900 Penang.	The property comprises a parcel of industrial land and a 4-storey factory and office	(i) 0.8304 hectares (2.052 acres) (ii) 15,212.90 sq. metres	Leasehold (60 years expiring 2 Feb 2055)	14	17,145	10/03/1994
Plot 41, Bayan Lepas Industrial Estate, Phase IV, 11900 Penang.	The property comprises a parcel of industrial land and a 3-storey factory and office	(i) 0.8659 hectares (2.140 acres) (ii) 12,609.72 sq. metres	Leasehold (60 years expiring 30 Dec 2053)	16	22,138	27/02/1993
Unit 26-B and 26-C, Jalan Tun Dr Awang, Sungai Nibong Kecil, 11900 Bayan Lepas, Penang.	Two commercial units located on 2 nd and 3 rd floor of a 4½ -storey complex	(i) n/a (ii) 100.614 sq. metres on each floor	Freehold shoplot	19	343	27/12/1994
Lot 2428-2584, 2587-2589, 2592-2593, Keladi, Bandar Kulim, Daerah Kulim. (Formerly known as Geran No. HSM861 to HSM1022 and No. Lot PT5081 to PT5244)	Development land (a)	(i) 28,918 sq. metres (ii) n/a	Freehold	n/a	6,092	13/03/1996
Plot 3, Bayan Lepas Free Industrial Zone, Phase IV, 11900 Penang.	3 storey factory building	(i) 4.314 acres (17,458 sq. metres) (ii) 23,089.10 sq. metres	Leasehold (60 years expiring 29 May 2051)	5	33,708	25/07/2005
5, Jalan Masjid, #01-09, Kembangan Court, Singapore 418924.	Residential with commercial at 1 Storey only	(i) n/a (ii) 410 sq. metres	Freehold	17	5,903	14/11/2006
5, Jalan Masjid, #01-08, Kembangan Court, Singapore 418924.	Residential with commercial at 1 Storey only	(i) n/a (ii) 123 sq. metres	Freehold	17	2,148	14/12/2006
Blok C1, Pasirgombang Cikarang Utara Bekasi, Jawa Barat Indonesia	Construct office building and warehouse in future (a)	(i) 25,000 sq. metres (ii) n/a	Leasehold (30 years expiring 24 Sep 2027)	n/a	3,705	10/09/2009
58D, Lintang Bayan Lepas, Bayan Lepas Industrial Park, Phase IV, 11900 Bayan Lepas, Pulau Pinang.	Industrial land (a)	(i) 16,244 sq. metres	Leasehold (60 years expiring 18 Oct 2055)	n/a	10,273	29/07/2010

Notes:

(a) These properties are currently vacant.

REGIONAL OFFICES, DISTRIBUTION CENTRES & DISTRICT AGENTS (As At 8 March 2013)

Regional Offices

Country	Company	Address	Tel	Fax
THAILAND	ZHULIAN (THAILAND) LTD. *	88 Moo 9, Bangbuathong – Supanburi Road, Tambol La-Han, Ampure Bangbuathong, Nontaburi 11110, Thailand.	662-9833984	662-9833916 662-9833917 662-9833918
INDONESIA	PT. ZHULIAN INDONESIA	Plaza Chase Lt.9, Jl. Jend. Sudirman Kav.21, Jakarta 12920 Indonesia.	6221-5229988	6221-5208271 6221-5208131
SINGAPORE	ZHULIAN (SINGAPORE) PTE. LTD.	5 Jalan Masjid, #01-08/09, Kembangan Court, Singapore 418924	65-6846 8848	65-6846 8844

* Our associated company.

Distribution Centres

Location	Distribution Centre	Address	Tel	Fax
KOTA KINABALU	Kota Kinabalu Warehouse	M-9, Lot 116, Block M, Ground Floor, Alamesra Plaza Permai, Jalan Sulaiman, Kuala Menggatal, 88400 Kota Kinabalu, Sabah.	088-484930	088-484920
KUCHING	Kuching Warehouse	Lot 28, No. 471 Lorong Stutong 9, Jalan Stutong, 93350 Kuching, Sarawak.	082-463946	082-463593

District Agents

Penang

Location	Authorised Agent(s)	Address	Tel	Fax
PENANG (PNG)	ROSNA BT YUSOFF SITI HAWA BT MAD ISA	No. 108-B, 2nd Floor, Jalan Tan Sri Teh Ewe Lim, 11600 Penang.	04-2822973 016-4160236	04-2828972
BAYAN BARU (BBA)	JOHNNY LIM ENG CHENG	No. 54, 1st Floor, Jalan Tengah, Taman Sri Tunas, Bayan Baru, 11950 Penang.	04-6413615 012-4083341	04-6413615
BUTTERWORTH (BWB)	ALEX LOOI SWEE LIN CHOW POH KAM LOOI KHAI YUEN	No. 7229, Jin Pematang Pauh, Taman Bagan, 13400 Butterworth, Penang.	04-3323899 012-4087193	04-3323899
BERTAM (BTA)	MOHD RIDZUAN BIN GHASALI RUHIZA BT ABDULLAH	No.79, Jalan Dagangan 4, Pusat Bandar Bertam Perdana 1, 13200 Kepala Batas, Penang.	04-5783124 04-5783123 019-4779473 019-4529473	04-5783122
BUKIT MERTAJAM (BMC)	SEAH BOON CHIN	No. 9, Lorong Perda Utama 7, Bandar Perda, 14000 Bukit Mertajam, Penang.	04-5383219 019-5752219	04-5395219
SIMPANG AMPAT (SPS)	ALEX LOOI SWEE LIN CHOW POH KAM LOOI KHAI YUEN	No. 83, Lorong Tasek Mutiara 1/SS2, Bandar Tasek Mutiara, 14120 Simpang Ampat, Penang.	04-5021998 012-4087193 012-5896072	04-5021998

Perlis

KANGAR (KGA)	FOO YAU GEEM LOOI KONG YOKE	No. 69, Jalan Kangar - Alor Setar, Taman Pertiwi, 01000 Kangar, Perlis Indera Kayangan.	04-9777269 016-3303578	04-9777269
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District Agents

Kedah

Location	Authorised Agent(s)	Address	Tel	Fax
SUNGAI PETANI (SPT)	FOO YAU GEEM LOOI KONG YOKE	23-A, Ground & 1st Floor, Jalan Pahlawan, Taman Lagenda Indah, 08000 Sungai Petani, Kedah Darul Aman.	04-4223319 012-4949300	04-4223319
KULIM (KUB)	KEE AH BA	No. 15, Jalan Kempas 1, Taman Kempas Indah, 09000 Kulim, Kedah Darul Aman.	04-4918466 012-4841960	04-4918466
BALING (BLI)	HOR KEK BOON	No. 8, Jalan Liku, 09100 Baling, Kedah Darul Aman.	04-4707392 019-5975998 016-4907392	04-4707392
ALOR SETAR (AST)	UMMI WARDIAH @ WAHIDA BT ABDELLAH	No. 32, Jln Shahab 6, Kompleks Shahab Perdana, Lebuhraya Sultanah Bahiyah, 05350 Alor Setar, Kedah Darul Aman.	04-7346899 013-2645899	04-7346899
GUAR CEMPEDAK (GCA)	IBRAHIM BIN ISMAIL	No.35, Taman Chempedak Indah, Bandar Guar Chempedak, 08800 Gurun, Kedah Darul Aman	018-6719426	018-6719456
JITRA (KNA)	ONG CHING SOO TEH KIM LOOI	No. 83, Taman Ihsan, 06000 Jitra, Kedah Darul Aman.	04-9183888 019-4167766 016-5247766 012-4291672	04-9183883
KUALA KETIL (KTA)	LER LIAN HENG	No. 20 A-B Bangunan PKNK (sebelah Pasaraya Mutiara), Jalan Baling, 09300 Kuala Ketil, Kedah Darul Aman.	04-4160390 019-5575496 016-7855237	04-4160390
LANGKAWI (LKB)	ROZITA BT SABRI	No. 66 Bandar Baru Baron, 07000 MK.Kuah, Langkawi, Kedah Darul Aman.	04-9660439 013-4428878	04-9660439
POKOK SENA (PKS)	TEH BAK CHUI ONG CHING SOO	No. 7 Taman Angsana, Pokok Sena, 06400 Kedah Darul Aman.	04-7822231 016-5247766	04-7822231

Perak

IPOH (IPA)	SHAIDAH FARWIN BT ARSHAD SHARIFAH SALWAH BT MOHD JIPLUS	No. 10, Jalan Mas 1, Taman Mas, Falim, 30200 Ipoh, Perak Darul Ridzuan.	05-2816401 019-5176112	05-2816401
SIMPANG PULAI (SPP)	SONIA KHOR MUI NGEE FRANKIE WOO KOK WAH	No. 38, Persiaran Pulau Timor 8, Taman Chandan Desa, 31300 Spg. Pulau, Perak Darul Ridzuan.	05-3577511 012-5039889	05-3577511
SITIAWAN (SWN)	LAU SHENG MING WONG YEAK MEI	127, Pusat Perniagaan Sri Manjung, 32040 Bandar Sri Manjung, Sitiawan, Perak Darul Ridzuan.	05-6889828 016-4198899	05-6881899
PARIT BUNTAR (PBA)	KEE AH BA	No. 3, Jalan Shahbandar, Pusat Bandar, 34200 Parit Buntar, Perak Darul Ridzuan.	05-7165952 012-4841960 012-4210690	05-7165952
TAIPING (TPI)	FRANKIE WOO KOK WAH MOHD NOOR BIN ZAINUDDIN SONIA KHOR MUI NGEE SANIAH BT MOHAMED MOHAMMAD ADAM WOO BIN ABDULLAH	No. 63, Jln Taman Kamunting Maju, Medan Saujana Kamunting, 34600 Kamunting, Perak Darul Ridzuan.	05-8082550 012-5039889 012-5175707 016-5515355	05-8082550
KUALA KANGSAR (KKS)	SURAIYA BT SHAHARUDDIN OTHMAN BIN HJ NOH	No. 7A, Tingkat 1, Persiaran Taiping 1, Jalan Taiping, 33000 Kuala Kangsar, Perak Darul Ridzuan.	05-7775239 016-5209366	05-7776125
BAGAN SERAI (BGS)	RAHAINE BT BASRAN	No. 20, Tingkat 1, Jalan Harmoni, Pusat Bandar, 34300 Bagan Serai, Perak Darul Ridzuan.	05-7217820 012-5126739	05-7217820
GERIK (GRA)	SITI A'JAM BT HARUN	Lot 8292, Jalan Air Suda Bahagia, Jalan Taman Intan, 33300 Gerik, Perak Darul Ridzuan.	05-7921009 019-4406377	05-7921009

District Agents

Perak

Location	Authorised Agent(s)	Address	Tel	Fax
TG. MALIM (TJA)	CHE'MAH BT ADAM RAMLAH BT ADAM FATIMAH NOOR BT ZAINAL ABIDIN	No. 18, Atas, Jalan Wangsa Jaya, Taman Wangsa Jaya, 35900 Tanjung Malim, Perak Darul Ridzuan.	05-4583303 019-4466355	05-4583303
TELUK INTAN (TTB)	ZAKIAH BT YAHYA LAU SHENG MING	No.8B, Lorong 1, Taman Mewah, 36000 Teluk Intan, Perak Darul Ridzuan.	05-6215952 019-5757336	05-6227453

Wilayah Persekutuan

BANDAR TASIK SELATAN (SRA)	AMRAN BIN MOHAMMAD YATIM ZALIZAN BT YA'ACOB	23-1, Jalan 8/146, Bandar Tasik Selatan, 57000 Kuala Lumpur, Wilayah Persekutuan.	03-90576293 016-2073711	03-90576293
BANDAR TUN RAZAK (BTR)	ISMAIL BIN HASSAN TAN PUAY LENG	No. 57-1, Jalan Dwitasik 2, Dataran Dwitasik, Bandar Sri Permaisuri, 56000 Kuala Lumpur, Wilayah Persekutuan.	03-91737616 019-3363838	03-91737617
SETAPAK (SPA)	ROSLINA BT SAMAT	No.10-2, Jalan Rampai Niaga 1, Rampai Business Park, 53300 Kuala Lumpur, Wilayah Persekutuan.	03-41431545 019-3803659	03-41431545

Selangor

SUNGAI BULOH (KPA)	SAKINAH BT SALLEH ALWI BIN MOHD YUNUS	No. 21, Jalan Bidara 10, Saujana Utama, 47000 Sungai Buloh, Selangor Darul Ehsan.	03-60386848 019-3353648	03-60386848
KLANG (KLD)	AISHAH BT MOHAMED	No. 13-01-1, Lorong Batu Nilam 1A, Bandar Bukit Tinggi, 41200 Klang, Selangor Darul Ehsan.	03-33180013 019-5735786	03-33237961
SUNGAI BESAR (SGB)	HAMIDIN BIN SAIRI	No. 6, PT 1476, Jalan SBBC 4, Sg Besar Business Centre, 45300 Selangor Darul Ehsan.	03-32243413 019-5642332 016-5262332	03-32245958
AMPANG (AMG)	DING MOY NGUK DING TING SENG	No. 4A & 4B, Pusat Komersial Ara Ampang, Jalan Ampang, 68000 Ampang, Selangor Darul Ehsan.	03-42513668 03-42510668 012-3938112 012-3828112	03-42531668
SHAH ALAM (SAA)	DAVID LEE THIAM SENG TAN SAY	No.9, Jalan Tukul N15/N, Seksyen 15, 40200 Shah Alam, Selangor Darul Ehsan.	03-55235505 03-55238722 012-2248722	03-55107841
BANTING (BNA)	AZMI BIN ABDUL MANAF	B-30-1, Tingkat 1, Jalan Bunga Pekan 9, Pusat Perniagaan Banting Uptown, 42700 Banting, Selangor Darul Ehsan.	03-31812253 013-3951552 019-2743953	03-31812253
SUBANG JAYA (SJA)	DARMA TA'SIAH BT ISMAIL	No.35 (First Floor), Jalan USJ 10/1G, Taipan 47600 Subang Jaya, Selangor Darul Ehsan.	012-3207648 012-5068939	03-56387719
PETALING JAYA (PJU)	AHMAD RAZALI BIN MUSTAFFA RAMLAH BT ABU BAKAR	No. 11&13, Jalan PJU 5/9, Dataran Sunway, Kota Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan.	03-61408134 03-61408135	03-61408154
SELAYANG (SLA)	SANIAH BT SAYUTI RAHMAH BT ABDUL	No.1-1, Jalan Dataran Selayang 1, 68100 Batu Caves, Selangor Darul Ehsan.	03-61857494	03-61857490
RINCHING (RCH)	MAFUZAH BT ZAKARIA AHMAD NADZERY RIZAL BIN ABD. KADIR	41-1, Jalan TPS 1/6, Taman Pelangi Semenyih, 43500 Rinching, Selangor Darul Ehsan.	03-87234529 019-6643448	03-87234529
KAJANG (KJA)	TEOH SENG LOCK CHONG KIOOK HEONG	C-12A-GB, Jalan Prima Saujana 2/B, Seksyen 2, Taman Prima Saujana, 43000 Kajang, Selangor Darul Ehsan.	03-87379878 012-2169878 012-3229878	03-87396248
RAWANG (RWC)	ROZAIDA BINTI ABDUL MALEK MOHD BIN ABAS	No. 83, Jalan Bandar Rawang 2, Pusat Bandar Rawang, 48000 Selangor Darul Ehsan.	03-60910085 012-3197059	03-60910085

District Agents

Selangor

Location	Authorised Agent(s)	Address	Tel	Fax
KUALA SELANGOR (KSA)	SANIAH BT SAYUTI ANIZAH BT SYED ALWEE	21, Jalan Raja Lumu, Bandar Kuala Selangor, 45000 Kuala Selangor, Selangor Darul Ehsan.	03-32896036 019-7285626	03-32896027
PUCHONG (PCB)	LIM SIONG SUM LIM SIONG TECK	No. 3-1, Jalan Puteri 2/6, Bandar Puteri, 47100 Puchong, Selangor Darul Ehsan.	03-80631216 012-3295218	03-80631216
SERI KEMBANGAN (BSR)	IR. ANIS BIN MD. SALLEH	No. 3, Jalan Putra Permai 5/8, Putra Permai, 43300 Seri Kembangan, Selangor Darul Ehsan.	03-89582265 012-3352912	03-89592264
BANDAR BARU (BGB)	AZMAH BT YAHAYA	2-1-1, Jalan Medan Pusat Bandar 4A, Pusat Bandar, 43650 Bandar Baru Bangi, Selangor Darul Ehsan.	03-89201594 013-6680735 012-3668474	03-89201594

Negeri Sembilan

SENAWANG (NLB)	SITI NORBAYA BT ABD. KADIR	No. 222 Tingkat 1, Jalan Lavender Height 2, Senawang, 70450 Seremban Negeri Sembilan.	06-6751087 019-2246271	06-6751087
PORT DICKSON (PDC)	NORAZIMAH BT MOHAMAD	Lot G 4, Bangunan Arked D'Mara, 71000 Port Dickson, Negeri Sembilan.	06-6463677 013-6219749	06-6463677
BAHAU (BHA)	ZARINA BT ZAINUDIN	No. 15, Tingkat 1, Jalan Mahligai, 72100 Bahau, Negeri Sembilan.	06-4540562 012-2083660	06-4540562

Melaka

MASJID TANAH (MJT)	GAN CHIN KEONG	MT 1408, Pusat Perdagangan Masjid Tanah, 78300 Masjid Tanah, Melaka.	06-3848128 016-5207128	06-3848127
AYER KEROH (AKY)	ZAIDAH BT YET	No. 152, 152-1, Jalan TU 2, Taman Tasik Utama, Ayer Keroh, 75450 Melaka.	06-2322887 012-6117495	06-2320326
BATU BERENDAM (BBM)	DR. ROSNANI BT SABTU MOHD AFIQ BIN MOHD YAZID	No. 17 & 17-1, Jalan Mutiara Melaka 5, Taman Mutiara Melaka, 75350 Batu Berendam, Melaka.	06-3178607 012-6239447	06-3178609
JASIN (JSN)	DATIN NIK JUNAINAH BT JAAFAR	JB 8794 & JB 8795, Jalan BH1, Taman Bemban Heights Fasa 1, Bemban, 77200 Jasin, Melaka.	06-5219272 019-7177272	06-5210272

Johor

BATU PAHAT (BPH)	TAN TIONG WI @ TAN TIONG HUI LIM CHWEE CHOO TAN CHIAT MING	No. 16, Jalan Rotan Cucur, Taman Sri Jaya, 83000 Batu Pahat, Johor Darul Takzim.	07-4334331 07-4337331 012-7079385	07-4338331
JOHOR BAHRU (JHA)	ROZANA BT ABDUL RAHIM AZAHARI BIN BAHARUM	No. 12, Jalan Suria 19, Taman Suria, 81100 Johor Bahru, Johor Darul Takzim.	07-3322020 07-3340958 019-7252257 019-7252262	07-3323020
KLUANG (KLG)	LOW BOK LUAN	No.21A, Tingkat Bawah Jalan Sultanah, 86000 Kluang, Johor Darul Takzim.	07-7712829 07-7738899 012-7878899	07-7712829
KOTA TINGGI (KTI)	CHIA CHENG MING	No. 3-G, Jalan Abdullah, 81900 Kota Tinggi, Johor Darul Takzim.	07-8834933 019-7765799	07-8834933
MUAR (TKA)	SIMON TEW KAM HOCK	No. 37, Jalan Pesta 1-2, Taman Tun Dr Ismail-1, 84000 Muar, Johor Darul Takzim.	06-9547996 012-6237996 012-6287996	06-9547996

District Agents

Johor

Location	Authorised Agent(s)	Address	Tel	Fax
KULAI (JAH)	NUR SARAH BT AZIZUL PUA YEE LING YAP HING LENG	No. 39, Jalan Kenanga 29/3, Bandar Indahpura, 81000 Kulai, Johor Darul Takzim.	07-6626633 013-7098899	07-6626633 07-6625579
SKUDAI (SKA)	JAMALIAH BT ESA JAMILAH BT MOHAMMAD	No. 6 & 7, Jalan Pendidikan 3, Taman Universiti, 81300 Skudai, Johor Darul Takzim.	07-5206255 019-7788848	07-5206355
SEGAMAT (SMT)	NGOI MEE CHIN TAN KIAN SAI	No. 1, Jalan Nagasari 14, Bandar Segamat Baru, 85000 Segamat, Johor Darul Takzim.	07-9437008 07-9437168 019-7587289	07-9437168
PONTIAN (PTA)	AZARI BIN A GHANI	No. 53, Aras Bawah PTB 12820, Bangunan Baitulmal, Jalan Delima, Pusat Perdagangan Baru, 82000 Pontian, Johor Darul Takzim.	07-6868076 019-7004070 013-7704388	07-6868086
MASAI (MSD)	NORLIN BT AHMAD	No. 7G, Jalan Suria 7, Bandar Seri Alam, 81750 Masai, Johor Darul Takzim.	07-2529535 012-7035307	07-2529535
BANDAR AYER HITAM (MGA)	NORMAHADIAH BT ARSAD	No. 4, Jalan Medah Utama, Taman Medah, 86100 Ayer Hitam, Johor Darul Takzim.	07-7583819 013-7443493 019-7586234	07-7583819
LEDANG (LED)	WANOHAY BT SAMSI	No. 8, Tingkat Bawah, Pusat Perniagaan Naib Long, Jalan Naib Long, Tangkak, 84900 Ledang, Johor Darul Takzim.	06-9789039 019-6863408	06-9789039

Kelantan

PASIR TUMBOH (PSA)	WAN AHMAD BIN WAN IDRIS LONG HABSAH BT ISMAIL	PT 904, Desa Darul Naim, Pasir Tumboh, 16150 Kota Bharu, Kelantan Darul Naim.	09-7656588 013-9805020 016-9236937	09-7647588
TANAH MERAH (TMA)	CHE RUHANA BT CHE MOHD AMIN HANUN FATINI BT RASDI	PT 4953 Taman Kota Harmoni, Jalan Chempaka Merah, 17500 Tanah Merah, Kelantan Darul Naim.	09-9550461 019-9390173	09-9550461
KOTA BHARU (KBB)	HAMIAH BT WAN OMAR CHE SUHAIMI BIN CHE HAMID	Lot 223, Tingkat Bawah Sek.24, Jalan Sultan Yahya Petra, 15200 Kota Bharu, Kelantan Darul Naim.	09-7486866 017-9812102	09-7487866
GUA MUSANG (GMG)	SETURA BT ABDUL MANAF	PT 8379 (Tingkat Bawah), Taman Wangsa Mewangi, Jalan Persiaran Raya, 18300 Gua Musang, Kelantan Darul Naim.	09-9122337 019-9475127	09-9122337
PASIR MAS (PMC)	FUDZIAH BINTI A. HALIM	650 Taman Masjaya Lati 17000 Pasir Mas Kelantan Darul Naim.	09-7916095 017-9170578	09-7916095

Terengganu

KUALA TERENGGANU (KTR)	AS'ARI BIN OMAR	No. 51B, 1st Floor, Jalan Tok Lam, 20100 Kuala Terengganu, Terengganu Darul Iman.	09-6311868 013-9305776	09-6311868
JERTEH (JET)	CHE ROSNAH BT CHE HUSIN	Lot 371, Jalan Tangki Air, Taman Jerteh, 22000 Jerteh, Terengganu Darul Iman.	09-6974188 019-9130188	09-6974188
DUNGUN (DGA)	CHE ROSNAH BT CHE HUSIN	Lot 6519, Tingkat Atas, Batu 48, Jalan Dungun Paksa, 23000 Dungun, Terengganu Darul Iman.	09-8481928 09-8451928 019-9130188	09-8451928
SETIU (STA)	NOR IRDAWANI BT CHE RAZALI	Lot 7308, Bangunan PMINT, Kampung Guntong Luar, Bandar Permaisuri, Guntong, 22100 Setiu, Terengganu Darul Iman.	09-6097076 013-9997107	09-6097076

District Agents

Terengganu

Location	Authorised Agent(s)	Address	Tel	Fax
SEBERANG TAKIR (KLT)	NOZIMAH BT ABDULLAH HARIZAH BT MAJID	Lot PT20519K (B), Taman Permint Perdana, Hulu Takir, 21 300 Kuala Terengganu, Terengganu Darul Iman.	09-6660451 013-9347676	09-6660451
CHENDERING (CDB)	ROKIAH BT M KOYAKUTY NUR ROHAIDA BT CHI HASIN	2022-K Taman Permint Jaya, Fasa IV, Chendering, 21080 Kuala Terengganu, Terengganu Darul Iman.	09-6170221 09-6175602 012-9891848	09-6170221 09-6175602

Pahang

KUANTAN (MSB)	VICTOR KEOW WUN LIONG CHONG CHU HIONG	No. 94B, Jalan Wong Ah Jang, 25100 Kuantan, Pahang Darul Makmur.	09-5151388 019-9159967	09-5151488
PEKAN (PKB)	ZABEDAH BT ISMAIL	No. 3A, Pusat Komersial Pekan, Jalan Sultan Abu Bakar, 26600 Pekan, Pahang Darul Makmur.	09-4211020 013-9285448	09-4211021

Sarawak

TABUAN STUTONG (TSA)	DAVID LAM TAH WI NAH KHENG ANG	1st Floor, Lot 153, Jalan Haji Taha, 93400 Kuching, Sarawak.	082-232022 017-2200022	082-236022
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Sabah

TAWAU (TWB)	ARMINOH BT JAPAR	Lot 7, TB 4416, 1st Floor, Sabindo Square, Lorong Sabindo Baru, 91000 Tawau, Sabah.	089-759768 013-8868279 019-8134269	089-759768
LAHAD DATU (LDA)	CHEAH SOO SIANG @ APANG CHONG YIN TECK	MDLD 7055, Lot 307, Jln Silam, Bandar Sri Perdana, 91100 Lahad Datu, Sabah.	089-862898 019-8633918	089-862898
SANDAKAN (SDB)	SALASIAH BT MASBAKUN AZMINUDDIN BIN MOHD ISA	No. 1-46, Shopping Arcade Tyng Garden, Mile 6, 90000 Sandakan, Sabah.	089-668848 013-8562882	089-669848
KENINGAU (KNG)	KHALID BIN MOHD TAIB	Ground Floor, Fortune Shopping Lot 6, 89000 Keningau, Sabah.	087-330081 012-8109021 014-2802695	087-330082
INANAM (INA)	SITI HAJAR BT ABDUL RAHIM MOHD HARIDZ BIN ABDUL HAMID SITI RABIAH BINTI FRANS	Lot 10, Tingkat Bawah, Blok L, Lorong KK Taipian 3, Inanam 88450 Kota Kinabalu, Sabah.	088-380713 013-8818848	088-383712

ANALYSIS OF SHAREHOLDINGS

As At 15 MARCH 2013

AUTHORISED SHARE CAPITAL	:	RM500,000,000
ISSUED AND FULLY PAID-UP CAPITAL	:	RM230,000,000
CLASS OF SHARE	:	Ordinary shares of RM0.50 each fully paid
VOTING RIGHT	:	On a show of hands one vote for every shareholder On a poll one vote for every ordinary share held

DISTRIBUTION OF SHAREHOLDINGS AS AT 15 MARCH 2013

Size Of Holdings	Number of Shareholders	% of Shareholders	Number of Shares	% of Issued Share Capital
Less than 100	187	4.95	7,961	0.00
100 - 1,000	460	12.17	334,187	0.07
1,001 - 10,000	2121	56.13	9,176,176	2.00
10,001 - 100,000	850	22.49	25,400,158	5.52
100,001 - 22,999,999	157	4.15	109,495,183	23.80
23,000,000 - 460,000,000	4	0.11	315,586,335	68.61
TOTAL	3,779	100.00	460,000,000	100.00

DIRECTORS' SHAREHOLDINGS AS AT 15 MARCH 2013

No.	Name	Direct interest		Deemed interest	
		No. of Shares	%	No. of Shares	%
1	Haji Wan Mansoor Bin Wan Omar	13,333	0.00	—	—
2	Teoh Beng Seng	47,900,280	10.41	240,816,455*	52.35
3	Teoh Meng Keat	26,869,600	5.84	2,666,666*	0.58
4	Khoo Teng It	213,333	0.05	73,333*	0.02
5	Teoh Meng Lee	6,375,999	1.39	—	—
6	Teoh Meng Soon	6,306,666	1.37	—	—
7	Tan Lip Gay	20,000	0.00	—	—
8	Diong Chin Teck @ Tiong Chin Sang	33,333	0.01	—	—

* Deemed interested via Zhulian Holdings Sdn. Bhd. and The Best Source Holdings Pte. Ltd. pursuant to Section 6A of the Companies Act, 1965.

• These are shares held in the name of the spouse and are treated as interest of the Director as in accordance with Section 134(12)(c) of the Companies Act, 1965.

SUBSTANTIAL SHAREHOLDERS AS AT 15 MARCH 2013

No.	Name	Direct interest		Deemed interest	
		No. of Shares	%	No. of Shares	%
1	Teoh Beng Seng	47,900,280	10.41	240,816,455*	52.35
2	Teoh Meng Keat	26,869,600	5.84	—	—
3	The Best Source Holdings Pte. Ltd.	79,769,789	17.34	—	—
4	Zhulian Holdings Sdn. Bhd.	161,046,666	35.01	—	—

* Deemed interested via Zhulian Holdings Sdn. Bhd. and The Best Source Holdings Pte. Ltd. pursuant to Section 6A of the Companies Act, 1965.

THIRTY LARGEST SHAREHOLDERS AS AT 15 MARCH 2013

No.	Name	No. of Shares	% of Issued Share Capital
1	Zhulian Holdings Sdn. Bhd.	161,046,666	35.01
2	The Best Source Holdings Pte. Ltd.	79,769,789	17.34
3	Teoh Beng Seng	47,900,280	10.41
4	Teoh Meng Keat	26,869,600	5.84
5	Chong Siew Kam	16,697,000	3.63
6	Teoh Meng Soon	5,666,666	1.23
7	Teoh Meng Lee	5,666,666	1.23
8	Teoh Beng Chye	5,262,533	1.14
9	Yayasan Terengganu	3,466,178	0.75
10	A.A. Anthony Nominees (Tempatan) Sdn. Bhd. for Ahmad Razali Bin Mustaffa	3,333,333	0.73
11	HSBC Nominees (Asing) Sdn. Bhd. Exempt an for Morgan Stanley & Co. International Plc (IPB CLIENT ACCT)	2,998,400	0.65
12	Universal Trustee (Malaysia) Berhad CIMB Islamic Small Cap Fund	2,879,000	0.63
13	Khoo Lay Boon	2,666,666	0.58
14	P'ng Swee Guan	1,946,820	0.42
15	Maybank Nominees (Tempatan) Sdn. Bhd. Maybank Trustees Berhad for CIMB-Principal Small Cap Fund (240218)	1,704,000	0.37
16	Teoh Siew Hong	1,666,669	0.36
17	Teoh Siew Choo	1,666,666	0.36
18	Citigroup Nominees (Tempatan) Sdn. Bhd. Exempt an for American International Assurance Berhad	1,604,900	0.35
19	Mohd Munir Bin Abdul Majid	1,504,666	0.33
20	Ng Gaik Hua	1,400,000	0.30
21	Citigroup Nominees (Asing) Sdn. Bhd. Exempt an for Citibank NA (Charles Schwab)	1,368,200	0.30
22	Maybank Nominees (Tempatan) Sdn. Bhd. Maybank Trustees Berhad for MAAKL-CM Shariah Flexi Fund (270785)	1,365,000	0.30
23	SBB Nominees (Tempatan) Sdn. Bhd. Manulife Insurance (Malaysia) Berhad - (Equity Fund)	1,257,100	0.27
24	Khoor Ah Siew	1,224,000	0.27
25	SBB Nominees (Tempatan) Sdn. Bhd. Manulife Insurance (Malaysia) Berhad - (Managed Fund)	1,115,500	0.24
26	Woon Chuan Keong	1,068,000	0.23
27	HLB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Tawaria Sdn. Bhd.	1,012,300	0.22
28	Perbadanan Kemajuan Negeri Kedah	1,007,593	0.22
29	Yeap Chin Loon	1,000,000	0.22
30	Tang Chin Hong	1,000,000	0.22
		387,134,191	84.15

NOTICE OF SIXTEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Sixteenth Annual General Meeting of the Company will be held at Ballroom 1, Level 2, G Hotel, 168A, Persiaran Gurney, 10250 Penang on Wednesday, 8 May 2013 at 2.30 pm for the following purposes:-

AGENDA

AS ORDINARY BUSINESS :

1.	To receive the Audited Financial Statements for the year ended 30 November 2012 and Reports of the Directors and Auditors thereon.	
2.	To re-elect the following Directors retiring pursuant to Article 94 of the Company's Articles of Association: a. Tuan Haji Wan Mansoor bin Wan Omar b. Mr Teoh Meng Lee c. Mr Teoh Meng Soon	Ordinary Resolution 1 Ordinary Resolution 2 Ordinary Resolution 3
3.	To re-appoint Mr Diong Chin Teck, who retires pursuant to Section 129 of the Companies Act, 1965.	Ordinary Resolution 4
4.	To approve the payment of Directors' fees amounting to RM120,000 for the year ended 30 November 2012.	Ordinary Resolution 5
5.	To re-appoint Messrs KPMG as Auditors of the Company and to authorise the Directors to fix their remuneration.	Ordinary Resolution 6

AS SPECIAL BUSINESS :

To consider, and if thought fit, to pass the following resolutions with or without modifications:

6.	AUTHORITY TO ALLOT AND ISSUE SHARES BY DIRECTORS PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965 ("Act") "THAT pursuant to Section 132D of the Act, the Articles of Association of the Company and subject to the approval of all the relevant government and / or regulatory authorities, the Board of Directors of the Company be and are hereby authorised to issue and allot from time to time such number of ordinary shares of the Company upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, PROVIDED ALWAYS THAT the aggregate number of ordinary shares issued pursuant to this resolution does not exceed 10% of the total issued share capital of the Company for the time being AND THAT the Directors are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting ("AGM") of the Company or the expiration of the period within which the next AGM is required by law to be held or revoked / varied by resolution passed by the shareholders in general meeting whichever is the earlier."	Ordinary Resolution 7
7.	PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY "THAT alterations, modifications, additions and deletions to the Articles of Association of the Company as set out in Appendix I of the Annual Report 2012 be and are hereby approved."	Special Resolution
8.	To transact any other business of which due notice shall have been given.	

By Order of the Board

Tai Yit Chan (MAICSA 7009143)
Ong Tze-En (MAICSA 7026537)
Joint Company Secretaries
Penang, 16 April 2013

Notes :

Appointment of Proxy

1. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation and the provisions of Section 149(1)(b) of the Act shall not apply to the Company. Where a member appoints more than one (1) proxy the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
2. Where a Member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
3. Where a Member of the Company is an exempt authorised nominee which hold ordinary shares in the Company for multiple beneficial owner in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account its holds.

An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointor is a corporation, the proxy form must be executed under its Common Seal or under the hand of its attorney.
5. For the proxy to be valid, the proxy form duly completed must be deposited at the Company's Registered Office at Suite 2-1, 2nd Floor, Menara Penang Garden, 42-A Jalan Sultan Ahmad Shah, 10050 Penang, not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
6. For purpose of determining who shall be entitled to attend the Sixteenth AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Article 61(3) of the Articles of Association of the Company and Section 34(1) of SICDA to issue a General Meeting Record of Depositors ("ROD") as at 30 April 2013. Only a Depositor whose name appears on such ROD as at 30 April 2013 shall be entitled to attend this meeting or appoint proxy to attend and / or vote in his / her behalf.

Explanatory Notes on Ordinary Business:

1. Agenda 1 is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of shareholders of the Company and hence, Agenda 1 is not put forward for voting.
2. The proposed Ordinary Resolution 4, is in accordance with Section 129(6) of the Companies Act, 1965 which requires that a separate resolution be passed to re-appoint Mr Diong Chin Teck who is over 70 years of age as Director of the Company and to hold office until the conclusion of the next AGM of the Company. This resolution shall be effect if be passed by a majority of not less than three-fourth of such shareholders of the Company as being entitled to vote in person or where proxies are allowed, by proxy at the AGM of the Company.

Explanatory Note on Special Business:

1. The proposed Ordinary Resolution 7, is for the purpose of granting a renewed general mandate ("General Mandate") and if passed, will give authority to the Board of Directors to issued and allot ordinary shares from the unissued capital of the Company at any time in their absolute discretion and that such authority shall continue in force until the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held or revoked / varied by resolution passed by the shareholders in general meeting whichever is the earlier.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 9 May 2012 and which will lapse at the conclusion of the Sixteenth AGM.

This General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and / or acquisitions.

2. The proposed Special Resolution if passed, will allow the Company's Articles of Association to reflect the amendments made to Chapter 7 of the Main Market Listing Requirements of Bursa Securities.

Statement Accompanying Notice of Annual General Meeting

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Securities)

No individual is seeking election as a Director at the forthcoming Sixteenth AGM of the Company.

“APPENDIX I”

ZHULIAN CORPORATION BERHAD (415527-P)
SPECIAL RESOLUTION
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

THAT the Articles of Association of the Company be amended in the following manner:-

Article No.	Existing Articles		Amended Articles	
To amend Article 2	<u>Interpretation</u>		<u>Interpretation</u>	
	Words	Meaning	Words	Meaning
2 (e)	Central Depository	Bursa Malaysia Depository Sdn. Bhd.	Central Depository	Bursa Malaysia Depository Sdn. Bhd.
2 (h)	Deposited Security	a security in the Company as defined in Section 2 of the Central Depositories Act, standing to the credit of a Securities Account of a Depositor and includes security in a securities account that is in suspense subject to the provisions of Central Depositories Act, 1991 and the Rules	Deposited Security	a security standing to the credit of a securities account and includes securities in a securities account that is in suspense
2 (j)	Depositor	a holder of a securities account, as defined in Section 2 of the Central Depositories Act, in which there is a credit balance of securities in the Company	Depositor	a holder of a securities account established by the Depository
2 (k)	Exchange	Bursa Malaysia Securities Berhad or any stock exchange on which the securities of the Company are listed	Exchange	Bursa Malaysia Securities Berhad or any stock exchange on which the securities of the Company are listed
2 (l)	Market Day	any day between Mondays and Fridays which is not a market holiday or public holiday	Market Day	a day on which the stock market of the Exchange is open for trading in securities
2 (m)	member	includes a depositor who shall be treated as if he was a member pursuant to Section 35 of the Securities Industry (Central Depositories) Act but excludes the Central Depository in its capacity as a bare trustee unless otherwise expressed to the contrary	member	includes a depositor who will be treated as if he was a member pursuant to Section 35 of the Securities Industry (Central Depositories) Act 1991 but excludes the Central Depository in its capacity as a bare trustee unless otherwise expressed to the contrary
2 (o)	Record of Depositors	the record provided by the Central Depository to the Company or its registrar or its issuing house under Chapter 24.0 of the Rules	Record of Depositors	a record provided by the Depository to the Company under Chapter 24.0 of the Rules of the Depository
2 (p)	Rules	the Rules of the Central Depository or any statutory modification, amendment or re-enactment thereof for the time being	Rules of the Depository	the Rules of Bursa Malaysia Depository Sdn. Bhd., including any amendment that may be made from time to time

Article No.	Existing Articles		Amended Articles	
	<u>Interpretation</u>		<u>Interpretation</u>	
	Words	Meaning	Words	Meaning
2 (s)	securities	any debenture, note, stock, share and other form of convertible securities of the Company and includes any right or option in respect thereof and any interest in a unit trust scheme	securities	has the meaning given in section 2(1) of the CMSA
2 (t)	securities account	an account established by the Central Depository for a depositor for the recording of deposit of securities and for dealing in such securities by the depositor as permitted under the Central Depositories Act	securities account	an account established by Central Depository for a depositor for the recording of deposit of securities and for dealing in such securities by the depositor as permitted under the Central Depositories Act
	New definition	—	CMSA	Capital Markets and Services Act 2007
	New definition	—	cash distributions	Cash payments made by the Company in respect of its securities which are listed and quoted for trading on the Exchange, as prescribed by the Exchange from time to time which include – (a) cash dividends; (b) payments of interest or profit rates on debt securities or sukuk respectively; (c) income distributions made by collective investment schemes; (d) capital repayment; and (e) cash payments in lieu of odd lots arising from distribution in specie.
	New definition	—	Exempt Authorised Nominee	an authorised nominee define under the Central Depositories Act which is exempted from compliance with the provisions of subsection 25A(1) of Central Depositories Act
	New definition	—	Omnibus Account	Omnibus Account means securities account in which ordinary shares are held in the Company for multiple beneficial owners in one securities account
	New definition	—	Rules of the Exchange	the Rules of Bursa Malaysia Securities Berhad, including any amendment that may be made from time to time
	New definition	—	Share Issuance Scheme	means a scheme involving a new issuance of shares to the employees

Accordingly, the Article 2 shall be amended to read as follows:-

Words	Meaning
Act	means the Companies Act, 1965 and any statutory modification, amendment or re-enactment thereof for the time being in force
Articles	means these Articles of Association as originally framed or as altered from time to time by special resolution
Board	means the Board of Directors for the time being of the Company
cash distributions	means cash payments made by the Company in respect of its securities which are listed and quoted for trading on the Exchange, as prescribed by the Exchange from time to time which include – (a) cash dividends; (b) payments of interest or profit rates on debt securities or sukuk respectively; (c) income distributions made by collective investment schemes; (d) capital repayment; and (e) cash payments in lieu of odd lots arising from distribution in specie.
Central Depositories Act	means the Securities Industry (Central Depositories) Act 1991, and every statutory modification, amendment or re-enactment thereof for the time being in force
CMSA	means the Capital Markets and Services Act 2007
Company	means ZHULIAN CORPORATION BERHAD (Company No. 415527-P)
Deposited Security	means a security standing to the credit of a securities account and includes securities in a securities account that is in suspense
Depositor	means a holder of a securities account established by the Depository
Depository	means the Bursa Malaysia Depository Sdn. Bhd.
Director	means the Directors for the time being of the Company
Exchange	means the Bursa Malaysia Securities Berhad
Exempt Authorised Nominee	an authorised nominee define under the Central Depositories Act which is exempted from compliance with the provisions of subsection 25A(1) of Central Depositories Act
Market Day	means a day on which the stock market of the Exchange is open for trading in securities
member	includes a depositor who will be treated as if he was a member pursuant to Section 35 of the Securities Industry (Central Depositories) Act 1991 but excludes the Depository in its capacity as a bare trustee
Office	means the registered office for the time being of the Company
Omnibus Account	Omnibus Account means securities account in which ordinary shares are held in the Company for multiple beneficial owners in one securities account
Record of Depositors	means the record provided by the Depository to the Company under chapter 24.0 of the Rules of the Depository

Words	Meaning
Rules of the Depository	means the Rules of Bursa Malaysia Depository Sdn. Bhd., including any amendment that may be made from time to time
Rules of Exchange	means the Rules of Bursa Malaysia Securities Berhad, including any amendment that may be made from time to time
Seal	means the Common Seal of the Company
Secretary	means any person or persons appointed to perform the duties of the secretary of the Company and shall include a joint, temporary, assistant or deputy secretary
securities	has the meaning given in section 2(1) of the CMSA
securities account	means an account established by the Depository for a depositor for the recording of deposit of securities and for dealing in such securities by the depositor
Share Issuance Scheme	means a scheme involving a new issuance of shares to the employees
share seal	means the share seal of the Company
shares	means shares in the Company
<p>Reference to “writing” shall, unless the contrary intention appears, be construed as including references to printing, lithography, typewriting, photocopy, photography and other modes of representing or reproducing words in a visible form.</p> <p>Words including the singular only shall include the plural and the masculine gender shall include the feminine and neuter genders and the word “person” shall include a corporation.</p> <p>Subject as aforesaid words or expressions contained in these Articles shall be interpreted in accordance with the provisions of the Interpretation Act, 1967 as amended from time to time and any re-enactment thereof.</p> <p>The headings and marginal notes are inserted for convenience only and shall not affect the construction of these Articles.</p>	
<p><i>That all reference in the Company’s Articles of Association to the existing definitions wherever the same may appear shall be substituted with these new definitions.</i></p>	

Article No.	Existing Articles	Amended Articles
To amend Article 4(d)	<p><u>Issue of shares</u></p> <p>every issue of shares or options to employees and / or Directors shall be approved by the members in general meeting and for issuance of shares or options to Directors such approval shall specifically detail the number of shares or options to be issued to such Directors.</p>	<p><u>Issue of shares</u></p> <p>every issue of shares or options to employees and / or Directors and any participation in Share Issuance Scheme by Directors shall be approved by the members in general meeting and for issuance of shares or options to Directors such approval shall specifically detail the number of shares or options to be issued to such Directors.</p>
To amend Article 61(1)	<p><u>Notice of meetings</u></p> <p>Subject to the provisions of the Act relating to the convening of meetings to pass special resolutions and agreements for shorter notice, the notices convening meetings shall be given to all shareholders (other than those whose under the provisions of these Articles or the terms of issue of the securities held by them are not entitled to receive notices of general meetings of the Company) and to the auditors for the time being of the Company at least fourteen (14) days before the meeting or at least twenty one (21) days before the meeting where any special resolution is to be proposed or where it is an annual general meeting. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given and shall specify the place, the day and the hour of the meeting and, in the case of special business shall also specify the general nature of that business and shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business. At least fourteen (14) days' notice or twenty one (21) days' notice in the case where any special resolution is proposed or where it is the annual general meeting, of every such meeting shall also be given by advertisement in the daily press and in writing to each stock exchange upon which the Company is listed.</p>	<p><u>Notice of meetings</u></p> <p>Subject to the provisions of the Act relating to the convening of meetings to pass special resolutions and agreements for shorter notice, the notices convening meetings shall be given to all shareholders (other than those whose under the provisions of these Articles or the terms of issue of the securities held by them are not entitled to receive notices of general meetings of the Company) and to the auditors for the time being of the Company at least fourteen (14) days before the meeting or at least twenty one (21) days before the meeting where any special resolution is to be proposed or where it is an annual general meeting. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given and shall specify the place, the day and the hour of the meeting and, in the case of special business shall also specify the general nature of that business and shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business. At least fourteen (14) days' notice or twenty one (21) days' notice in the case where any special resolution is proposed or where it is the annual general meeting, of every such meeting shall also be given by advertisement in at least 1 nationally circulated Bahasa Malaysia or English daily newspaper and in writing to each stock exchange upon which the Company is listed.</p>
To amend Article 63	<p><u>Right to appoint proxy</u></p> <p>In every notice calling a meeting of the Company, there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him, and that a proxy need not also be a member and a member may appoint any person to be his proxy without limitation and that the provisions of Section 149(1)(b) of the Act shall not apply to the Company. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.</p>	<p><u>Right to appoint proxy</u></p> <p>In every notice calling a meeting of the Company, there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him, and that a proxy need not also be a member and a member may appoint any person to be his proxy without limitation and that the provisions of Section 149(1)(b) of the Act shall not apply to the Company. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy. If a member appoints two (2) proxies, he must specify which proxy is entitled to vote on a show of hands. Only one (1) of those proxies is entitled to vote on a show of hands.</p> <p>A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.</p>

Article No.	Existing Articles	Amended Articles
<p>To amend Article 158</p>	<p><u>Profit and loss accounts to be made-up and laid before the Company</u></p> <p>The Directors shall from time to time in accordance with section 169 of the Act, cause to be prepared and laid before the Company in general meeting such profit and loss accounts, balance sheets and report as are referred to in the section. The interval between the close of a financial year of the Company and the issue of the annual audited accounts, the directors' and auditors' reports shall not exceed four (4) months. A copy of each such documents shall not less than twenty-one (21) days before the date of the meeting, be sent to every member of, and to every holder of debentures of the Company under the provisions of the Act or of these Articles. The requisite number of copies of each such documents as may be required by the Exchange shall at the same time be likewise sent to the Exchange provided that this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware but any member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.</p>	<p><u>Income Statement to be made-up and laid before the Company</u></p> <p>The Directors shall from time to time in accordance with section 169 of the Act, cause to be prepared and laid before the Company in general meeting such income statement, balance sheets and report as are referred to in the section. The interval between the close of a financial year of the Company and the issue of the annual audited financial statements, the directors' and auditors' reports shall not exceed four (4) months. A copy of each such documents together with a copy of the Auditors' report relating thereto and of the Directors report, either in printed form or in compact disc read-only memory ("CD-ROM") form or in such other form of electronic media, shall not less than twenty-one (21) days before the date of the meeting, be sent to every member of, and to every holder of debentures of the Company under the provisions of the Act or of these Articles. The requisite number of copies of each such documents as may be required by the Exchange shall at the same time be likewise sent to the Exchange provided that this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware but any member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office. In the event that these documents are sent in CD-ROM form or in such other form of electronic media and a Member requires a printed form of such documents, the Company shall send documents to the member within four (4) market days (or such other period as may be prescribed by the Exchange) from the date of receipt of the member's request.</p>

PROXY FORM

ZHULIAN CORPORATION BERHAD (415527-P)
(Incorporated in Malaysia)

I / We,
(Full name in Capital Letters)
of
(Full Address)
being a member / members of the above - named Company, hereby appoint
.....
(Full name in Capital Letters)
of
(Full Address)
or failing him,
(Full name in Capital Letters)
of
(Full Address)

as **my / our proxy, to vote for *me / us on *my / our behalf at the Sixteenth Annual General Meeting of the Company, to be held at Ballroom 1, Level 2, G Hotel, 168A, Persiaran Gurney, 10250 Penang on Wednesday, 8 May 2013 at 2.30 p.m., and at any adjournment thereof.*

	ORDINARY RESOLUTIONS							SPECIAL RESOLUTION
	1	2	3	4	5	6	7	
FOR								
AGAINST								

(Please indicate with an "X" in the appropriate space how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his discretion)

* Strike out whichever is not desired.

Signed this day of 2013.

.....
Signature of Shareholder(s) / Common Seal

For appointment of two (2) proxies, no. of shares and percentage of shareholdings to be represented by each proxy:-		
	No. of shares	Percentage
Proxy 1		
Proxy 2		
Total		100%

Notes :

1. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation and the provisions of Section 149(1)(b) of the Act shall not apply to the Company. Where a member appoints more than one (1) proxy the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
2. Where a Member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
3. Where a Member of the Company is an exempt authorised nominee which hold ordinary shares in the Company for multiple beneficial owner in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account its holds.

An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A (1) of SICDA.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointor is a corporation, the proxy form must be executed under its Common Seal or under the hand of its attorney.
5. For the proxy to be valid, the proxy form duly completed must be deposited at the Company's Registered Office at Suite 2-1, 2nd Floor, Menara Penang Garden, 42-A Jalan Sultan Ahmad Shah, 10050 Penang, not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
6. For purpose of determining who shall be entitled to attend the Sixteenth AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Article 61(3) of the Articles of Association of the Company and Section 34(1) of SICDA to issue a General Meeting Record of Depositors ("ROD") as at 30 April 2013. Only a Depositor whose name appears on such ROD as at 30 April 2013 shall be entitled to attend this meeting or appoint proxy to attend and / or vote in his / her behalf.

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(STAMP)

TO,

The Joint Company Secretaries
ZHULIAN CORPORATION BERHAD (415527-P)
Suite 2-1, 2nd Floor, Menara Penang Garden
42-A, Jalan Sultan Ahmad Shah
10050 Pulau Pinang

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ZHULIAN CORPORATION BERHAD (415527-P)

Plot 42, Bayan Lepas Industrial Estate, Phase IV, 11900 Penang, Malaysia.

Tel: 604-616 2020 Fax: 604-642 5989 Website: www.zhulian.com