NOTICE OF PROVISIONAL ALLOTMENT OF RIGHTS SHARES WITH WARRANTS ("NPA")

Terms defined in the Abridged Prospectus dated 30 December 2013 ("Abridged Prospectus") shall have the same meanings when used in this NPA unless stated otherwise. The provisionally allotted Rights Shares with Warrants as contained in this NPA are prescribed securities pursuant to Section 14(5) of SICDA as amended from time to time. Therefore, all dealings in the provisionally allotted Rights Shares with Warrants will be governed by the SICDA and the Rules of Bursa Depository.



(Company No. 27276-V) (Incorporated in Malaysia under the Companies Act, 1965)

RENOUNCEABLE RIGHTS ISSUE OF 281,631,485 NEW ORDINARY SHARES OF RM0.10 EACH IN ZELAN ON THE BASIS OF 1 RIGHTS SHARE FOR EVERY 2 EXISTING ZELAN SHARES HELD AS AT 5.00 P.M. ON 30 DECEMBER 2013 TOGETHER WITH 281,631,485 FREE DETACHABLE WARRANTS ON THE BASIS OF 1 WARRANT FOR EVERY 1 RIGHTS SHARE SUBSCRIBED AT AN ISSUE PRICE OF RM0.15 PER RIGHTS SHARE

Adviser & Underwriter



AFFIN INVESTMENT BANK BERHAD (9999-V)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

To: The Shareholders of Zelan

Dear Sir/Madam

The Board has provisionally allotted to you the number of Rights Shares with Warrants as indicated below. Approval for the Rights Issue with Warrants has been obtained from the shareholders of Zelan at the EGM held on 30 September 2013. Approval from Bursa Securities has also been obtained on 5 September 2013 for the admission of the Warrants to the Official List, the listing of and quotation for the Rights Shares and Warrants as well as the listing of and quotation for the new Zelan Shares to be issued arising from the exercise of the Warrants on the Main Market of Bursa Securities.

We wish to advise that the following number of Provisional Rights Shares with Warrants have been confirmed by Bursa Depository and upon acceptance will be credited into your CDS Account subject to the terms and conditions as stated in the Abridged Prospectus and the RSF issued by the Company.

The Provisional Rights Shares with Warrants is made subject to the provisions in the Abridged Prospectus issued by the Company. Bursa Securities has already prescribed the securities of the Company listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the Provisional Rights Shares with Warrants are prescribed securities and as such, all dealings in the Provisional Rights Shares with Warrants will be by book entries through CDS Accounts and will be governed by the SICDA and the Rules of Bursa Depository.

ALL RIGHTS SHARES AND WARRANTS TO BE ISSUED PURSUANT TO THE RIGHTS ISSUE WITH WARRANTS WILL BE ALLOTTED BY WAY OF CREDITING THE RIGHTS SHARES AND WARRANTS INTO THE CDS ACCOUNTS OF THE ENTITLED SHAREHOLDERS AND/OR THEIR RENOUNCEE(S) (IF APPLICABLE). NO PHYSICAL SHARE OR WARRANT CERTIFICATES WILL BE ISSUED.

It is the intention of the Board to allot the Excess Rights Shares with Warrants, if any, on a fair and equitable basis and in the following priority:

- (i) firstly, to minimise the incidence of odd lots;
- (ii) secondly, for allocation to the Entitled Shareholders who have applied for the Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on their respective shareholdings as at the Entitlement Date;
- (iii) thirdly, for allocation to Entitled Shareholders who have applied for Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on the quantum of Excess Rights Shares with Warrants applied for; and
 (iv) finally, for allocation to renouncee(s) who have applied for Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on the quantum of their respective
- (iv) finally, for allocation to renouncee(s) who have applied for Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares with Warrants applied for.

Nevertheless, the Board reserves the right to allot any Excess Rights Shares with Warrants applied for under Part II of the RSF in such a manner as the Board deems fit and expedient in the best interest of the Company subject always that such allocation being made on a fair and equitable basis and that the intention of the Board set out in (i) to (iv) above are achieved. The Board also reserves the right to accept any application for Excess Rights Shares with Warrants in full or in part only without assigning any reason.

NAME, ADDRESS AND CDS ACCOUNT NUMBER OF THE ENTITLED SHAREHOLDER									
NUMBER OF ZELAN SHARES HELD AT 5.00 P.M. ON 30 DECEMBER 2013	NUMBER OF RIGHTS SHARES PROVISIONALLY ALLOTTED TO YOU	NUMBER OF WARRANTS ATTACHED TO THE RIGHTS SHARES PROVISIONALLY ALLOTTED TO YOU	TOTAL AMOUNT PAYABLE IN FULL UPON ACCEPTANCE AT RM0.15 PER RIGHTS SHARE (RM)						
IMPORTANT DATES AND TIME Entitlement date LAST DATE AND TIME FOR: Sale of provisional allotment of rights	Monday, 30 December 2013 at 5.00 p.m. Tuesday, 7 January 2014 at 5.00 p.m. Thursday, 10 January 2014 at 5.00 p.m.								

By order of the Board

Norlida Binti Jamaludin (LS 0006467) Company Secretary Share Registrar
SYMPHONY SHARE REGISTRARS SDN BHD (378993-D)
Level 6, Symphony House, Pusat Dagangan Dana 1
Jalan PJU 1A/46, 47301 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Telephone no.: +603 7849 0777
Fax no.: +603 7841 8151/8152

RIGHTS SUBSCRIPTION FORM ("RSF")

TERMS DEFINED IN THE ABRIDGED PROSPECTUS DATED 30 DECEMBER 2013 ("ABRIDGED PROSPECTUS") SHALL HAVE THE SAME MEANINGS WHEN USED IN THIS RSF AND THE NOTES AND INSTRUCTIONS FOR COMPLETING THIS RSF UNLESS STATED OTHERWISE. THIS RSF RELATES TO THE ABRIDGED PROSPECTUS AND IS ISSUED FOR THE PURPOSE OF ACCEPTING THE RIGHTS SHARES WITH WARRANTS PROVISIONALLY ALLOTTED AND APPLYING FOR EXCESS RIGHTS SHARES WITH WARRANTS PURSUANT TO THE RIGHTS ISSUE WITH WARRANTS OF ZELAN. THE LAST DATE AND TIME FOR ACCEPTANCE AND PAYMENT IS 5.00 P.M. ON THURSDAY, 16 JANUARY 2014 OR SUCH LATER DATE AND TIME AS MAY BE DETERMINED AND ANNOUNCED BY THE BOARD NOT LESS THAN 2 MARKET DAYS BEFORE THE STIPULATED DATE AND TIME. THIS RSF IS ONLY APPLICABLE TO PERSONS WHO HAVE PROVISIONAL RIGHTS SHARES WITH WARRANTS STANDING TO THE CREDIT OF HIS/HER/THEIR RESPECTIVE CDS ACCOUNTS.



(Company No. 27276-V) (Incorporated in Malaysia under the Companies Act, 1965)

AFFIX A RM10.00 **MALAYSIAN REVENUE** STAMP HERE

RENOUNCEABLE RIGHTS ISSUE OF 281,631,485 NEW ORDINARY SHARES OF RM0.10 EACH IN ZELAN ON THE BASIS OF 1 RIGHTS SHARE FOR EVERY 2 EXISTING ZELAN SHARES HELD AS AT 5.00 P.M. ON 30 DECEMBER 2013 TOGETHER WITH 281,631,485 FREE DETACHABLE WARRANTS ON THE BASIS OF 1 WARRANT FOR EVERY 1 RIGHTS SHARE SUBSCRIBED AT AN ISSUE PRICE OF RM0.15 PER RIGHTS SHARE

The Board of Directors of Zelan

PART I - ACCEPTANCE OF RIGHTS SHARES WITH WARRANTS

In accordance with the terms of this RSF and the Abridged Prospectus, I/we* hereby irrevocably accept t allotted/ renounced* to me/us* in accordance with and subject to the Memorandum and Articles of Ass		ts as stated below, which were provisionally
IAMA* analogo barawith Barbaria Braticaia Braticaia Ordanibara Ordanibara Ordanibara	fau DM	in favoring of #ZELAN DIGUTO

NEAREST SEN), and hereby request for the said Rights Shares with Warrants to be credited into my/our* valid and subsisting CDS Account as follows:-

NUMBER OF RIGHTS SHARES ACCEPTED							TOTAL AMOUNT PAYABLE AT RM0.15 PER RIGHTS SHARE (RM)									
CDS ACCOUNT NO.:				_			_									

PART II - APPLICATION FOR EXCESS RIGHTS SHARES WITH WARRANTS

In accordance with the terms of this RSF and the Abridged Prospectus, I/we* hereby irrevocably apply for the number of Excess Rights Shares with Warrants as stated below, in addition to the Rights Shares with Warrants which were provisionally allotted/renounced* to and accepted by me/us* as stated above in accordance with and subject to the Memorandum and Articles of Association of the Company.

NUMBER OF EXCESS RIGHTS SHARES APPLIED	TOTAL AMOUNT PAYABLE AT RM0.15 PER RIGHTS SHARE (RM)

PART III - DECLARATION

I/We hereby confirm and declare that:

- All information provided by me/us* is true and correct;
 - All information is identical with the information in the records of the Bursa Depository and further agree and confirm that in the event the said information differs from Bursa Depository's record as mentioned earlier, the exercise of my/our rights may be rejected; and
 - I am 18 years of age or above.
 - I am/We are* resident(s) of Malaysia.

I/We* hereby accept all the terms and conditions set out in this RSF and the Abridged Prospectus and further confirm compliance with all the requirements for acceptance as set out therein.

NAME AND ADDRESS OF APPLICANT (in block letters as per Bursa Depository's record)	Signature / Authorised signatory(ies) (Body Corporate must affix their Common Seal)									
Contact number (office/mobile)	Nationality/Place of Incorporation									
If the Applicant is a natural person (as per Bursa Depository's record)	If the Applicant is a body corporate (as per Bursa Depository's record)									
NRIC No. Old:	Company No./Registration No.:									
New:										
Passport No. (also state country):										
Race: (If Malaysian) Please tick (🗸) where appropriate	Type of Body Corporate Please tick (✓) where appropriate									
Malay Indian	Government Agencies/Institutions/ Statutory Bodies Controlled by Non-Malaysians									
Chinese Others (specify)	Controlled by Malaysians (Malays/Natives) Others (specify)									
	Controlled by Malaysians (Non-Malays/Non-Natives)									

* Please delete whichever is not appropriate

NOTES AND INSTRUCTIONS FOR COMPLETION OF THIS RSF

THIS RSF IS NOT A TRANSFERABLE OR NEGOTIABLE INSTRUMENT. IN ACCORDANCE WITH THE CMSA, THIS RSF MUST NOT BE CIRCULATED UNLESS ACCOMPANIED BY THE ABRIDGED PROSPECTUS

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY. All enquiries concerning the Rights Issue with Warrants should be addressed to the Share Registrar of the Company, Symphony Share Registrars Sdn Bhd ("Share Registrar") at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya (Telephone no.: +603 7849 0777). INVESTORS SHOULD READ AND UNDERSTAND THE CONTENTS OF THE ABRIDGED PROSPECTUS TO WHICH THIS RSF RELATES BEFORE COMPLETING THIS RSF.

The Abridged Prospectus is issued in compliance with the laws of Malaysia only. This RSF, together with the Abridged Prospectus and Notice of Provisional Allotment ("NPA") (collectively the "Documents") are not intended to be (and will not be) issued, circulated or distributed and the Rights Issue with Warrants will not be made or offered or deemed to be made or offered for purchase or subscription, in countries or jurisdictions other than Malaysia or to persons who are or may be subject to the laws of countries or jurisdictions other than the laws of Malaysia. The Rights Issue with Warrants to which the Documents relates is only available to persons receiving the Documents within Malaysia. Accordingly, the Documents will not be despatched to the Entitled Shareholders who do not have a registered address in Malaysia as stated in the Record of Depositors of the Company by 5.00 p.m. on 30 December 2013. Entitled Shareholders and/or their renouncee(s) and/or their transferee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal advisers and/or other professional advisers as to whether the acceptance or renunciation (as the case may be) of all or any part of their entitlements to the Rights Issue with Warrants would result in the contravention of any laws of such countries or jurisdictions. Such Entitled Shareholders and/or their renouncee(s) and/or their transferee(s) (if applicable) should note the additional terms and restrictions as set out in the Abridged Prospectus. Neither Zelan, AFFIN Investment nor any other professional advisers shall accept any responsibility or liability whatsoever to any party in the event that any acceptance and/or renunciation (as the case may be) of the entitlement to the Rights Shares with Warrants made by any of the foreign Entitled Shareholders and/or their renouncee(s) and/or their transferee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in any such countries or jurisdictions.

A copy of the Abridged Prospectus has been registered with the SC. The registration of the Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue with Warrants or takes any responsibility for the correctness of statements made or opinions expressed in the Abridged Prospectus. A copy of the Documents has also been lodged with the Registrar of Companies who takes no responsibility for the contents of the Documents.

Approval for the Rights Issue with Warrants has been obtained from the shareholders of Zelan at the EGM held on 30 September 2013. Approval from Bursa Securities has also been obtained on 5 September 2013 for the admission of the Warrants to the Official List of Bursa Securities, the listing of and quotation for the Rights Shares and Warrants as well as the listing of and quotation for the new Securities on the Main Market of Bursa Securities. The listing of and quotation for all the new securities on the Main Market of Bursa Securities are in no way reflective of the merits of the Rights Issue with Warrants. The admission of the Warrants to the Official List and the listing of and quotation for all the new securities will commence after the receipt of confirmation from Bursa Depository that all CDS Accounts of the successful Entitled Shareholders and/or their renouncee(s) and/or their transferee(s) (if applicable) have been duly credited and notices of allotment have been despatched to them.

The Directors of Zelan have seen and approved all documents relating to the Rights Issue with Warrants. They collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable enquiries, and to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make the statements in the Documents false or misleading.

Unless otherwise stated, the unit of currency used in this RSF is Ringgit Malaysia or "RM" in abbreviation and sen

INSTRUCTIONS:

LAST DATE AND TIME FOR ACCEPTANCE, APPLICATION AND PAYMENT

This RSF is valid for acceptance and/or application until 5.00 p.m. on Thursday, 16 January 2014, or such later date and time as may be determined and announced by the Board not less than 2 market days before the stipulated date and time

FULL OR PART ACCEPTANCE OF THE RIGHTS SHARES WITH WARRANTS

If you wish to accept all or any part of the Provisional Rights Shares with Warrants, please complete Part I and Part III of this RSF in accordance with the notes and instructions contained herein and with this RSF, together with the appropriate remittance made in RM for the full amount payable for the Rights Shares with Warrants accepted in the form of Banker's Draft(s), Cashier's Order(s), Money Order(s) or Postal Order(s) drawn on a bank or post office in Malaysia crossed "A/C PAYEE ONLY", made payable to "ZELAN RIGHTS ISSUE ACCOUNT" and endorsed on the reverse side with your name, contact number, address and CDS account number in block letters, so as to be received by the Share Registrar by 5.00 p.m. on Thursday, 16 January 2014 (or such later date and time as may be determined and announced by the Board not less than 2 market days before the stipulated date and time). Cheques or any other mode of payments are not acceptable.

The remittance must be made in the exact amount payable for the Rights Shares with Warrants accepted (ROUNDED UP TO THE NEAREST SEN). No acknowledgement of receipt of this RSF or application monies in respect of the Rights Issue with Warrants will be issued by the Company or the Share Registrar. However, if your application is successful, a notice of allotment will be despatched to you by ordinary post to the address as shown on the Record of Depositors provided by Bursa Depository at your own risk within 8 market days from the last date for acceptance of and payment for the Rights Shares with Warrants or such other period as may be prescribed by Bursa Securities.

APPLICATION FOR EXCESS RIGHTS SHARES WITH WARRANTS

If you wish to apply for additional Rights Shares with Warrants in excess to your entitlement, please complete Part II of this RSF (in addition to Parts I and III) and forward this RSF with a separate remittance made in RM for the full amount payable in respect of the Excess Rights Shares and Warrants applied for, to the Share Registrar. Payment for the Excess Rights Shares with Warrants applied for should be made in the same manner described in note (II) above, and in the form of Banker's Draft(s), Cashier's Order(s), Money Order(s) or Postal Order(s) drawn on a bank or post office in Malaysia crossed "A/C PAYEE ONLY", made payable to "ZELAN EXCESS RIGHTS ISSUE ACCOUNT" and endorsed on the reverse side with your name, contact number, address and CDS account number in block letters so as to be received by the Share Registrar by 5.00 p.m. on Thursday, 16 January 2014 (or such later date and time as may be determined and announced by the Board not less than 2 market days before the stipulated date and time).

No acknowledgement of receipt of this RSF or application monies in respect of the Excess Rights Shares with Warrants will be issued by the Company or the Share Registrar. However, if your application is successful, a notice of allotment will be despatched to you by ordinary post to the address as shown on the Record of Depositors provided by Bursa Depository at your own risk within 8 market days from the last date for application of and payment for the Excess Rights Shares with Warrants or such other period as may be prescribed by Bursa Securities.

In respect of unsuccessful or partially successful Excess Rights Shares with Warrants applications, the full amount or the balance of the application monies, as the case may be, shall be refunded without interest and shall be despatched to the applicant by ordinary post to the address as shown on the Record of Depositors provided by Bursa Depository at your own risk within 15 market days from the last date for application of and payment for the Excess Rights Shares with Warrants.

It is the intention of the Board to allot the Excess Rights Shares with Warrants, if any, on a fair and equitable basis and in the following priority:

- (a) (b)
- firstly, to minimise the incidence of odd lots; secondly, for allocation to the Entitled Shareholders who have applied for the Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on their respective shareholdings as at the Entitlement Date;
- thirdly, for allocation to Entitled Shareholders who have applied for Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on the quantum of Excess (c) Rights Shares with Warrants applied for: and
- finally, for allocation to renouncee(s) who have applied for Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares with Warrants applied for

Nevertheless, the Board reserves the right to allot any Excess Rights Shares with Warrants applied for under Part II of the RSF in such a manner as the Board deems fit and expedient in the best interest of the Company subject always that such allocation being made on a fair and equitable basis and that the intention of the Board set out in (i) to (iv) above are achieved. The Board also reserves the right to accept any application for Excess Rights Shares with Warrants in full or in part only without assigning any reason.

SALE/TRANSFER OF THE PROVISIONAL ALLOTMENT

If you wish to sell or transfer all or part of your entitlement to the Provisional Rights Shares with Warrants to 1 or more person(s), you may do so immediately through your stockbroker(s) for the period up to the last date and time for sale or transfer of such Provisional Rights Shares with Warrants, without first having to request for a split of the Provisional Rights Shares with Warrants standing to the credit of your CDS account. To sell or transfer all or part of your entitlement to the Provisional Rights Shares with Warrants, you may sell such entitlement on the open market or transfer such entitlement to such persons as may be allowed under the Rules of Bursa Depository.

If you have sold or transferred only part of the Provisional Rights Shares with Warrants, you may still accept the balance of the Provisional Rights Shares with Warrants by completing Parts I and III

In selling or transferring all or part of your Provisional Rights Shares with Warrants, you need not deliver any document including this RSF to your stockbroker(s). However, you must ensure that there is sufficient Provisional Rights Shares with Warrants standing to the credit of your CDS Account that are available for settlement of the sale or transfer.

Purchaser(s) or transferee(s) of the Provisional Rights Shares with Warrants may obtain a copy of this RSF from his/her/their stockbroker(s), the Share Registrar, the Registrar, the Registrar of Tield of Tield of Tield Office of Tield Off website of Bursa Securities (http://www.bursamalaysia.com)

GENERAL INSTRUCTIONS

- All applicants must sign on the front page of this RSF. All corporate bodies must affix their Common Seals. You are advised to read, understand and consider carefully the contents of the Abridged Prospectus before signing this RSF.
- Rights Shares with Warrants subscribed by the Entitled Shareholders and/or their renouncee(s) and/or their transferee(s) (if applicable) will be credited into their respective CDS accounts as stated in this RSF or the exact accounts appearing on Bursa Depository's Record of Depositors.
- Any interest or other benefit accruing on or arising from or in connection with any application monies shall be for the benefit of the Company and the Company shall not be under any obligation to account for such interest or other benefit to you.
- The contract arising from the acceptance of the Provisional Rights Shares with Warrants by you shall be governed by and construed in accordance with the laws of Malaysia, and you shall be deemed to have irrevocably and unconditionally submitted to the exclusive jurisdiction of the courts of Malaysia in respect of any matter in connection with this RSF and the contract
- The Board reserves the right not to accept or to accept any application in part only if the instructions herein stated are not strictly adhered to or which are illegible.
- Malaysian Revenue Stamp (NOT POSTAGE STAMP) of RM10.00 must be affixed on this RSF. Entitled Shareholders and/or their renouncee(s) and/or their transferee(s) (if applicable) should note that the RSF and remittances so lodged with the Share Registrar shall not be subsequently withdrawn.