



WZ SATU BERHAD
WZ SATU BERHAD

(formerly known as WZ Steel Berhad)

(Company No. 666098-X)

(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of WZ Satu Berhad (formerly known as WZ Steel Berhad) ("WZ SATU" or the "Company") will be held at Perdana Ballroom, Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasia 3, Bukit Jalil, 57000 Kuala Lumpur on Tuesday, 25 March 2014 at 10.00 a.m. or at any adjournment thereof for the purpose of considering and if thought fit, passing the following resolutions with or without modifications:

ORDINARY RESOLUTION 1

Proposed renounceable rights issue of up to 55,000,000 new ordinary shares of RM0.50 each in the Company ("Share(s)") ("Rights Share(s)") at an issue price of RM0.60 per Rights Share on the basis of one (1) Rights Share for every two (2) existing Shares held on an entitlement date to be determined and announced later ("Proposed Rights Issue")

"THAT, subject to and conditional upon the approvals of all relevant authorities for the listing of and quotation for the Rights Shares to be issued pursuant to the Proposed Rights Issue on the Main Market of Bursa Malaysia Securities Berhad being obtained, the Board of Directors of WZ SATU ("Board") be and is hereby authorised to provisionally issue and allot by way of a renounceable rights issue of up to 55,000,000 Rights Shares at an issue price of RM0.60 per Rights Share on the basis of one (1) Rights Share for every two (2) existing Shares held by the shareholders of the Company whose names appear on the Record of Depositors of the Company at a later date to be determined by the Board;

THAT any fractional Rights Shares arising from the Proposed Rights Issue shall be disregarded and fractional entitlements of the Rights Shares which are not allotted or validly taken up for any reason will be aggregated and dealt with in such manner as the Board shall in their absolute deem fit for the benefit of the Company;

THAT any Rights Shares which are not validly taken up shall be available for excess application in such manner as the Board shall determine in a fair and equitable manner;

THAT the Board be and is hereby authorised to utilise the proceeds to be derived from the Proposed Rights Issue as set out in Section 2.1.4 of Part A of the circular to shareholders dated 7 March 2014 and the Board be authorised to revise the utilisation of proceeds from the Proposed Rights Issue in the manner is deemed fit and in the best interest of the Company;

THAT, the Rights Shares will upon allotment and issuance, rank *pari passu* in all respects with the existing issued and paid-up Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions where the entitlement date of which precedes the date of allotment and issue of the Rights Shares;

THAT, the Board be and is hereby authorised to take all such necessary steps to give effect to the Proposed Rights Issue with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities or deemed necessary by the Board, and to take all steps to do all such acts and matters as they may consider necessary or expedient to implement, finalise and give full effect to the Proposed Rights Issue;

AND THAT no offer documents pertaining to the Proposed Rights Issue shall be issued or sent to the shareholders of the Company having registered addresses outside Malaysia or who have not provided an address in Malaysia at which such documents may be delivered to prior to the entitlement date of the Proposed Rights Issue."

ORDINARY RESOLUTION 2

Proposed acquisition of 750,000 ordinary shares of RM1.00 each in KenKeong Sdn Bhd ("KenKeong") ("KenKeong Shares"), representing 100% equity interest in KenKeong, for a total purchase consideration of RM27.50 million ("Proposed Acquisition")

"THAT subject to the passing of Ordinary Resolution 3 and approvals of all relevant authorities being obtained, approval be and is hereby given for the Company to acquire 750,000 KenKeong Shares, representing 100% equity interest in KenKeong, for a total purchase consideration of RM27.50 million, of which approximately RM7.25 million will be satisfied in cash and the balance of approximately RM20.25 million to be satisfied via the issuance of new Shares ("Consideration Shares") subject to the terms and conditions stipulated in the conditional share sale agreement dated 10 January 2014 entered into between the Company and Datu' William Tan Chee Keong, Choi Chee Ken, Ho Kek Yee and Rada Krishnan a/l Sankaran Nair ("SSA");

THAT the Board be and is hereby authorised and empowered to satisfy the Consideration Shares via one of the following:

- (i) issuance of 25,000,000 new Shares at an issue price of RM0.81 per Share; or
- (ii) in the event the Proposed Rights Issue is aborted at any time prior to or at least three (3) business days before the completion of the SSA is intended, issuance of 22,252,747 new Shares at an issue price of 0.91 per Share;

THAT the Consideration Shares will upon allotment and issuance, rank *pari passu* in all respects with the existing issued and paid up Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions where the entitlement date of which precedes the date of allotment and issue of the Rights Shares and that they shall not be entitled to the Proposed Rights Issue;

AND THAT the Board be and are hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or agreements (including, without limitation, the affixing of the Company's common seal, where necessary) as the Board may consider necessary to give effect to and complete the Proposed Acquisition and with full power to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities or as the Board may deem necessary or expedient in the interest of the Company and to take such steps as they may deem necessary or expedient in order to implement, finalise and give full effect to the Proposed Acquisition."

ORDINARY RESOLUTION 3

Proposed diversification of the existing core businesses of the Company, its subsidiaries and associated company ("Group") to include civil engineering and construction ("Proposed Construction Diversification")

"THAT subject to the passing of Ordinary Resolution 2, approval be and is hereby given to the Company to diversify the business of the Group to include civil engineering and construction;

AND THAT the Board be and are hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or agreements (including, without limitation, the affixing of the Company's common seal, where necessary) as the Board may consider necessary to give effect to and complete the Proposed Construction Diversification and with full power to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities or as the Board may deem necessary or expedient in the interest of the Company and to take such steps as they may deem necessary or expedient in order to implement, finalise and give full effect to the Proposed Construction Diversification."

ORDINARY RESOLUTION 4

Proposed entering into a bauxite mining works agreement by SE Satu Sdn Bhd (formerly known as Saujana Susila Sdn Bhd) ("SE Satu"), a 49%-owned associated company of the Company, with Kreatif Selaras Mining Sdn Bhd ("KSM") for SE Satu to be engaged as a contractor to mine, extract and produce bauxite ore ("Proposed Mining Project")

"THAT subject to the passing of Ordinary Resolution 5, approval be and is hereby given for the Company to give effect to the Proposed Mining Project for SE Satu to be engaged by as a contractor to mine, extract and produce bauxite ore from three (3) pieces of adjoining leasehold lands measuring 363.01 hectares located in Lot Nos. 130801 (PT97606), 130799 (PT97607) and 131139 (PT97933), Mukim Kuala Kuantan, Daerah Kuantan, Pahang ("Lands") for a period of 36 months from the date of delivery of vacant possession of the Lands by or on behalf of KSM to SE Satu and that all such previous acts and things undertaken or performed for the Proposed Mining Project be and is hereby approved, confirmed and ratified;

AND THAT the Board be and are hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or agreements (including, without limitation, the affixing of the Company's common seal, where necessary) as the Board may consider necessary to give effect to and complete the Proposed Mining Project and with full power to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities or as the Board may deem necessary or expedient in the interest of the Company and to take such steps as they may deem necessary or expedient in order to implement, finalise and give full effect to the Proposed Mining Project."

ORDINARY RESOLUTION 5

Proposed diversification of the existing core businesses of the Group to include mining ("Proposed Mining Diversification")

"THAT subject to the passing of Ordinary Resolution 4, approval be and is hereby given to the Company to diversify the business of the Group to include mining;

AND THAT the Board be and are hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or agreements (including, without limitation, the affixing of the Company's common seal, where necessary) as the Board may consider necessary to give effect to and complete the Proposed Mining Diversification and with full power to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities or as the Board may deem necessary or expedient in the interest of the Company and to take such steps as they may deem necessary or expedient in order to implement, finalise and give full effect to the Proposed Mining Diversification."

By Order of the Board

Chua Siew Chuan (MAICSA 0777689)

Pan Seng Wee (MAICSA 7034299)

Company Secretaries

Kuala Lumpur

7 March 2014

Notes:

1. In regard of deposited securities, only members whose names appear in the Record of Depositors as at 18 March 2014 ("General Meeting Record of Depositors") shall be eligible to attend and vote at the meeting.
2. A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Act shall not apply.
3. To be valid the Form of Proxy, duly completed must be deposited at the Registered Office of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting.
4. A member shall be entitled to appoint at least one (1) or more proxies to attend and vote at the same meeting provided that the provisions of Section 149(1)(d) of the Act are complied with.
5. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
6. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under Securities Industry (Central Depositories) Act 1991 of Malaysia, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
7. If the appointor is a corporation, the Form of Proxy must be executed under its common seal or under the hand of an officer or its attorney duly authorised.