

**WZ Satu Berhad (fka WZ Steel Berhad)**  
**( Company no: 666098-X )**  
**(Incorporated in Malaysia)**

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 JANUARY 2014**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 JANUARY 2014**

	<b>Current Year Quarter 31/01/2014 RM'000</b>	<b>Preceding Year Quarter 31/01/2013 RM'000</b>	<b>Current Year To Date 31/01/2014 RM'000</b>	<b>Preceding Year To Date 31/01/2013 RM'000</b>
Revenue	22,343	23,226	65,844	64,814
Cost of sales	(19,234)	(22,006)	(56,982)	(58,668)
Gross profit	3,109	1,220	8,862	6,146
Other income	18	3,651	276	3,754
Operations and administrative expenses	(2,910)	(1,794)	(7,160)	(6,026)
Profit from operations	217	3,077	1,978	3,874
Finance costs	(296)	(576)	(1,032)	(1,545)
Share of results of an associate	(490)	-	(490)	-
Profit / (Loss) before tax	(569)	2,501	456	2,329
Income tax expense	710	(3)	289	66
<b>Profit after tax</b>	141	2,498	745	2,395
<b>Other Comprehensive Income / (Expenses):</b>				
Translation of foreign subsidiary	(159)	17	(800)	(242)
<b>Other Comprehensive Income / (Loss) for the period</b>	(159)	17	(800)	(242)
<b>Total Comprehensive Income / (Loss) for the period</b>	(18)	2,515	(55)	2,153
<b>Total Comprehensive Income / (Loss) Attributable to:</b>				
Equity holders of the Company	(18)	2,515	(55)	2,153
<b>Earnings per share (sen):</b>				
Basic	0.14	2.53	0.73	2.42
Diluted	N/A	N/A	N/A	N/A
<b>Net assets per share (sen)</b>			73	73

**Notes:**

- (i) The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 30 April 2013 and the accompanying explanatory notes attached to the interim financial report.
- (ii) N/A : Not Applicable

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 JANUARY 2014**

	----- Attributable to Equity Holders of the Company -----						Total Equity RM'000
	Share Capital RM'000	Non Distributable			Treasury Shares RM'000	Distributable	
Share Premium RM'000		Translation Reserve RM'000	Revaluation Reserve RM'000	Retained Profits RM'000			
<b>Balance as at 1 May 2013</b>	50,000	2,232	(428)	5,353	(348)	15,542	72,351
Total comprehensive income for the period	-	-	-	-	-	745	745
Net disposal of treasury shares	-	695	-	-	348	-	1,043
Private placement	5,000	1,723	-	-	-	-	6,723
Translation currency differences for foreign operations	-	-	(800)	-	-	-	(800)
Realisation of revaluation reserve	-	-	-	(24)	-	24	-
<b>Balance as at 31 January 2014</b>	<b>55,000</b>	<b>4,650</b>	<b>(1,228)</b>	<b>5,329</b>	<b>-</b>	<b>16,311</b>	<b>80,062</b>
<b>Balance as at 1 May 2012</b>	50,000	2,232	(3)	6,071	(340)	12,110	70,070
Total comprehensive expenses for the period	-	-	-	-	-	2,395	2,395
Purchase of treasury shares	-	-	-	-	(8)	-	(8)
Translation currency differences for foreign operations	-	-	(242)	-	-	-	(242)
Realisation of revaluation reserve	-	-	-	(686)	-	686	-
<b>Balance as at 31 January 2013</b>	<b>50,000</b>	<b>2,232</b>	<b>(245)</b>	<b>5,385</b>	<b>(348)</b>	<b>15,191</b>	<b>72,215</b>

**Note :**

- (i) The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 April 2013 and the accompanying explanatory notes attached to the interim financial report.

**WZ Satu Berhad (fka WZ Steel Berhad)**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 JANUARY 2014**

	<b>Unaudited</b>	<b>Audited</b>
	<b>31/01/2014</b>	<b>30/04/2013</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	46,516	45,279
Investment property	-	563
<b>Total non-current assets</b>	<u>46,516</u>	<u>45,842</u>
<b>Current assets</b>		
Inventories	43,166	41,187
Trade receivables	25,275	27,309
Other receivables	1,410	1,003
Tax recoverable	963	783
Asset held for sale	561	-
Fixed deposits with licensed bank	206	-
Cash and bank balances	4,218	3,030
<b>Total current assets</b>	<u>75,799</u>	<u>73,312</u>
<b>TOTAL ASSETS</b>	<u>122,315</u>	<u>119,154</u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	55,000	50,000
Treasury shares	-	(348)
Reserves	25,062	22,698
<b>Total equity</b>	<u>80,062</u>	<u>72,350</u>
<b>Non-current liabilities</b>		
Borrowings	3,354	3,535
Deferred tax liabilities	1,380	1,922
<b>Total non-current liabilities</b>	<u>4,734</u>	<u>5,457</u>
<b>Current liabilities</b>		
Trade payables	8,835	11,278
Other payables	1,449	838
Provision for taxation	47	146
Borrowings	27,188	29,085
<b>Total current liabilities</b>	<u>37,519</u>	<u>41,347</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>122,315</u>	<u>119,154</u>
<b>Net assets per share attributable to the equity holders of the Company (sen)</b>	<u>73</u>	<u>73</u>

**Note:**

- (i) The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 30 April 2013 and the accompanying explanatory notes attached to the interim financial report.

**WZ Satu Berhad (fka WZ Steel Berhad)**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE PERIOD ENDED 31 JANUARY 2014**

	<b>Current Year To Date 31/01/2014 RM'000</b>	<b>Preceding Year To Date 31/01/2013 RM'000</b>
<b>Cash Flows From Operating Activities</b>		
Profit before tax	456	2,329
Adjustments for:		
Allowances for impairment of receivables	23	97
Allowances for impairment of receivables written back	(66)	(43)
Amortisation of long term leasehold land	112	69
Deposit written off	-	37
Depreciation for property, plant and equipment	1,807	2,081
Depreciation of investment property	2	2
Gain on disposal of property	-	(3,631)
Interest expenses	1,032	1,545
Interest income	(3)	(1)
Share of results of an associate	490	-
Unrealised gain on foreign exchange	(90)	(4)
<b>Operating profit before working capital changes</b>	<b>3,763</b>	<b>2,481</b>
(Increase) / Decrease in inventories	(1,979)	3,304
Decrease / (Increase) in receivables	1,744	(5,756)
(Decrease) / Increase in payables	(1,876)	275
<b>Cash generated from operations</b>	<b>1,652</b>	<b>304</b>
Interest paid	(1,032)	(1,545)
Interest received	3	1
Tax paid	(831)	(836)
Tax refunded	205	378
<b>Net cash used in operating activities</b>	<b>(3)</b>	<b>(1,698)</b>
<b>Cash Flows From Investing Activities</b>		
Investment in an associate company	(490)	-
Purchase of property, plant and equipment	(3,361)	(1,637)
Proceeds from disposal of property, plant and equipment	-	920
<b>Net cash used in investing activities</b>	<b>(3,851)</b>	<b>(717)</b>

**WZ Satu Berhad (fka WZ Steel Berhad)**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE PERIOD ENDED 31 JANUARY 2014 (CONTD.)**

	<b>Current Year To Date 31/01/2014 RM'000</b>	<b>Preceding Year To Date 31/01/2013 RM'000</b>
<b>Cash Flows From Financing Activities</b>		
Fixed deposits pledged	(206)	-
Proceeds from private placement	6,723	-
Purchase of treasury shares	-	(8)
Proceeds from disposal of treasury shares	1,043	-
Net payment to hire purchase creditors	(582)	(344)
Net (payment to) / receipt from RC facilities	(709)	1,105
Net receipt from / (payment to) term loans	753	(974)
Net receipt from / (payment to) trade bills	2,284	(6,387)
<b>Net cash generated from / (used in) financing activities</b>	<b>9,306</b>	<b>(6,608)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>5,452</b>	<b>(9,023)</b>
<b>Cash and cash equivalents brought forward</b>	<b>(2,184)</b>	<b>(3,792)</b>
Effect of exchange rate changes	(687)	(239)
<b>Cash and cash equivalents at end of period</b>	<b>2,581</b>	<b>(13,054)</b>

**Notes :**

(i) Cash and cash equivalents

Fixed deposits with licensed bank	206	-
Cash and bank balances	4,218	993
Bank overdrafts	(1,637)	(14,047)
Less: Fixed deposit pledged	(206)	-
	<b>2,581</b>	<b>(13,054)</b>

(ii) The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 30 April 2013 and the accompanying explanatory notes attached to the interim financial report.

**Notes To The Interim Financial Report**  
**For the Third Quarter Ended 31 January 2014**  
**(Unaudited)**

**Part A – Explanatory Notes Pursuant to MFRS 134**

**1 Basis of Preparation**

The interim financial statements have been prepared in accordance with the reporting requirements outlined in the Malaysian Financial Reporting Standard (“MFRS”) No. 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”), and Chapter 9 (Paragraph 9.22) of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 April 2013. The explanatory notes attached to the financial statements provide an explanation of events and transactions that are significant to an understanding of changes in the financial position and performance of the Group.

**2 Accounting Policies**

The significant accounting policies and methods of computation adopted by WZSATU in the condensed interim financial statements are consistent with those adopted in the audited consolidated financial statements of WZSATU for the financial year ended 30 April 2013, except for the adoption of the following new MFRS, Amendments to MFRSs and IC Interpretations which are applicable to its current financial statements:

**Effective for financial periods beginning on or after 1st January 2013**

MFRS 3	Business Combinations
MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits (revised)
MFRS 127	Consolidated and Separate Financial Statements (revised)
MFRS 128	Investments in Associates and Joint Ventures (revised)
Amendments to MFRS 1	First-time Adoption of MFRS – Government Loans
Amendments to MFRS 7	Financial Instruments : Disclosures – Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 10	Consolidated Financial Statements : Transition Guidance
Amendments to MFRS 11	Joint Arrangements : Transition Guidance
Amendments to MFRS 12	Disclosure of Interest in Other Entities : Transition Guidance

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Annual Improvements to IC Interpretations and MFRSs 2009 – 2011 Cycle

**Effective for financial periods beginning on or after 1st January 2014**

Amendments to MFRS 132      Financial Instruments : Presentation – Offsetting Financial Assets and Financial Liabilities

**Effective for financial periods beginning on or after 1st January 2015**

Amendments to MFRS 9      Mandatory Effective Date of MFRS 9 and Transition Disclosures

The adoption of the new MFRS, Amendments to MFRSs and Interpretation does not have any material impact on the financial statements of the Group.

**3 Auditors' Report on Preceding Audited Financial Statements**

The auditors' report of the preceding audited financial statements of the Company and its subsidiaries for the financial year ended 30 April 2013 was not subject to any qualification.

**4 Seasonal or Cyclical Factors**

The business operations of the Group were not materially affected by seasonal or cyclical factors during the current quarter under review.

**5 Unusual Significant Items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial year to date.

**6 Changes in Estimates**

There were no changes in estimates that have material effect on current quarter and year to date results.

**Notes To The Interim Financial Report**  
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**(Unaudited)**

**7 Changes in Debts and Equity Securities**

There were no debt and equity securities issued, cancelled, repurchased, resold or repaid during the current quarter under review except for the following:-

Private Placement Shares

On 17 December 2013, the Company issued 1 million ordinary shares (being the balance remaining after 9 million ordinary shares issued via private placement exercise on 31 October 2013) at an issue price of RM0.84 ranking pari passu with the existing ordinary shares of the Company for the purpose of additional working capital.

The listing of the 1 million private placement shares on 18 December 2013 marked the completion of the private placement exercise of up to 10% of the issued and paid-up share capital of the Company announced to Bursa Malaysia on 26 September 2013.

Treasury Shares

On 2 and 3 December 2013, the Company disposed of the entire stake of 1,150,000 treasury shares held by the Company at an average disposal price of RM0.9125 per share as compared with the average purchase price of RM0.3038 per share. The Company realised a gain of RM699,954.97 on the disposal of the said shares.

**8 Dividend Paid**

There was no dividend paid during the current quarter under review.



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**9 Segmental Reporting**

The Group is principally engaged in the business segments of manufacturing and trading of steel products.

(a) Information on Business

<b>Nine months ended 31/01/2014</b>	<b>Manufacturing RM'000</b>	<b>Trading RM'000</b>	<b>Investment Holding RM'000</b>	<b>Elimination RM'000</b>	<b>Consolidation RM'000</b>
<b>Revenue</b>					
External	28,389	37,455	-	-	65,844
Inter-segment	114	3,264	2,474	(5,852)	-
Total Revenue	<u>28,503</u>	<u>40,719</u>	<u>2,474</u>	<u>(5,852)</u>	<u>65,844</u>
<b>Results</b>					
Segment Results	1,695	1,219	181	(1,117)	1,978
Finance cost					(1,032)
Share of results of an associate					(490)
Taxation					289
Profit for the period after taxation					<u>745</u>
<b>Segment assets</b>					
Total assets	<u>73,084</u>	<u>58,994</u>	<u>66,472</u>	<u>(76,235)</u>	<u>122,315</u>
<b>Segment liabilities</b>					
Total liabilities	<u>27,713</u>	<u>38,586</u>	<u>5,954</u>	<u>(30,000)</u>	<u>42,253</u>

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Nine months ended 31/01/2013	Manufacturing RM'000	Trading RM'000	Investment Holding RM'000	Elimination RM'000	Consolidation RM'000
<b>Revenue</b>					
External	28,555	36,259	-	-	64,814
Inter-segment	804	3,501	-	(4,305)	-
<b>Total Revenue</b>	<b>29,359</b>	<b>39,760</b>	<b>-</b>	<b>(4,305)</b>	<b>64,814</b>
<b>Results</b>					
Segment Results	4,109	175	-	(410)	3,874
Finance cost					(1,545)
Taxation					66
Profit for the period after taxation					<u>2,395</u>
<b>Segment assets</b>					
Total assets	69,415	71,710	-	(18,164)	122,961
<b>Segment liabilities</b>					
Total liabilities	25,580	43,330	-	(18,164)	50,746

(b) Revenue by geographical segments

	Revenue	
	31/01/2014 RM'000	31/01/2013 RM'000
Malaysia	62,881	60,892
Indonesia	2,442	2,268
Thailand	380	1,039
Others	141	615
	<u>65,844</u>	<u>64,814</u>

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**Notes To The Interim Financial Report**

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**(Unaudited)**

**10 Profit Before Tax**

	<b>Current Quarter Ended RM'000</b>	<b>Current Year To- Date Ended RM'000</b>
<b>Profit before tax is arrived at after charging/(crediting):</b>		
Allowance for impairment of receivables	16	23
Allowance for impairment of receivables written back	(17)	(66)
Depreciation and amortisation	574	1,921
Interest income	-	(3)
Interest expense	296	1,032
Share of results of an associate	490	-
Unrealised gain on foreign exchange	<u>(196)</u>	<u>(90)</u>

**11 Valuation of Property, Plant and Equipment**

There was no valuation of property, plant and equipment of the Group during the quarter under review.

**12 Material Subsequent Event**

There is no material event subsequent to the current quarter ended 31 January 2014 and up to the date of this report except as follows:

On 13 February 2014, SE Satu Sdn Bhd (formerly known as Saujana Susila Sdn Bhd) (“SSSB”), an associate company of the Company, increased its authorised capital from RM1 million to RM5 million.

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On 26 February 2014, SSSB increased its paid-up capital from RM1 million to RM2 million through a rights issue. The Company subscribed for its share of entitlement by subscribing to 490,000 ordinary shares of RM1.00 each in SSSB for a total subscription amount of RM0.49 million.

**13 Changes in the Composition of the Group**

On 3 December 2013, the Company subscribed for 490,000 ordinary shares of RM1.00 each in SE Satu Sdn Bhd (formerly known as Saujana Susila Sdn Bhd) (“SSSB”), representing 49% of the issued and paid-up ordinary share capital of SSSB for a total subscription amount of RM0.490 million. Consequently, SSSB is now an associate company of the Company.

**14 Contingent Liabilities**

There were no material contingent liabilities to be disclosed as at the date of this report.

**15 Capital Commitments**

The capital commitments as at 31 January 2014 were as follows:

	<b>RM'000</b>
(i) Authorised and contracted for	1,389
(ii) Authorised and not contracted for	1,908
	<u>3,297</u>

Analysed as follows:

	<b>RM'000</b>
<u>Indonesia</u>	
Factory and equipment	1,389
Plant and equipment	1,908
	<u>3,297</u>

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**PART B – ADDITIONAL INFORMATION REQUIRED UNDER THE  
BURSAMALAYSIA SECURITIES BERHAD’S LISTING REQUIREMENTS**

**1 Review of Performance**

For the current quarter under review, the Group recorded a revenue of RM22.3 million as compared with a revenue of RM23.3 million in the preceding year corresponding quarter. For the current quarter under review, the Group recorded loss before tax of RM0.57 million as compared with profit before tax of RM2.5 million in the preceding year corresponding quarter. The profit before tax of the preceding year corresponding quarter was attributed to gain of RM3.6 million on disposal of a property.

Operationally, the Group recorded a better gross margin as compared to the preceding year quarter. However, pending commercial production of our mining associate SE Satu Sdn Bhd (formerly known as Saujana Susila Sdn Bhd), we have accounted for our share of loss of RM0.49 million.

**2 Variation of Results Against Preceding Quarter**

	<b>Current Quarter 31/01/2014 RM'000</b>	<b>Preceding Quarter 31/10/2013 RM'000</b>
Revenue	22,343	22,559
(Loss) / Profit before tax	(569)	906
Profit after tax	<u>141</u>	<u>596</u>

The Group registered a revenue of RM22.3 million and loss before tax of RM0.57 million for the current quarter as compared with a revenue of RM22.6 million and profit before tax of RM0.91 million in the preceding quarter. The loss before tax was due to higher operating cost and share of loss in an associate company.

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### **3 Current Year Prospects**

The Group expects the market in the steel industry to remain competitive and challenging in view of the continuing weak global economic growth.

Despite the uncertainty in the outlook in the steel industry, the Group will continue to emphasise on operational and cost efficiencies in order to achieve satisfactory performance for the current financial year. In addition, our wholly-owned subsidiary in Indonesia, PT WZ Steel, is expected to commence manufacturing operations within the first half of 2014 and we are cautiously optimistic that it will contribute positively to the performance of the Group.

The Board has continually been exploring for new business opportunities to diversify our Group's income stream in order to mitigate its dependence on the subsisting core business of WZ Satu Group, which comprises substantially manufacturing and processing of cold drawn bright steel products and related steel products. The Proposed Acquisition of KenKeong Sdn Bhd, Proposed Diversification into Civil Engineering and Construction, Proposed Entering into Bauxite Mining Works Agreement and Proposed Diversification into Mining Business are expected to offer WZ Satu Group with additional streams of revenue and earnings for future growth which will enhance our Group's overall long-term growth prospects and contribute positively to the Group's future earnings as well improve its financial position.

### **4 Variance Between Actual Profit and Forecast Profit**

There is no profit forecast issued by the Group for the current financial year.

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**5 Taxation**

Breakdown of taxation is as follow:

	<b>Current Year Quarter 31/01/2014 RM'000</b>	<b>Preceding Year Quarter 31/01/2013 RM'000</b>	<b>Current Year To Date 31/01/2014 RM'000</b>	<b>Preceding Year To Date 31/01/2013 RM'000</b>
Current year taxation	(1)	(35)	(274)	(179)
(Under) / Over provision	15	-	15	(2)
Movement in deferred taxation	696	32	548	247
	<u>710</u>	<u>(3)</u>	<u>289</u>	<u>66</u>

For the current quarter under review, the credit of RM0.71 million arising from taxation is mainly due to recognition of deferred tax assets for unabsorbed losses of subsidiary companies and reduction in deferred tax liabilities of another subsidiary due to disposal of plant and machineries by the subsidiary company.

**6 Profit/(Losses) on sale of unquoted investments and/or properties respectively for the current quarter and financial year to date**

There was no disposal of unquoted investment for the current quarter under review and financial year to date.

**7 Quoted Securities**

There was no purchase or disposal of quoted securities during the current quarter under review and financial year to date.

**WZ Satu Berhad (fka WZ Steel Berhad)**

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## **Notes To The Interim Financial Report**

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### **8 Status Of Corporate Proposals**

On 10 January 2014, the Company announced the following proposals:

- (i) the renounceable rights issue of up to 55,000,000 new ordinary shares of RM0.50 each in WZ SATU ("**WZ SATU Shares**") ("**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 WZ SATU Shares held by shareholders of WZ SATU on the entitlement date to be determined and announced later;
- (ii) the acquisition of 750,000 ordinary shares of RM1.00 each in KenKeong Sdn Bhd ("**KenKeong**"), representing 100% equity interest in KenKeong for a total purchase consideration of RM27.5 million which would result in a diversification in the operations of WZ SATU and its group of companies ("**WZ SATU Group**") into civil engineering and construction; and
- (iii) the 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 WZ SATU on 10 January 2014 with Kreatif Selaras Mining Sdn Bhd for SE Satu to be engaged as a contractor to mine, extract and produce bauxite ore which would result in a diversification in the operations of the WZ SATU Group into mining.

On 29 January 2014, the Company submitted the listing application to Bursa Securities in respect of the listing of and quotation for the Rights Shares and the Consideration Shares to be issued pursuant to the Proposed Rights Issue and Proposed Acquisition respectively.

On 24 February 2014, the Company announced that Bursa Securities had, via its letter dated 24 February 2014, resolved to approve the listing of and quotation for up to 55,000,000 Rights Shares to be issued pursuant to the Proposed Rights Issue and up to 25,000,000 Consideration Shares to be issued as part of the consideration for the Proposed Acquisition on the Main Market of Bursa Securities.

On 25 March 2014, the abovementioned proposals were duly approved by shareholders at the Company's Extraordinary General Meeting.



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**Notes To The Interim Financial Report**  
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**9 Borrowings and Debts Securities**

The Group's borrowings as at 31 January 2014:-

	<b>Current</b>	<b>Non-Current</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Secured</b>			
Bank overdraft	1,637	-	1,637
Bankers' acceptances	20,780	-	20,780
Hire purchase creditors	1,116	425	1,541
Term loans	827	2,929	3,756
Trust receipts	1,001	-	1,001
RC Facilities	1,827	-	1,827
	<hr/>	<hr/>	<hr/>
	27,188	3,354	30,542

**10 Off Balance Sheet Financial Instruments**

There were no financial instruments with off balance sheet risk as at the date of this report.

**11 Material Litigation**

As at the date of this announcement, there are no material litigations against or taken by the Group.

**12 Dividend**

No dividend has been declared during the current quarter under review.

**WZ Satu Berhad (fka WZ Steel Berhad)**  
**( Company no: 666098-X )**

**Notes To The Interim Financial Report**  
**For the Third Quarter Ended 31 January 2014**  
**(Unaudited)**

**13 Retained Profits**

	<b>Current Quarter 31/01/2014 RM'000</b>	<b>Preceding Quarter 31/10/2013 RM'000</b>
Realised	16,455	17,186
Unrealised	(144)	(1,024)
	<u>16,311</u>	<u>16,162</u>

**14 Earnings Per Share**

	<b>Current Year Quarter 31/01/2014 RM'000</b>	<b>Preceding Year Quarter 31/01/2013 RM'000</b>	<b>Current Year To Date 31/01/2014 RM'000</b>	<b>Preceding Year To Date 31/01/2013 RM'000</b>
(i) Basic Earnings per share				
Profit after taxation (RM'000)	141	2,498	745	2,395
Weighted average no. of shares at the end of the period ('000)	102,301	98,859	102,301	98,859
Basic earnings per share (sen) (Based on weighted average no. of shares)	<u>0.14</u>	<u>2.53</u>	<u>0.73</u>	<u>2.42</u>
(ii) Diluted earnings per share (sen)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**WZ Satu Berhad (fka WZ Steel Berhad)**  
**( Company no: 666098-X )**

**Notes To The Interim Financial Report**  
**For the Third Quarter Ended 31 January 2014**  
**(Unaudited)**

## **15 Change of Financial Year End**

On 10 January 2014, the Board has approved to change the financial year end from 30 April 2014 to 31 August 2014 and the next audited financial statements shall be for a period of 16 months made up from 1 May 2013 to 31 August 2014.

## **16 Approval for the Release of Quarterly Results**

The quarterly financial results have been approved for release by the Board.