

**WZ Satu Berhad**  
**( Company No: 666098-X )**

**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 NOVEMBER 2014**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2014**

	<b>Current Quarter 01/09/2014 To 30/11/2014 RM'000</b>	<b>Current Year To Date 30/11/2014 RM'000</b>
<b>Continuing operations</b>		
Revenue	59,897	59,897
Cost of sales	(49,452)	(49,452)
Gross profit	10,445	10,445
Other income	553	553
Operations and administrative expenses	(8,053)	(8,053)
Profit from operations	2,945	2,945
Finance costs	(629)	(629)
Share of results of an associate	3,953	3,953
Profit before tax	6,269	6,269
Taxation	(1,053)	(1,053)
<b>Profit after tax</b>	<b>5,216</b>	<b>5,216</b>
<b>Discontinued operation</b>		
Profit from discontinued operation, net of tax	258	258
<b>Net profit</b>	<b>5,474</b>	<b>5,474</b>
<b>Other comprehensive income:</b>		
Translation of foreign subsidiary	255	255
<b>Total comprehensive income for the period</b>	<b>5,729</b>	<b>5,729</b>

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AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2014**

	<b>Current Quarter 01/09/2014 To 30/11/2014 RM'000</b>	<b>Current Year To Date 30/11/2014 RM'000</b>
<b>Total comprehensive income attributable to:</b>		
Equity holders of the Company	5,729	5,729
<b>Basic earnings per share (sen):</b>		
-from continuing operations	2.46	2.46
-from discontinued operation	0.12	0.12
<b>Diluted earnings per share (sen):</b>		
-from continuing operations	2.26	2.26
-from discontinued operation	0.11	0.11
<b>Net assets per share (sen)</b>	92	92

**Notes:**

- (i) The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 August 2014 and the accompanying explanatory notes attached to the interim financial report.
- (ii) Following the change in the Group's financial year end from 30 April 2014 to 31 August 2014, no comparative figures are presented for the current quarter and year-to-date results.

**WZ Satu Berhad**  
**( Company No: 666098-X )**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2014**

<----- Attributable to Equity Holders of the Company ----->									
Non Distributable					Distributable				
Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Translation Reserve RM'000	Retained Profits RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000	
<b>Balance as at 1 September 2014</b>	95,000	-	14,869	5,310	(1,390)	27,265	141,054	-	141,054
Profit for the period	-	-	-	-	-	5,474	5,474	-	5,474
Translation currency differences for foreign operations	-	-	-	-	255	-	255	-	255
Total comprehensive income	-	-	-	-	255	5,474	5,729	-	5,729
Change in ownership interest in a subsidiary company	-	-	-	-	-	14	14	(14)	-
Accretion of non-controlling interest	-	-	-	-	-	-	-	300	300
Realisation of revaluation reserve	-	-	-	(8)	-	8	-	-	-
Private placement	26,000	-	32,895	-	-	-	58,895	-	58,895
Acquisition of a subsidiary company	5,294	-	20,541	-	-	-	25,835	-	25,835
<b>Balance as at 30 November 2014</b>	<b>126,294</b>	<b>-</b>	<b>68,305</b>	<b>5,302</b>	<b>(1,135)</b>	<b>32,761</b>	<b>231,527</b>	<b>286</b>	<b>231,813</b>

**WZ Satu Berhad**  
**( Company No: 666098-X )**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2014**

<----- Attributable to Equity Holders of the Company ----->									
Non Distributable					Distributable				
Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Translation Reserve RM'000	Retained Profits RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000	
<b>Balance as at 1 May 2013</b>	50,000	(348)	2,232	5,353	(428)	15,541	72,350	-	72,350
Profit for the year	-	-	-	-	-	11,681	11,681	-	11,681
Translation currency differences for foreign operations	-	-	-	-	(962)	-	(962)	-	(962)
Total comprehensive income	-	-	-	-	(962)	11,681	10,719	-	10,719
Realisation of revaluation reserve	-	-	-	(43)	-	43	-	-	-
Purchase of treasury shares	-	(2)	-	-	-	-	(2)	-	(2)
Net proceeds from disposal of treasury shares	-	350	695	-	-	-	1,045	-	1,045
Private placement	5,000	-	1,723	-	-	-	6,723	-	6,723
Rights issue	27,500	-	4,719	-	-	-	32,219	-	32,219
Acquisition of a subsidiary company	12,500	-	5,500	-	-	-	18,000	-	18,000
<b>Balance as at 31 August 2014</b>	<b>95,000</b>	<b>-</b>	<b>14,869</b>	<b>5,310</b>	<b>(1,390)</b>	<b>27,265</b>	<b>141,054</b>	<b>-</b>	<b>141,054</b>

**Note :**

- (i) The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the period ended 31 August 2014 and the accompanying explanatory notes attached to the interim financial report.

**WZ Satu Berhad**  
**( Company No: 666098-X )**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL  
POSITION AS AT 30 NOVEMBER 2014**

	<b>Unaudited</b>	<b>Audited</b>
	<b>30/11/2014</b>	<b>31/08/2014</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	62,422	50,845
Investment in associate	9,899	5,946
Other investments	125	-
Goodwill on consolidation	41,025	20,768
Deferred tax assets	463	719
<b>Total non-current assets</b>	<u>113,934</u>	<u>78,278</u>
<b>Current assets</b>		
Inventories	32,782	44,657
Trade receivables	60,179	42,174
Amount due from contract customers	21,865	22,585
Other receivables, deposits and prepayments	9,624	6,222
Tax recoverable	1,116	906
Deposits, cash and bank balances	85,353	20,442
Assets classified as held for sale	22,930	-
<b>Total current assets</b>	<u>233,849</u>	<u>136,986</u>
<b>TOTAL ASSETS</b>	<u>347,783</u>	<u>215,264</u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	126,294	95,000
Reserves	105,233	46,054
Equity attributable to owners of the Company	<u>231,527</u>	<u>141,054</u>
Non-controlling interest	286	-
<b>Total equity</b>	<u>231,813</u>	<u>141,054</u>
<b>Non-current liabilities</b>		
Borrowings	4,778	6,375
Deferred tax liabilities	2,248	2,005
<b>Total non-current liabilities</b>	<u>7,026</u>	<u>8,380</u>
<b>Current liabilities</b>		
Amount due to contract customers	10,956	743
Trade payables	44,476	23,049
Other payables and accruals	7,062	5,097
Borrowings	43,773	35,466
Provision for taxation	2,217	1,475
Liabilities classified as held for sale	460	-
<b>Total current liabilities</b>	<u>108,944</u>	<u>65,830</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>347,783</u>	<u>215,264</u>
<b>Net assets per share attributable to the equity holders of the Company (sen)</b>	<u>92</u>	<u>74</u>

**Note:**

- (i) The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 August 2014 and the accompanying explanatory notes attached to the interim financial report.

**WZ Satu Berhad**  
**( Company No: 666098-X )**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2014**

**Current Year**  
**To Date**  
**30/11/2014**  
**RM'000**

**Cash Flows From Operating Activities**

Profit before tax from:	
-continuing operations	6,269
-discontinued operation	210
	<hr/>
	6,479
Adjustments for:	
Allowances for impairment of receivables	258
Allowances for impairment of receivables written back	(15)
Amortisation of long term leasehold land	36
Depreciation for property, plant and equipment	
-continuing operations	823
-discontinued operation	58
Plant and equipment written off	37
Interest income	(234)
Interest expenses	
-continuing operations	629
-discontinued operation	8
Share of results of an associate	(3,953)
Unrealised loss on foreign exchange	(124)
<b>Operating profit before working capital changes</b>	<hr/>
	4,002
Decrease in inventories	1,184
Increase in receivables	(1,389)
Increase in payables	6,919
<b>Cash generated from operations</b>	<hr/>
	10,716
Interest paid	(637)
Interest received	234
Net taxes paid	(600)
<b>Net cash generated from operating activities</b>	<hr/>
	9,713
<b>Cash Flows From Investing Activities</b>	
Net cash used in acquisition of a subsidiary company	(9,345)
Purchase of property, plant and equipment	(4,427)
Fixed deposits pledged	1,049
<b>Net cash used in investing activities</b>	<hr/>
	(12,723)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2014 (CONT'D)**

	<b>Current Year To Date 30/11/2014 RM'000</b>
<b>Cash Flows From Financing Activities</b>	
Accretion of non-controlling interest	300
Net proceeds from private placement	58,895
Drawdown from hire purchase	3,413
Net receipt from bank borrowings	(1,722)
<b>Net cash generated from financing activities</b>	<u>60,886</u>
<b>Net increase in cash and cash equivalents</b>	57,876
<b>Cash and cash equivalents brought forward</b>	4,572
Effect of exchange rate changes	(1)
<b>Cash and cash equivalents at end of period</b>	<u><u>62,447</u></u>

**Notes :**

(i) Cash and cash equivalents

Fixed deposits with licensed banks	15,596
Cash and bank balances	70,124
Bank overdrafts	(7,677)
Less: Fixed deposits pledged	(15,596)
	<u>62,447</u>

(ii) The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 August 2014 and the accompanying explanatory notes attached to the interim financial report.

(iii) Following the change in the Group's financial year end from 30 April 2014 to 31 August 2014, no comparative figures are presented for the Consolidated Statement of Cash Flow for the 3 months period ended 30 November 2014.

**Notes To The Interim Financial Report**  
**For the Period Ended 30 November 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 period ended 31 August 2014. 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 WZ Satu in the condensed interim financial statements are consistent with those adopted in the audited consolidated financial statements of WZ Satu for the financial period ended 31 August 2014, 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 2014**

Amendments to MFRS 10	Consolidated Financial Statements : Investment Entities
Amendments to MFRS 12	Disclosure of Interest in Other Entities : Investment Entities
Amendments to MFRS 127	Separate Financial Statements : Investment Entities
Amendments to MFRS 132	Financial Instruments : Presentation - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 139	Financial Instruments : Recognition and Measurement
IC Interpretation 21	Levies

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

Annual Improvements to MFRS 2010-2012 cycle	
Annual Improvements to MFRS 2011-2013 cycle	
Amendments to MFRS 119	Defined Benefits Plans: Employee Contribution



**Notes To The Interim Financial Report**  
**For the Period Ended 30 November 2014**  
(Unaudited)

**Effective for financial periods beginning on or after 1st January 2016**

MFRS 14	Regulatory Deferral Accounts
Amendments to MFRS 11	Accounting for Acquisition of Interest in Joint Operations
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to MFRS 116 and MFRS 141	Agriculture : Bearer Plants
Amendments to MFRS 127	Equity Method in Separate Financial Statements
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between Investor and its Associate or Joint Venture
Annual Improvements to MFRS 2012-2014 cycle	

**Effective for financial periods beginning on or after 1st January 2017**

MFRS 15	Revenue from Contracts with Customers
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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 period ended 31 August 2014 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.

**Notes To The Interim Financial Report**  
**For the Period Ended 30 November 2014**  
(Unaudited)

**6 Changes in Estimates**

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

**7 Changes in Debts and Equity Securities**

Save as disclosed below, there were no issuances, cancellations, share buy-back, resale of shares bought back or repayment of debt and equity securities:

a) Share Capital

During the quarter ended 30 November 2014, the issued and paid-up share capital of the Company increased from 190,000,000 ordinary shares of RM0.50 each to 252,588,235 ordinary shares of RM0.50 each by way of issuance of:

- i. 19,000,000 new ordinary shares of RM0.50 each pursuant to the 30% Bumiputra private placement at an issue price of RM0.84 per share;
- ii. 19,000,000 new ordinary shares of RM0.50 each pursuant to the 30% Bumiputra private placement at an issue price of RM1.11 per share;
- iii. 10,000,000 new ordinary shares of RM0.50 each pursuant to the 30% Bumiputra private placement at an issue price of RM1.60 per share;
- iv. 4,000,000 new ordinary shares of RM0.50 each pursuant to the 30% Bumiputra private placement at an issue price of RM1.78 per share; and
- v. 10,588,235 new ordinary shares of RM0.50 each at an issue price of RM2.44 per share, being the non-cash consideration portion for the acquisition of 5,000,000 ordinary shares of RM1.00 each in Misi Setia Oil & Gas Sdn Bhd ("MISI"), representing 100% equity interest in MISI.

b) Warrants

On 29 October 2014, the Company issued 95,000,000 free warrants on the basis of one (1) free warrant for every two (2) existing ordinary shares of RM0.50 each in WZ Satu held by the shareholders of WZ Satu. Each warrant entitles the registered holder to subscribe for one (1) new WZ Satu share at the exercise price of RM0.60 at anytime within 10 years, commencing from the date of listing of warrants. As at 30 November 2014, no warrants have been exercised.

**8 Dividend Paid**

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

**WZ Satu Berhad****( Company No: 666098-X )****Notes To The Interim Financial Report  
For the Period Ended 30 November 2014  
(Unaudited)****9 Segmental Reporting**

The Group is principally engaged in the business of civil engineering, construction and oil & gas, mining, manufacturing and trading of steel products.

**REVENUE**

	External RM'000	Elimination RM'000	Total RM'000
Civil engineering, construction and oil & gas	41,735	-	41,735
Manufacturing	10,508	(82)	10,426
Trading, investment and others	9,003	(1,267)	7,736
Discontinued operation	1,529	(1,529)	-
Total	<u>62,775</u>	<u>(2,878)</u>	<u>59,897</u>

**RESULTS**

	RM'000
Civil engineering, construction and oil & gas	4,625
Manufacturing	(392)
Trading, investment and others	(821)
Less: Inter-co elimination	<u>(467)</u>
Consolidated profit from operations	2,945
Finance cost	(629)
Share of results of an associate	3,953
Taxation	(1,053)
Profit after taxation	<u>5,216</u>
Discontinued operation	<u>258</u>

**WZ Satu Berhad**  
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**Notes To The Interim Financial Report**  
**For the Period Ended 30 November 2014**  
**(Unaudited)**

**9 Segmental Reporting (cont'd)**

**ASSETS AND LIABILITIES**

	Segment Assets RM'000
Civil engineering, construction and oil & gas	122,697
Manufacturing	77,913
Trading, investment and others	230,399
Discontinued operation	23,564
Less: elimination	<u>(106,790)</u>
Total	<u>347,783</u>

	Segment Liabilities RM'000
Civil engineering, construction and oil & gas	83,227
Manufacturing	33,139
Trading, investment and others	21,032
Discontinued operation	17,629
Less: elimination	<u>(39,057)</u>
Total	<u>115,970</u>

**Notes To The Interim Financial Report**  
**For the Period Ended 30 November 2014**  
**(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	258	258
Allowance for impairment of receivables written back	(15)	(15)
Depreciation and amortisation		
-continuing operations	859	859
-discontinued operation	58	58
Interest income	(234)	(234)
Interest expense		
-continuing operations	629	629
-discontinued operation	8	8
Plant and equipment written off	37	37
Share of results of an associate	(3,953)	(3,953)
Unrealised gain on foreign exchange	(124)	(124)
	<u>          </u>	<u>          </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 30 November 2014 and up to the date of this report except as follows:

On 16 December 2014, the Company announced that its wholly-owned subsidiary company, WZS KenKeong Sdn Bhd (formerly known as KenKeong Sdn Bhd), had on 16 December 2014 received a letter of award from Laksana Amanbina Sdn Bhd for a total value of RM33,703,034.70 ("Award") in relation to the construction and completion of earthworks and infrastructure works connect to existing Package 1, Kuantan, Pahang Darul Makmur. The Project includes earthworks, infrastructure works and street lighting services is expected to be completed within fifty-eight (58) weeks. The Award is expected to contribute positively to the future earnings and net assets per share of the Group for the financial year ending 31 August 2015.

**Notes To The Interim Financial Report**  
**For the Period Ended 30 November 2014**  
**(Unaudited)**

**13 Changes In The Composition Of The Group**

On 31 October 2014, the Company completed the acquisition of 5,000,000 ordinary shares of RM1.00 each in the share capital of Misi Setia Oil & Gas Sdn Bhd ("MISI"), representing 100% equity interest in MISI at a purchase consideration of RM42million, thereby MISI became a wholly-owned subsidiary of the Group.

The following summarises the major classes of consideration transferred and the recognised amount of assets acquired and liabilities assumed at the acquisition date:

**Identified assets acquired and liabilities assumed**

	<b>Fair value RM'000</b>
Property, plant and equipment	9,024
Other investments	125
Receivables	21,325
Inventories	8,180
Tax recoverable	23
Fixed deposits with licensed bank	9,621
Cash and bank balances	7,196
Payables	(26,579)
Bank borrowings	(6,889)
Deferred tax liabilities	(248)
	<u>21,778</u>

**Net cash outflow arising from the acquisition of subsidiary**

	<b>RM'000</b>
Purchase consideration settled in cash and cash equivalents	16,200
Cash and cash equivalents acquired	(6,855)
	<u>9,345</u>

**Goodwill arising on acquisition of subsidiary**

	<b>RM'000</b>
Fair value of total consideration transferred	42,035
Fair value of identifiable net assets	(21,778)
	<u>20,257</u>

Transaction costs related to the acquisition had been recognised in profit or loss as administrative expenses of the Group and of the Company in the current financial period.

Other than the above, there were no other material changes in the Group for the current quarter.

**Notes To The Interim Financial Report**  
**For the Period Ended 30 November 2014**  
**(Unaudited)**

**14 Changes In Contingent Liabilities And Assets**

The contingent liabilities as at 30 November 2014 were as follows:

	<b>30/11/2014</b>	<b>Group</b>	<b>31/08/2014</b>
	<b>RM'000</b>		<b>RM'000</b>
Bankers' guarantee in favour of third parties	<u>27,934</u>		<u>5,424</u>

**15 Capital Commitments**

The capital commitments as at 30 November 2014 were as follows:

	<b>RM'000</b>
(i) Authorised and contracted for	1,233
(ii) Authorised and not contracted for	<u>-</u>
	<u>1,233</u>

Analysed as follows:

Acquisition of plant and equipment	<u>1,233</u>
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**Notes To The Interim Financial Report**  
**For the Period Ended 30 November 2014**  
**(Unaudited)**

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

**1 Review Of Performance**

Current Quarter and Year-To-Date

During this quarter, the Group generated RM59.89 million in revenue with civil engineering, construction and oil & gas segment contributed 70% of the group revenue whilst other marginal and the steel businesses contributed the balance. The revenue of the mining associate was not consolidated and only the profit after tax result was being equity accounted for.

On after tax basis, the Group earned RM5.47 million with mining business contributing RM3.95 million followed by civil engineering, construction and oil & gas segment which contributed RM3.49 million to the group's bottom line, whilst other marginal and the steel businesses recorded a loss of RM1.97 million.

**2 Variation Of Results Against Preceding Quarter**

	<b>Current Quarter 30/11/2014 (3 months) RM'000</b>	<b>Preceding Period 31/08/2014 (1 month) RM'000</b>
Revenue	59,897	19,602
Profit before tax*	6,479	2,381
Profit after tax	<u>5,474</u>	<u>2,328</u>

\* Included profit before tax from discontinued operation of RM0.21 million

The Group registered a revenue of RM59.89 million and profit before tax of RM6.48 million for the current quarter. Firstly, the variance in revenue and profit for the current quarter as compared to the preceding period were due to a three (3) month results compared to one (1) month result. Secondly, the steel and other marginal businesses incurred loss before tax of RM2.05 million.



**Notes To The Interim Financial Report**  
**For the Period Ended 30 November 2014**  
(Unaudited)

**3 Current Year Prospects**

The Group has successfully diversified into oil and gas industry following the acquisition of Misi Setia Oil & Gas Sdn Bhd on 31 October 2014. This subsidiary is expected to contribute meaningfully to the Group. Further, the Group expects its current year performance and profitability to be enhanced by the full year contribution from the civil engineering, construction and mining associate.

**4 Variance Between Actual Profit And Forecast Profit**

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

**5 Taxation**

Breakdown of taxation is as follow:

	<b>Current Quarter 30/11/2014 RM'000</b>	<b>Current Year To Date 30/11/2014 RM'000</b>
Current taxation	1,095	1,095
Movement in deferred taxation	(42)	(42)
	<u>1,053</u>	<u>1,053</u>

The effective tax rates for the current and financial period to date were higher than the statutory tax rate due to the derecognition of unutilised tax losses of certain subsidiary companies and non-deductable corporate exercise expenses.

**6 Profit/(Losses) On Sale Of Unquoted Investments And/Or Properties Respectively For The Current Quarter And Financial Year To Date**

There were no disposals of unquoted investments and/or properties for the current quarter under review and financial year to date.

**Notes To The Interim Financial Report**  
**For the Period Ended 30 November 2014**  
**(Unaudited)**

**7 Quoted Securities**

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

**8 Status Of Corporate Proposals**

The corporate proposals announced but not completed as at 30 November 2014 are as follows:

- (a) On 6 November 2014, the Company entered into a heads of agreement ("HOA") with Khairul Anuar Bin Mohd Nor, Dato' Leom Joo Deck, Cheong Cheng Kee and Wong Ka Tiang to acquire 1,500,000 ordinary shares of RM1.00 each in UBF Maintenance Sdn Bhd ("UBF") representing 100% equity interest in UBF for a purchase consideration of RM79 million to be satisfied with RM39,499,997.98 in cash and the balance shall be satisfied with the issuance of 17,477,877 new ordinary shares at an issue price of RM2.26 per share.

On 6 January 2015, the Company announced that the HOA has lapsed. After due deliberation, the Board of Directors has resolved not to extend the validity of the HOA as an agreement on the terms for the Proposed Acquisition between the Company and the Vendors could not be reached.

- (b) On 21 November 2014, the Company entered into a conditional shares sale agreement for the proposed disposal of the entire issued and paid up capital of Weng Zheng Marketing Sdn Bhd, comprising 2,000,000 ordinary shares of RM1.00 each, to Tan Ching Kee for a cash consideration of RM6,079,394.00. The purchaser will ensure that all the amount owing to the Group amounted to RM16,535,398.00 is fully settled by the third (3) anniversary of the completion date of the disposal.

**WZ Satu Berhad**  
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**Notes To The Interim Financial Report**  
**For the Period Ended 30 November 2014**  
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**9 Status Of Utilisation Of Proceeds**

The status of utilisation of the gross proceeds raised from Bumiputera private placements as at 30 November 2014 are as follows:-

	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended Utilisation	Balance RM'000
Part finance the acquisition of Misi Setia Oil & Gas Sdn Bhd	16,200	16,200	within 6 months	-
Future investment and/or capital expenditure and or funding for working capital in oil & gas industry	42,616	-	within 12 months	42,616
Estimated listing expenses	1,500	1,579	within 1 month	-
	<u>60,316</u>	<u>17,779</u>		<u>42,616</u>

**10 Borrowings And Debts Securities**

The Group's borrowings as at 30 November 2014:-

	<b>Current</b> <b>RM'000</b>	<b>Non- current</b> <b>RM'000</b>	<b>Total</b> <b>RM'000</b>
<b>Secured</b>			
Bank overdraft	7,677	-	7,677
Bankers' acceptances	16,727	-	16,727
Factoring	8,529	-	8,529
Hire purchase creditors	7,087	2,590	9,677
RC Facilities	1,832	-	1,832
Term loans	714	2,188	2,902
Trust receipts	1,207	-	1,207
	<u>43,773</u>	<u>4,778</u>	<u>48,551</u>

**WZ Satu Berhad**

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**Notes To The Interim Financial Report  
For the Period Ended 30 November 2014  
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**11 Off Balance Sheet Financial Instruments**

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

**12 Material Litigation**

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

**13 Dividend**

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

**WZ Satu Berhad**  
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**Notes To The Interim Financial Report**  
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**14 Retained Profits**

The breakdown of realised and unrealised retained profits of the Group is as follows:

	<b>Current Quarter 30/11/2014 RM'000</b>	<b>As at 31/08/2014 RM'000</b>
Total retained profits of the Company and its subsidiaries		
- realised	72,154	54,265
- unrealised	(383)	(396)
	<u>71,771</u>	<u>53,869</u>
Total share of retained profits from an associate		
- realised	8,880	4,788
- unrealised	(451)	(312)
	<u>8,429</u>	<u>4,476</u>
Less: Consolidation adjustments	(47,439)	(31,080)
Total retained profits of the Group	<u>32,761</u>	<u>27,265</u>

**WZ Satu Berhad**

( Company No: 666098-X )

**Notes To The Interim Financial Report  
For the Period Ended 30 November 2014  
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**15 Earnings Per Share**

	<b>Current Quarter 30/11/2014 RM'000</b>	<b>Current Year To Date 30/11/2014 RM'000</b>
<u>Basic</u>		
Profit for the period		
-from continuing operations	5,216	5,216
-from discontinued operation	258	258
	<u>5,474</u>	<u>5,474</u>
Weighted average number of ordinary shares in issue ('000)	211,849	211,849
Earnings per share (sen)		
-from continuing operations	2.46	2.46
-from discontinued operation	0.12	0.12
	<u>2.58</u>	<u>2.58</u>

**WZ Satu Berhad**  
**( Company No: 666098-X )**

**Notes To The Interim Financial Report**  
**For the Period Ended 30 November 2014**  
**(Unaudited)**

**15 Earnings Per Share (cont'd)**

Diluted

Profit for the period

-from continuing operations	5,216	5,216
-from discontinued operation	258	258
	<u>5,474</u>	<u>5,474</u>

Weighted average number of ordinary shares in issue ('000)	231,161	231,161
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Earnings per share (sen)

-from continuing operations	2.26	2.26
-from discontinued operation	0.11	0.11
	<u>2.37</u>	<u>2.37</u>

**16 Approval For The Release Of Quarterly Results**

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