

STEEL HAWK BERHAD ("STEEL HAWK" OR THE "COMPANY")

PROPOSED BONUS ISSUE OF WARRANTS

1. INTRODUCTION

On behalf of the Board of Directors of Steel Hawk ("**Board**"), UOB Kay Hian (M) Sdn Bhd (formerly known as UOB Kay Hian Securities (M) Sdn Bhd) ("**UOBKH**") wishes to announce that the Company proposes to undertake a bonus issue of free warrants in Steel Hawk ("**Warrant(s)**") on the basis of 1 Warrant for every 2 existing ordinary shares in Steel Hawk ("**Steel Hawk Share(s)**" or "**Share(s)**") held by the entitled shareholders whose names appear in the Company's Record of Depositors at an exercise price of RM0.17 per Warrant ("**Exercise Price**") on an entitlement date to be determined and announced later ("**Entitlement Date**") ("**Entitled Shareholders**") ("**Proposed Bonus Issue of Warrants**").

Further details of the Proposed Bonus Issue of Warrants are set out in the ensuing sections of this announcement.

2. PROPOSED BONUS ISSUE OF WARRANTS

2.1 Basis and number of Warrants to be issued

The Proposed Bonus Issue of Warrants entails the issuance of free Warrants, on the basis of 1 Warrant for every 2 existing Shares held by the Entitled Shareholders on the Entitlement Date.

For information purposes, on 26 September 2025, the Company announced the proposed special issue of up to 70,000,000 Shares to Bumiputera investors to be identified and/ or approved by MITI ("**Special Issue**"). On 30 December 2025, a total of 558,000 Shares were issued pursuant to the Special Issue. As at 21 January 2026, being the latest practicable date of this announcement ("**LPD**"), the Company is in the process of completing the Special Issue. Notwithstanding the foregoing, the Company does not intend to issue any further Shares pursuant to the Special Issue.

As at the LPD, the issued share capital of Steel Hawk is RM20,438,720.00 comprising 490,558,000 Shares and the Company does not retain any treasury shares as at the LPD.

Accordingly, a total of up to 245,279,000 Warrants may be issued pursuant to the Proposed Bonus Issue of Warrants. In addition, assuming all the Warrants are exercised, a total of up to 245,279,000 new Shares may be issued.

The actual number of Warrants to be issued under the Proposed Bonus Issue of Warrants will depend on the number of Shares in issue (excluding treasury shares, if any) on the Entitlement Date.

The entitlement basis for the Proposed Bonus Issue of Warrants was determined after taking into consideration the following:-

- (i) compliance with Rule 6.51 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**Listing Requirements**"), which states that the number of new Shares that will arise from the exercise of all outstanding convertible equity securities, shall not exceed 50% of the total number of issued shares (excluding treasury shares and before the exercise of the convertible equity securities) at all times;
- (ii) dilutive effects arising from the full exercise of the Warrants on the consolidated earnings per Share ("**EPS**") of the Company; and

- (iii) amount of proceeds the Company could potentially raise as and when the Warrants are exercised during the exercise period of the Warrants.

Fractional entitlements of the Warrants, if any, shall be disregarded and dealt with in such manner as the Board may in its absolute discretion deem fit and expedient, and in the best interest of the Company.

The Proposed Bonus Issue of Warrants will be implemented in a single issuance and will be issued in registered form and constituted by a deed poll governing the Warrants to be executed by the Company ("**Deed Poll**").

2.2 Basis of determining the issue price and Exercise Price of Warrants

The Warrants will be issued at no cost to the Entitled Shareholders based on their respective shareholdings in the Company on the Entitlement Date.

The Board has fixed the Exercise Price of the Warrants at RM0.17 each after taking into consideration, amongst others, the following:-

- (i) the historical price movement of Shares. The exercise price represents a discount of approximately 28.75% to the 5-day volume weighted average market price ("**VWAP**") of Shares up to and including the LPD of RM0.2386.

The Board opines that the exercise price is justifiable after taking into consideration the prospects of Steel Hawk and its subsidiaries ("**Steel Hawk Group**" or the "**Group**") as well as its future funding requirements, and thus the need to fix an attractive exercise price in order to incentivise the holders of the Warrants ("**Warrant Holder(s)**") to exercise the Warrants and increase their equity participation in the Company; and

- (ii) the Warrants are exercisable at any time for a tenure of 5 years from the date of issuance, which may provide Steel Hawk's shareholders with an alternative to participate in the equity of the Company and potentially realise a capital gain in the event of any Share price appreciation.

The Board is of the view that the exercise of the Warrants may raise additional funds for the Group in the future, as well as improve the trading liquidity of Shares with the increase in the number of Shares in issue as and when the Warrants are exercised.

2.3 Ranking of the Warrants and new Shares to be issued arising from the exercise of Warrants

Warrant Holders will not be entitled to any voting rights or right to participate in any form of distribution other than on winding up, compromise or arrangement of Steel Hawk as set out in the Deed Poll and/ or offer of further securities in Steel Hawk until and unless such Warrant Holders exercise their Warrants into new Shares.

The new Shares to be issued pursuant to the exercise of the Warrants will, upon allotment and issuance, rank equally in all respects with the existing Shares, save and except that the new Shares will not be entitled to any dividends, rights, allotments and/ or any other forms of distribution where the entitlement date precedes the relevant date of allotment and issuance of the new Shares.

2.4 Listing and quotation of the Warrants and new Shares to be issued arising from the exercise of the Warrants

An application will be made to Bursa Securities for:-

- (i) the admission of the Warrants to the Official List of Bursa Securities; and
- (ii) the listing and quotation of the Warrants, as well as the new Shares to be issued arising from the exercise of the Warrants,

on the ACE Market of Bursa Securities.

2.5 Salient terms of the Warrants

The salient terms of Warrants are set out below:-

Terms	Details
Issue size	: Up to 245,279,000 Warrants.
Form and denomination	: The Warrants will be issued in registered form and will be constituted by the Deed Poll.
Board lot	: For the purpose of trading on Bursa Securities, a board lot of Warrants shall be 100 Warrants carrying rights to subscribe for 100 new Shares at any time during the Exercise Period, or such other number of Warrants as may be varied from time to time by Bursa Securities and/ or any relevant authorities to constitute a board lot.
Exercise right	: Every 1 Warrant entitles Warrant Holders to subscribe for 1 new Shares at any time during the Exercise Period at the Exercise Price, subject to the adjustments in accordance with the provisions of the Deed Poll.
Exercise price	: RM0.17, being the amount payable in respect of each new Steel Hawk Share to which a Warrant Holder is entitled to subscribe for on exercise of the Exercise Right represented by the Warrant involving such new Steel Hawk Share, or such price as adjusted under the provisions of the Deed Poll.
Exercise period	: Five (5) years commencing on and including the date of issuance of the Warrants and ending at the close of business at 5.00 p.m. in Kuala Lumpur, on the date preceding the fifth (5th) anniversary of the date of issuance, or if such is not a Market Day, then it shall be the Market Day immediately preceding the said non-Market Day. A "Market Day" shall have the same meaning as defined in the Listing Requirements.
Participating rights of the Warrant Holders	: The Warrant Holders shall not be entitled to vote in any general meeting of the Company or to participate in any dividends, rights, allotments and/ or other forms of distributions and/ or offer of further securities in the Company other than on winding-up, compromise or arrangement of the Company as provided in the Deed Poll until and unless the Warrant Holders exercise their Warrant into new Shares or unless otherwise provided in Deed Poll or unless otherwise resolved by Steel Hawk in a general meeting.

Terms	Details
Adjustment to the exercise price and/ or number of Warrants	: The exercise price and/ or the number of unexercised Warrant shall from time to time be adjusted by the Board in consultation with an approved principal adviser and/ or auditors and certified by the auditors under certain circumstances in accordance with the provisions of the Deed Poll.
Transferability	: The Warrants will only be transferable in the manner set out in the Deed Poll subject always to the provisions of the Securities Industry (Central Depositories) Act, 1991 and the rules of Bursa Malaysia Depository Sdn Bhd, as amended and revised from time to time.
Rights in the event of winding-up, liquidation, compromise and/ or arrangement	: Where a resolution has been passed for a members' voluntary winding up of the Company or where there is a scheme of compromise or arrangement (whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company, amalgamation or merger of the Company with one or more companies) then:- <ul style="list-style-type: none"> (i) for the purposes of such winding up, compromise or arrangement to which the Warrant Holders, or some persons designated by them for such purpose by a special resolution, shall be a party, the terms of such winding up, compromise or arrangement shall be binding on all the Warrant Holders; or (ii) in any other case and to the extent permitted by law, every Warrant Holder shall be entitled (upon and subject to the conditions contained in Deed Poll) at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding-up of the Company or within six (6) weeks after the granting of the court order approving the compromise or arrangement (but in both cases, not later than the end of the Exercise Period), by irrevocable surrender on a Market Day of its/ his/ her Warrant to the Company by submitting the duly completed and executed exercise form(s) authorising the debiting of its/ his/ her Warrant, together with and payment of the relevant Exercise Price, to elect to be treated as if it/ he/ she had immediately prior to the commencement of such winding-up, compromise or arrangement exercised the exercise rights represented by such Warrant to the extent specified in the exercise form(s) and be entitled to receive out of the assets of the Company which would be available in liquidation as if it/ he/ she had on such date been the holder of the new Shares to which it/ he/ she would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly. <p>If the Company is wound up by way of members' voluntary winding up or an order has been granted for such compromise or arrangement, all exercise rights which have not been exercised within 6 weeks of either the passing of such a resolution for winding up or the granting of the court order for the approval of such compromise or arrangement, as the case may be, shall lapse and the Warrant will cease to be valid for any purpose.</p> <p>If the Company is wound up (other than by way of a members' voluntary winding up), all exercise rights which have not been exercised prior to the date of commencement of the winding up shall lapse and the Warrant will cease to be valid for any purpose.</p>

Terms	Details
Modifications of rights of the Warrant Holders	<p>: The Company may, from time to time, subject to the terms and conditions of the Deed Poll, without the consent or sanction of the Warrant Holders, modify, amend or add to the Deed Poll, if such modification, amendment or addition made does not materially prejudice the interests of the Warrant Holders or is made to correct a manifest error or to comply with the prevailing laws of Malaysia.</p> <p>Save for the above, any modification, amendment, deletion or addition to the Deed Poll shall require the approval of the Warrant Holders sanctioned by special resolution and may be effected only by a supplemental deed poll executed by the Company and expressed to be supplemental to the Deed Poll and subject to the applicable laws, Listing Requirements and approval of the relevant authorities, if necessary.</p>
Listing status	<p>: The Warrants will be listed and quoted on the ACE Market of Bursa Securities.</p>
Governing Laws	<p>: The Deed Poll is governed by and construed in accordance with the laws and regulations of Malaysia.</p>

2.6 Utilisation of proceeds

The Proposed Bonus Issue of Warrants will not raise any immediate funds for the Company as the Warrants will be issued at no cost to the Entitled Shareholders. The amount of proceeds to be raised would depend on the actual number of Warrants exercised during the exercise period. As such, the exact quantum and timeframe for utilisation of the proceeds to be raised cannot be determined at this juncture.

Nevertheless, the Board anticipates that any proceeds to be raised from the exercise of the Warrants will be utilised by the Group within 12 months from the date of receipt of such proceeds.

Assuming the full exercise of Warrants at the exercise price of RM0.17 each, the Proposed Bonus Issue of Warrants is expected to raise gross proceeds of up to RM41.70 million.

Such proceeds to be raised, as and when the Warrants are exercised, are expected to fund the working capital requirements of the Group. The proceeds to be used for working capital are subject to the operational requirements of the Group at the point of utilisation, and thus the actual timeframe and breakdown are not determinable at this juncture.

Pending the utilisation of proceeds raised as and when the Warrants are exercised, such proceeds will be placed in deposits with financial institutions or short-term money market instruments as the Board may deem fit. The interest derived from the deposits with the financial institutions or any gain arising from the short-term money market instruments will also be used to fund the working capital requirements of the Group.

3. RATIONALE AND JUSTIFICATIONS FOR THE PROPOSED BONUS ISSUE OF WARRANTS

The Board intends to undertake the Proposed Bonus Issue of Warrants due to the following:-

- (i) to reward the existing shareholders of the Company for their continuing support, by enabling them to participate in a derivative of the Company;
- (ii) provides the shareholders an alternative mean to participate and trade in the equity of the Company in addition to the mother share. The shareholders may also benefit from potential capital gain in the event of Share price appreciation through the exercise of the Warrants;
- (iii) provides the shareholders an opportunity to further increase their equity participation in the Company by exercising the Warrants at a pre-determined price over the tenure of the Warrants and to benefit from the future growth and any potential capital appreciation of the Shares arising therefrom;
- (iv) strengthen the capital base of the Company with the proceeds from the exercise of Warrants, as and when the Warrants are exercised; and
- (v) serves as an appropriate avenue to raise funds as opposed to other fundraising exercises in view that it may progressively raise proceeds as and when the Warrants are exercised to fund the Group's working capital requirement as highlighted in **Section 2.6** of this announcement without the need of incurring interest cost as compared to bank borrowings.

4. OTHER FUND RAISING EXERCISES IN THE PAST 12 MONTHS

On 26 September 2025, the Company announced the Special Issue. On 13 October 2025, Bursa Securities had resolved to approve the listing and quotation of up to 70,000,000 new Shares to be issued pursuant to the Special Issue. On 5 November 2025, the Company had obtained the approval of shareholders of Steel Hawk at an extraordinary general meeting ("EGM") for the Special Issue. On 30 December 2025, 558,000 new Shares had been issued at RM0.34 each pursuant to the Special Issue, raising total gross proceeds of RM189,720.00.

As at the LPD, the Company is in the process of completing the Special Issue. Notwithstanding the foregoing, the Company does not intend to issue any further Shares pursuant to the Special Issue.

Save for the Special Issue, the Company has not undertaken any other fund raising exercises in the 12 months prior to the date of this announcement.

5. INDUSTRY OVERVIEW, OUTLOOK AND FUTURE PROSPECTS OF THE GROUP

5.1 Overview and outlook of the Malaysian economy

In 2025, the economy is expected to grow between 4% and 4.8%, underpinned by firm domestic demand. From the demand perspective, private consumption is anticipated to remain resilient, supported by higher disposable income, favourable labour market conditions, targeted assistance programmes and vibrant tourism activities. Investment momentum will be sustained by the realisation of multi-year projects and strong inflows into high-growth segments such as semiconductors and data centres. From a supply perspective, the services and manufacturing sectors will continue to lead growth. The services sector will be driven by robust tourism activities, dynamic retail trade and increased demand for business-related services. Meanwhile, the manufacturing sector will benefit from growing semiconductor demand due to the expansion of the digital economy and the increasing use of AI edge applications as well as strong performance in domestic-oriented industries.

In 2026, Malaysia's economy is projected to expand between 4% and 4.5%, supported by resilient domestic demand and a steady external sector. Growth will be anchored by private consumption, boosted by the implementation of the salary adjustment under Phase 2 of the Public Service Remuneration System (SSPA), continuation of targeted assistance programmes and robust tourism activities in conjunction with Visit Malaysia 2026 (VM2026). In addition, strong investment performance will be supported by higher capital expenditures, particularly in high-impact strategic sectors. The services and manufacturing will remain key drivers of growth, complemented by sustained construction and agriculture sectors.

(Source: Economic Outlook 2026, Ministry of Finance Malaysia)

5.2 Overview and outlook of the oil and gas ("O&G") industry in Malaysia

The mining sector contracted by 3.9% in the first half of 2025 with subdued performance in all subsectors. The natural gas subsector declined by 5%, weighed down by lower output across all regions. The crude oil and condensate subsector fell by 3.1% stemming from supply disruptions particularly in Sabah. Meanwhile, the other mining & quarrying and supporting services subsector shrank marginally by 0.5%, mainly reflecting weaker activities in the supporting services segment.

The mining sector is forecast to rebound by 6.2% in the second half of 2025, driven by higher production in the natural gas subsector. This will be contributed by a spike in production attributed to the stabilisation of operations at the Kasawari and Jerun gas fields in Sarawak. Additionally, the crude oil and condensate subsector performance is envisaged to grow following higher output from Sabah and Sarawak. The other mining & quarrying and supporting services subsector is also anticipated to expand on the back of increased supporting services activities. The sector is estimated to grow by 1.1% for the year. In terms of price, the average Brent crude oil is expected to be around USD70 per barrel, amid greater geopolitical uncertainties.

In 2026, the mining sector is projected to contract by 1%, reflecting subdued performance across all subsectors. The natural gas subsector is projected to decline, primarily due to lower production in Peninsular Malaysia and Sabah as well as moderating demand from major importing countries such as Japan, China and the Republic of Korea. Overall, natural gas production is expected to be slower, despite the scheduled commencement of several new projects, including Rosmari & Marjoram in Sarawak as well as Irong Timur and Kurma Manis in Terengganu. Meanwhile, the crude oil and condensate subsector is projected to decline, weighed down by lower output in Sabah. In terms of price, Brent crude oil is expected to average between USD60 and USD65 per barrel.

(Source: Economic Outlook 2026, Ministry of Finance Malaysia)

5.3 Overview and outlook of the power, utilities and engineering services sector in Malaysia

The utilities subsector contracted marginally by 0.01% in the first half of 2025 due to lower electricity consumption from the industrial segment following cautious stance stemming from tariff uncertainties. Nevertheless, the subsector is estimated to grow by 1.7% in the second half of the year, supported by steady demand for electricity, water and gas in the industrial and commercial segments following improved production activities. For the year, the subsector is expected to grow marginally by 0.8%

The utilities subsector is projected to expand by 1.7% in 2026, driven by steady demand from industrial and commercial users for electricity and water services. This is in tandem with the increase in industrial production activities to meet domestic and external demand. In addition, the increasing number of data centres in operation will further support the subsector.

Malaysia's energy landscape is being transformed through the development of flagship renewable energy projects. The HHFS in Terengganu will be Malaysia's largest hybrid solar-hydro facility, with the launch of a 100kW capacity pilot project. Complementing this is the Kenyir green hydrogen hub, a collaborative venture between PETRONAS and TNB, which will produce green hydrogen using renewable energy from the HHFS. Both the Kenyir HHFS and green hydrogen hub will be part of the Kenyir-Kerteh Corridor and linked to the ASEAN Power Grid, thereby enhancing regional energy trade.

At the regional level, Malaysia is deepening ASEAN economic integration, with strategic initiatives such as the ASEAN Power Grid to enhance cross-border energy connectivity and security. These efforts will position Malaysia as a regional hub for renewable energy trade, reinforcing its role as a driver of sustainable growth within Southeast Asia.

(Source: Economic Outlook 2026, Ministry of Finance Malaysia)

By the end of 2021, Malaysia had a total installed electricity generation capacity of 33 gigawatts ("**GW**") connected to the grid, with coal- and gas-fired power plants each accounting for around one-third of total capacity, alongside hydropower, biomass and solar photovoltaic generation. Based on the current plans for power generation, additional gas-fired plants are slated to be built in the coming decade, replacing old coal and gas units, while the country also seeks to increase solar photovoltaic capacity through various programmes.

Electricity demand is expected to at least double from today's levels to 2050 regardless of the scenario. Therefore, how the country's power generation capacity is expanded to meet this demand will be instrumental in achieving national targets for emission reduction and net zero emissions.

Over the period to 2030, significant investment will need to be directed to renewables, energy efficiency, and enabling technologies and infrastructure. In the nearer term, to 2030, more than 17 GW of solar photovoltaic will need to be installed, requiring investment of USD 10.8 billion. Grid expansion will require an investment of USD 8 billion to 2030.

(Source: Malaysia Energy Transition Outlook, International Renewable Energy Agency (IRENA))

The construction sector expanded strongly by 13.1% in the first half of 2025, supported by solid performance across all subsectors. The non-residential buildings subsector recorded robust expansion, driven by acceleration and realisation of private investment in industrial facilities, commercial complexes and data centres, reflecting sustained business activities and rising digitalisation. In addition, the specialised construction activities subsector recorded stable growth, driven by telecommunications infrastructure projects.

The civil engineering subsector sustained its positive performance, underpinned by ongoing works on infrastructure projects. For the rest of 2025, the sector is expected to grow by 7.3%. The civil engineering subsector is anticipated to expand, supported by continued rollout of large-scale public infrastructure projects. The non-residential buildings subsector will continue to gain from investment in commercial and industrial facilities, including data centres development in Johor and Selangor. Overall, the construction sector is projected to record a steady growth of 10.1% for 2025.

The construction sector is expected to remain stable in 2026 by recording a growth of 6.1%, underpinned by positive performance across all subsectors. The realisation of approved strategic investments under national policies and commencement of projects under the Thirteenth Plan will further support the sector's performance.

Within the subsectors, major infrastructure and utilities development such as LRT Mutiara Line, HHFS and ASEAN Power Grid will steer the civil engineering subsector's performance. In addition, the non-residential buildings subsector is anticipated to be driven by sustained demand for industrial facilities, logistics hubs and data centres.

On the other hand, specialised construction activities subsector is projected to grow in tandem with other subsectors' performance supported by sustained demand for site preparation, mechanical and electricals, as well as finishing works.

(Source: Economic Outlook 2026, Ministry of Finance Malaysia)

5.4 Future prospects of the Group

The Group operates within Malaysia's O&G services and equipment industry, which continues to be influenced by PETRONAS' cost optimisation initiatives and a more selective approach towards the issuance of work orders under a tightened operating expenditure budget. Accordingly, the Board recognises that near-term activity levels may be affected by slower work order issuance.

As at the LPD, the Group manages a total of 16 contracts, of which 12 are ongoing call-out contracts (which do not have fixed contract values) across its onshore and offshore support services for the Group's O&G segment, providing recurring work opportunities. These call-out contracts include scopes such as construction and modification works, remote operations, splash zone structural repair and maintenance services, scaffolding services, operational pigging services and manpower supply. The Board remains focused on executing secured contracts while managing customer concentration risk.

In view of the foregoing, and in order to reduce reliance on a single customer and sector, the Group had on 5 November 2025 obtained shareholders' approval to diversify into the provision of engineering, procurement, construction and commissioning ("**EPCC**") services beyond the O&G sector, including amongst others, utilities and power, industrial manufacturing, healthcare, defence, telecommunications and large-scale commercial projects ("**Expanded EPCC Segment**"). This diversification leverages the Group's existing engineering, project management and execution capabilities, which are transferable across sectors requiring similar technical competencies.

In line with this, the Group has entered into a collaboration agreement with Ibrahim & Sons Engineering Sdn Bhd to jointly undertake underground power cable installation and related works for Tenaga Nasional Berhad. This collaboration represents the Group's initial involvement in the Expanded EPCC Segment beyond the O&G sector and forms part of its longer-term effort to build a track record in non-O&G EPCC works. The Group is also in the process of pursuing tenders and progressing registration requirements with various multinational corporations, government-linked companies and government-linked investment companies for EPCC opportunities in non-O&G sectors.

While the domestic O&G sector continues to face headwinds arising from cost optimisation measures and external uncertainties, the Board is of the view that the Group's diversification into the Expanded EPCC Segment will benefit the Group by broadening its operating base and reducing reliance on a single business segment moving forward.

Premised on the above, and barring any unforeseen circumstances, the Board is cautiously optimistic that the Group's existing contracts, ongoing call-out works and diversification initiative will continue to support its operations and financial performance going forward.

(Source: Management of Steel Hawk)

6. EFFECTS OF THE PROPOSED BONUS ISSUE OF WARRANTS

6.1 Issued share capital

	No. of Shares	RM'000
As at LPD	490,558,000	20,439
Assuming full exercise of Warrants	245,279,000	41,697 ^{*1}
Enlarged issued share capital	735,837,000	62,136

Note:-

^{*1} Computed based on the illustrative exercise price of RM0.17 per Warrant.

6.2 Net asset ("NA") per Share and gearing

Based on the latest audited financial statements of Steel Hawk Group as at 31 December 2024, the pro forma effects of the Proposed Bonus Issue of Warrants on the NA per Share and gearing of the Group are set out as follows

	Audited as at 31 December 2024	Subsequent events up to the LPD	Assuming full exercise of Warrants
	RM'000	RM'000	RM'000
Share capital	20,249	20,439 ^{*1}	62,136
Restructuring Reserves	(3,108)	(3,108)	(3,108)
Retained earnings	29,235	29,235	29,035 ^{*2}
Shareholders' equity/ NA	46,376	46,566	88,063
No. of Shares in issue ('000)	490,000	490,558	735,837
NA per Share (RM)	0.09	0.09	0.12
Total borrowings	25,077	25,077	25,077
Gearing ratio (times)	0.54	0.54	0.28

Notes:-

^{*1} After the issuance of 558,000 new Shares at RM0.34 each pursuant to the Special Issue.

^{*2} After deducting estimated expenses of RM0.20 million in relation to the Proposed Bonus Issue of Warrants.

6.3 Earnings and earnings per Share ("EPS")

The Proposed Bonus Issue of Warrants is not expected to have any material effect on the consolidated earnings of the Group. However, assuming that the consolidated earnings of the Group remain unchanged, the EPS of the Group will be correspondingly diluted as a result of the increase in the number of Shares in issue as and when the Warrants are exercised into new Shares.

The potential effects of the exercise of the Warrants on the future earnings and EPS of the Group will depend upon, amongst others, the number of Warrants exercised at any point in time and the benefits to be accrued to the Group from the utilisation of proceeds raised from the exercise of the Warrants.

6.4 Convertible securities

As at the LPD, the Company does not have any convertible securities in issue.

6.5 Substantial shareholders' shareholdings

The pro forma effects of the Proposed Bonus Issue of Warrants on the substantial shareholders' shareholdings in Steel Hawk are set out below:-

Substantial shareholders	Shareholdings as at the LPD				Assuming full exercise of Warrants			
	<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
	No. of Shares	% ^{*1}	No. of Shares	% ^{*1}	No. of Shares	% ^{*2}	No. of Shares	% ^{*2}
Radiant Capital Sdn Bhd (" RCSB ")	178,349,000	36.36	-	-	267,523,500	36.36	-	-
Datin Annie A/P V Sinniah	48,951,000	9.98	48,951,000 ^{*3}	9.98	73,426,500	9.98	73,426,500 ^{*3}	9.98
Dato' Sharman Kristy A/L Michael	48,951,000	9.98	48,951,000 ^{*4}	9.98	73,426,500	9.98	73,426,500 ^{*4}	9.98
Khairul Nazri Bin Kamarudin	-	-	178,349,000 ^{*5}	36.36	-	-	267,523,500 ^{*5}	36.36
Salimi Bin Khairuddin	-	-	178,349,000 ^{*5}	36.36	-	-	267,523,500 ^{*5}	36.36

Notes:-

^{*1} Based on the total issued Shares of 490,558,000 in Steel Hawk

^{*2} Based on the enlarged issued Shares of 735,837,000 in Steel Hawk assuming the full exercise of the Warrants

^{*3} Deemed interested by virtue of her spouse's shareholdings in the Company pursuant to Section 8 of the Companies Act 2016 ("**Act**").

^{*4} Deemed interested by virtue of his spouse's shareholdings in the Company pursuant to Section 8 of the Act.

^{*5} Deemed interested by virtue of their shareholdings in RCSB pursuant to Section 8 of the Act.

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

7. APPROVALS REQUIRED

The Proposed Bonus Issue of Warrants is subject to the following approvals being obtained from:-

- (i) Bursa Securities for the following:-
 - (a) the admission of the Warrants to the Official List of Bursa Securities; and
 - (b) the listing and quotation of the Warrants and new Shares to be issued arising from the exercise of the Warrants on the ACE Market of Bursa Securities;
- (ii) Shareholders of Steel Hawk at an EGM of the Company to be convened; and
- (iii) Any other relevant authorities and/ or parties, if required.

The Proposed Bonus Issue of Warrants is not conditional upon any other proposals undertaken or to be undertaken by the Company, if any.

8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/ OR PERSONS CONNECTED WITH THEM

None of the Directors, major shareholders, chief executive of Steel Hawk and/ or persons connected with them have any interest, whether direct or indirect, in the Proposed Bonus Issue of Warrants, save for their respective entitlements as shareholders of the Company under the Proposed Bonus Issue of Warrants, which are also available to all other Entitled Shareholders of the Company on a pro-rata basis.

9. DIRECTORS' STATEMENT

The Board, having considered all aspects of the Proposed Bonus Issue of Warrants, including but not limited to the rationale and effects, is of the opinion that it is in the best interest of the Company.

10. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all relevant approvals being obtained, the Proposed Bonus Issue of Warrants is expected to be completed in the second quarter of 2026.

11. APPLICATION TO THE RELEVANT AUTHORITIES

The application to the relevant authority in relation to the Proposed Bonus Issue of Warrants shall be made within 2 months from the date of this announcement.

12. PRINCIPAL ADVISER

UOBKH has been appointed as the Principal Adviser for the Proposed Bonus Issue of Warrants.

This announcement is dated 26 January 2026.