

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES")

THE LEAP MARKET HAS BEEN POSITIONED AS A MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON BURSA SECURITIES. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY STEEL HAWK BERHAD ("STEEL HAWK"). INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately. If you have sold or transferred all your shares in Steel Hawk, you should at once hand this Circular together with the enclosed Proxy Form to the agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The admission of Steel Hawk to the LEAP Market of Bursa Securities was advised by UOB Kay Hian Securities (M) Sdn Bhd. This Circular has been reviewed by UOB Kay Hian Securities (M) Sdn Bhd, being the Approved Adviser for the Proposals (as defined herein) and Sponsor for the Proposed Transfer (as defined herein).

Bursa Securities takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



STEEL HAWK BERHAD

Registration No. 202001043293 (1399614-A)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE:-

- I. **PROPOSED BONUS ISSUE OF 240,000,000 NEW ORDINARY SHARES IN STEEL HAWK ("STEEL HAWK SHARE(S)" OR "SHARE(S)") ("BONUS SHARE(S)") ON THE BASIS OF 3 BONUS SHARES FOR EVERY 2 EXISTING STEEL HAWK SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER ("PROPOSED BONUS ISSUE");**
 - II. **PROPOSED VOLUNTARY WITHDRAWAL OF LISTING OF STEEL HAWK FROM THE LEAP MARKET OF BURSA SECURITIES PURSUANT TO RULES 8.05 AND 8.06 OF THE LEAP MARKET LISTING REQUIREMENTS OF BURSA SECURITIES ("PROPOSED WITHDRAWAL");**
 - III. **PROPOSED LISTING OF STEEL HAWK ON THE ACE MARKET OF BURSA SECURITIES PURSUANT TO RULES 3A.02(1) AND 3A.02(2) OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES ("PROPOSED LISTING"); AND**
- (THE PROPOSED WITHDRAWAL AND PROPOSED LISTING ARE COLLECTIVELY REFERRED TO AS THE "PROPOSED TRANSFER")**
- IV. **PROPOSED ADOPTION OF A NEW CONSTITUTION OF STEEL HAWK TO FACILITATE THE IMPLEMENTATION OF THE PROPOSED TRANSFER ("PROPOSED ADOPTION")**

(THE PROPOSED BONUS ISSUE, PROPOSED WITHDRAWAL, PROPOSED LISTING AND PROPOSED ADOPTION ARE COLLECTIVELY REFERRED TO AS THE "PROPOSALS")

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Approved Adviser and Sponsor

UOB Kay Hian

UOB Kay Hian Securities (M) Sdn Bhd

(Registration No.: 199001003423 (194990-K))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Extraordinary General Meeting ("**EGM**") of Steel Hawk will be held virtually via Online Meeting Platform provided by Tricor Investor & Issuing House Services Sdn Bhd ("**Tricor**") in Malaysia via Tricor's TIIH Online website at <https://tiih.online> on Monday, 22 January 2024 at 10.00 a.m., or at any adjournment thereof. The Notice of EGM, together with the Proxy Form are enclosed herewith.

A member of Steel Hawk entitled to attend, participate, speak and vote at the EGM is entitled to appoint a proxy or proxies to attend, participate and vote on his/ her behalf. In such event, the completed and signed Proxy Form should be lodged at the Company's Share Registrar, Tricor situated at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah or via Tricor's TIIH Online website at <https://tiih.online> or email to sakila@my.tricorglobal.com or fax to +603-2783 9277, not less than 48 hours before the time stipulated for holding the EGM or any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending, participating, speaking and voting in person at the EGM should you subsequently wish to do so.

Last date and time for lodging the Proxy Form : Saturday, 20 January 2024 at 10.00 a.m.
Date and time of the EGM : Monday, 22 January 2024 at 10.00 a.m.

This Circular is dated 29 December 2023

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:-

"ACE Market Listing Requirements"	:	ACE Market Listing Requirements of Bursa Securities
"Act"	:	Companies Act 2016
"Board"	:	The Board of Directors of Steel Hawk
"Bonus Share(s)"	:	The 240,000,000 new Shares to be issued and allotted pursuant to the Proposed Bonus Issue
"Bursa Depository"	:	Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
"Bursa Securities"	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
"Circular"	:	This circular dated 29 December 2023 in relation to the Proposals
"CMSA"	:	Capital Markets and Services Act 2007
"Dato' Sharman"	:	Dato' Sharman Kristy A/L Michael
"Director(s)"	:	Has the meaning given in Section 2(1) of the CMSA
"EGM"	:	Extraordinary General Meeting of the Company
"Eligible Persons"	:	Collectively, the eligible employees of Steel Hawk Group and persons who have contributed to the success of the Group
"Entitlement Date"	:	5.00 p.m. on a date to be determined and announced later by the Board on which the name of the Shareholders must appear in the Record of Depositors of the Company in order to be entitled to the Bonus Shares
"Entitled Shareholders"	:	Shareholders whose names appear in the Record of Depositors of the Company as at the close of business on the Entitlement Date
"EPCC"	:	Engineering, procurement, construction and commissioning where an EPCC contractor is responsible for all activities from engineering, procurement, construction to commissioning and handover of the project to the owner
"EPS"	:	Earnings per Share
"Exemption"	:	The exemption from complying with Rules 8.06(1)(c) and 8.06(1)(d) of the LEAP Market Listing Requirements in connection with the Proposed Withdrawal. The Exemption was approved by Bursa Securities vide its letter dated 4 October 2023
"Existing Teluk Kalung Facility 1"	:	A semi-detached double storey office annexed with a single storey warehouse erected on a piece of leasehold land owned by the Group held under Pajakan Negeri 4084, Lot No. 3695, Mukim Teluk Kalung, District of Kemaman, State of Terengganu measuring approximately 23,508 sq. ft. bearing postal address Lot 3695, Jalan MIEL TK 3, Kawasan Perindustrian MIEL, 24000 Chukai, Terengganu

DEFINITIONS (CONT'D)

"FPE"	:	Financial period ended
"FYE"	:	Financial year ended
"Information Memorandum"	:	Information memorandum dated 10 September 2021 pursuant to the Company's listing on LEAP Market of Bursa Securities
"Interested Director(s)"	:	Collectively, Dato' Sharman and Salimi Bin Khairuddin. For the avoidance of doubt, Datin Annie A/P V Sinniah and Khairul Nazri Bin Kamarudin were the Executive Directors of the Company and deemed interested in the Proposed Transfer during the announcement dated 12 July 2023 in relation to the Proposed Transfer and Proposed Adoption. However, they had on 5 October 2023 resigned from the Board
"Interested Parties"	:	Collectively, Radiant Capital, Salimi Bin Khairuddin, Khairul Nazri Bin Kamarudin, Dato' Sharman and Datin Annie A/P V Sinniah
"IPO Share(s)"	:	Collectively, the Issue Share(s) and Offer Share(s)
"Issue Share(s)"	:	The 90,000,000 new Shares to be issued pursuant to the Proposed Public Issue
"LEAP Market Listing Requirements"	:	LEAP Market Listing Requirements of Bursa Securities
"LPD"	:	1 December 2023, being the latest practicable date prior to the printing and despatch of this Circular
"LTD"	:	11 July 2023, being the last trading day prior to the announcement of the Proposed Transfer
"Malaysian Public"	:	Citizens of Malaysia and companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia
"Market Day"	:	Any day from Monday to Friday (inclusive of both days) which is not a public holiday or surprise holiday* and on which Bursa Securities is open for the trading of securities *A "surprise holiday" refers to a public holiday declared in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the start of the calendar year
"Minority Shareholders"	:	The minority shareholders of Steel Hawk (other than the substantial shareholders of Steel Hawk namely Radiant Capital, Dato' Sharman and Datin Annie A/P V Sinniah), who collectively own the remaining 35,200,000 Shares (not held by the substantial shareholders of Steel Hawk), representing approximately 22.00% of the total issued share capital of Steel Hawk comprising 160,000,000 Shares as at the LPD
"MT"	:	Metric tonnes
"NA"	:	Net assets attributable to equity holders
"Offer Share(s)"	:	The 44,700,000 Shares to be offered pursuant to the Proposed Offer for Sale
"Offerors"	:	Collectively, Radiant Capital and Dato' Sharman

DEFINITIONS (CONT'D)

"Official List"	:	A list specifying all securities listed on Bursa Securities
"O&G"	:	Oil and gas
"PAT"	:	Profit after taxation
"PBT"	:	Profit before taxation
"PE"	:	Price to earnings
"Proposal Letter"	:	The proposal letter dated 10 July 2023 from the Proposers to the Board requesting the Board to consider undertaking the Proposed Transfer
"Proposals"	:	Collectively, the Proposed Bonus Issue, Proposed Withdrawal, Proposed Listing and Proposed Adoption
"Proposed Adoption"	:	Proposed adoption of the Proposed New Constitution to replace the existing Constitution of Steel Hawk in its entirety to facilitate the implementation of the Proposed Transfer
"Proposed Bonus Issue"	:	Proposed bonus issue of 240,000,000 Bonus Shares on the basis of 3 Bonus Shares for every 2 existing Steel Hawk Shares held by the Entitled Shareholders on the Entitlement Date
"Proposed IPO"	:	Collectively, the initial public offering comprising the Proposed Public Issue and Proposed Offer for Sale
"Proposed Listing"	:	Proposed listing of Steel Hawk on the ACE Market of Bursa Securities pursuant to Rules 3A.02(1) and 3A.02(2) of the ACE Market Listing Requirements
"Proposed Constitution"	New	The proposed new Constitution of the Company in the form as set out in Appendix I of this Circular
"Proposed Offer for Sale"	Offer for	Proposed offer for sale of 44,700,000 Offer Shares by the Offerors, representing approximately 9.12% of the enlarged share capital of Steel Hawk upon completion of the Proposed Listing
"Proposed Pink Form Allocation"	Pink Form	Proposed allocation of 12,250,000 Issue Shares for application by the Eligible Persons, which forms part of the Proposed Public Issue
"Proposed Public Issue"	:	Proposed public issue of 90,000,000 Issue Shares comprising the following:- <ol style="list-style-type: none">i. 24,500,000 Issue Shares made available for application by the Malaysian Public;ii. 12,250,000 Issue Shares made available for application by the Eligible Persons; andiii. 53,250,000 Issue Shares made available by way of private placement to selected investors
"Proposed Teluk Kalung Facility 2"	:	A three-storey office/ yard fabrication facility having a built-up area of approximately 55,780 sq. ft. to be constructed on part of the Teluk Kalung Land
"Proposed Transfer"	:	Collectively, the Proposed Withdrawal and Proposed Listing

DEFINITIONS (CONT'D)

"Proposed Withdrawal"	:	Proposed voluntary withdrawal of listing of Steel Hawk from the LEAP Market of Bursa Securities pursuant to Rules 8.05 and 8.06 of the LEAP Market Listing Requirements
"Proposer(s)"	:	Collectively, Radiant Capital and Dato' Sharman
"Protégé Associates"	:	Protégé Associates Sdn Bhd (Registration No. 200401037256 (675767-H)), the independent market researcher in relation to the Proposed Listing
"Radiant Capital"	:	Radiant Capital Sdn Bhd (Registration No. 202101013134 (1413433-P))
"Record of Depositors"	:	A record of securities holders established by Bursa Depository under the rules of Bursa Depository as issued pursuant to the Securities Industry (Central Depositories) Act, 1991, including the Securities Industry (Central Depositories) Amendment Act, 1998
"RM" and "sen"	:	Ringgit Malaysia and sen, respectively
"SC"	:	Securities Commission Malaysia
"Shareholder(s)"	:	Registered holders of Steel Hawk Shares
"sq. ft."	:	Square feet
"Steel Hawk" or the "Company"	:	Steel Hawk Berhad (Registration No. 202001043293 (1399614-A))
"Steel Hawk Group" or the "Group"	:	Collectively, Steel Hawk and its subsidiaries, namely Steel Hawk Engineering Sdn Bhd (Registration No. 201201034856 (1019338-X)) and Steel Hawk Defence Sdn Bhd (Registration No. 202201014104 (1459801-M))
"Steel Hawk Share(s)" or "Share(s)"	:	Ordinary shares in Steel Hawk
"Teluk Kalung Land"	:	A piece of leasehold land described as Pajakan Negeri 9684, Lot 60004, Mukim Teluk Kalung, District of Kemaman, State of Terengganu measuring approximately 429,802 sq. ft. held by Perbadanan Memajukan Iktisad Negeri Terengganu
"UOBKH" or "Approved Adviser" or "Sponsor"	:	UOB Kay Hian Securities (M) Sdn Bhd (Registration No. 199001003423 (194990-K))

Unless specifically referred to, words denoting incorporating the singular shall, where applicable include the plural and vice versa and words denoting incorporating the masculine gender shall where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to any enactment, rules or legislation is a reference to that enactment, rules or legislation as for the time being amended or re-enacted. Any reference to a time of day and date in this Circular shall be a reference to Malaysian time and date, respectively, unless otherwise specified. Any discrepancy in the figures included in this Circular between the amounts stated, actual figures and the totals thereof are due to rounding adjustments.

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EXECUTIVE SUMMARY

This Executive Summary highlights only the salient information of the Proposals. You are advised to read this Circular in its entirety for further details and not to rely solely on this Executive Summary in arriving at a decision on the Proposals before voting at the forthcoming EGM.

Key information	Description	Reference to Circular
Summary of the Proposals	<u>Proposed Bonus Issue</u>	Section 2
	The Proposed Bonus Issue is undertaken as part the Company's pre-listing reorganisation exercise which entails the bonus issue of 240,000,000 Bonus Shares on the basis of 3 Bonus Shares for every 2 existing Steel Hawk Shares held by the Entitled Shareholders on the Entitlement Date.	
	<u>Proposed Transfer</u>	Section 3
	Proposed Withdrawal	<p>Involves the proposed voluntary withdrawal of listing of Steel Hawk from the LEAP Market of Bursa Securities pursuant to Rules 8.05 and 8.06(1) of the LEAP Market Listing Requirements.</p> <p>The Proposers had, in the Proposal Letter, expressed that it is not their intention to extend the Exit Offer (as defined in Section 3.1.1 of this Circular) to the Minority Shareholders pursuant to the Proposed Withdrawal and appoint an independent adviser for the Proposed Withdrawal. Accordingly, the Company had on 22 September 2023, sought the approval of Bursa Securities for the Exemption which entails the exemptions from having to extend the Exit Offer and the IA Appointment (as defined in Section 3.1.1 of this Circular) pursuant to Rules 8.06(1)(c) and 8.06(1)(d) of the LEAP Market Listing Requirements, respectively.</p> <p>The Exemption was approved by Bursa Securities vide its letter dated 4 October 2023, subject to the condition that the Minority Shareholders' Undertaking Letters (as defined in Section 3.1.1 of this Circular) remain valid and binding until the completion of the Proposed Withdrawal.</p>
Proposed Listing	Entails the listing of and quotation for the enlarged issued share capital of Steel Hawk on the ACE Market of Bursa Securities pursuant to Rules 3A.02(1) and 3A.02(2) of the ACE Market Listing Requirements through the Proposed IPO, which comprises the Proposed Public Issue and Proposed Offer for Sale.	
	<u>Proposed Adoption</u>	Section 4
	The Company proposes to adopt the Proposed New Constitution to substitute Steel Hawk's existing Constitution in its entirety to facilitate the implementation of the Proposed Transfer.	

EXECUTIVE SUMMARY (CONT'D)

Key information	Description	Reference to Circular
Utilisation of proceeds	<p>Based on the illustrative issue price of RM0.15 per IPO Share, the gross proceeds to be raised from the Proposed Public Issue would be RM13.50 million and is proposed to be utilised for the following:-</p> <ul style="list-style-type: none"> • Construction of the Proposed Teluk Kalung Facility 2; • Working capital; • Repayment of bank borrowings; and • Estimated expenses. 	Section 3.2.8
Rationale and justification for the Proposals	<p><u>Proposed Bonus Issue</u></p> <ul style="list-style-type: none"> • Forms an integral part of the Company's listing of and quotation for its enlarged issued share capital on the ACE Market of Bursa Securities; and • The enlarged share base of Steel Hawk is expected to enhance the marketability and trading liquidity of Steel Hawk Shares on the ACE Market of Bursa Securities. <p><u>Proposed Transfer</u></p> <ul style="list-style-type: none"> • Increases the liquidity of the Shares by allowing a larger number of investors to engage in the trading of the Shares upon the listing on the ACE Market of Bursa Securities; • Provides the Company access to a bigger fundraising platform to support the Company's expansion plan and to realise the Company's long-term growth potential; and • Enhances the Company's prestige, credibility and reputation and accord it with greater recognition from various stakeholders. <p><u>Proposed Adoption</u></p> <ul style="list-style-type: none"> • To facilitate the implementation of the Proposed Transfer to ensure Steel Hawk's compliance with the ACE Market Listing Requirements. 	Section 5.1
		Section 5.2
		Section 5.3
Risk factors in relation to the Proposed Transfer	<p>The Proposed Transfer is subject to the following risk factors:-</p> <ul style="list-style-type: none"> • Existing Shareholders of Steel Hawk may experience an immediate paper loss upon the Proposed Listing; • Vagaries of the ACE Market of Bursa Securities; • No prior market for Steel Hawk Shares and there may not be an active trading market for Steel Hawk Shares after the Proposed Transfer; • There may be a potential delay to or failure of the Proposed Transfer; • Impact of non-implementation of the Proposed Transfer on the expenses incurred for the Proposed Transfer; 	Section 8

EXECUTIVE SUMMARY (CONT'D)

Key information	Description	Reference to Circular
Risk factors in relation to the Proposed Transfer (cont'd)	<ul style="list-style-type: none"> • Risk of delay in the implementation of the Group's expansion plan in relation to the construction of the Proposed Teluk Kalung Facility 2; and • Dilution of existing Shareholders' percentage shareholding. 	
Approvals required and conditionality	<p>The Proposals are subject to and conditional upon the following approvals being obtained from:-</p> <ul style="list-style-type: none"> • The Shareholders at the forthcoming EGM; • Bursa Securities for the listing of and quotation for the Bonus Shares on the LEAP Market of Bursa Securities; • Bursa Securities for the Proposed Withdrawal, the admission of Steel Hawk to the Official List and listing of and quotation for the entire enlarged issued share capital of Steel Hawk on the ACE Market of Bursa Securities; • Equity Compliance Unit of the SC, for the resultant equity structure after the Proposed Transfer; and • Any other approval, consent or permission that may be required for any relevant authority, if required. <p>The Proposed Bonus Issue is not conditional upon the Proposed Transfer and Proposed Adoption. However, the Proposed Transfer and Proposed Adoption are inter-conditional upon each other and conditional upon the Proposed Bonus Issue. As such, the Proposed Adoption will take effect on the same date of the listing of and quotation for the entire issued share capital of Steel Hawk on the ACE Market of Bursa Securities.</p> <p>Save for the above, the Proposals are not conditional upon any other corporate proposals undertaken or to be undertaken by the Company.</p>	Section 11
Interests of directors, major shareholders, chief executive and/ or persons connected with them	<p>None of the Directors, major shareholders and/ or chief executive of the Company and/ or persons connected with them has any interest, whether direct or indirect, in the Proposed Bonus Issue other than their respective entitlements as shareholders of the Company under the Proposed Bonus Issue, which are also available to all other Entitled Shareholders.</p> <p>Save as disclosed below, none of the Directors, major shareholders, chief executives and/ or persons connected with them has any interests, whether direct or indirect in the Proposed Transfer and Proposed Adoption:-</p> <ul style="list-style-type: none"> • Radiant Capital; • Salimi Bin Khairuddin; • Khairul Nazri Bin Kamarudin; • Dato' Sharman; and • Datin Annie A/P V Sinniah 	Section 12

EXECUTIVE SUMMARY (CONT'D)

Key information	Description	Reference to Circular
Directors' statement and recommendation	<p>The Board (save for the Interested Directors), after having considered all relevant aspects of the Proposed Transfer, including the rationale and justification, effects and impact of the Proposed Transfer, is of the opinion that the Proposed Transfer is in the best interest of the Company and its shareholders. Accordingly, the Board (save for the Interested Directors), recommends the Shareholders to vote in favour of the resolutions pertaining to the Proposed Transfer to be tabled at the forthcoming EGM.</p> <p>The Board (save for the Eligible Directors as defined in Section 12 of this Circular) having considered all aspects of the Proposed Pink Form Allocation, is of the opinion that the proposed allocations of the new Steel Hawk Shares to the Eligible Directors and any persons connected with them is not detrimental to the interest of the Company. Accordingly, the Board (save for the Eligible Directors) recommends the Shareholders to vote in favour of the resolutions pertaining to the proposed allocations of the new Steel Hawk Shares to the Eligible Directors and any persons connected with them to be tabled at the forthcoming EGM.</p> <p>The Board, after having considered all relevant aspects of the Proposed Bonus Issue and the Proposed Adoption, is of the opinion that the Proposed Bonus Issue and the Proposed Adoption are in the best interest of the Company and its shareholders, as the Proposed Bonus Issue is expected to enhance the marketability and trading liquidity of Steel Hawk Shares on the ACE Market of Bursa Securities, pursuant to the Proposed Listing, and the Proposed Adoption is necessary to facilitate the implementation of the Proposed Transfer to ensure Steel Hawk's compliance with the ACE Market Listing Requirements. Accordingly, the Board recommends the Shareholders to vote in favour of the resolution pertaining to the Proposed Bonus Issue and the special resolution pertaining to the Proposed Adoption to be tabled at the forthcoming EGM.</p>	Section 13

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STEEL HAWK BERHAD

Registration No. 202001043293 (1399614-A)
(Incorporated in Malaysia)

Registered Office

Unit 30-01, Level 30, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
W.P. Kuala Lumpur
Malaysia

29 December 2023

Board of Directors

Tan Sri Acryl Sani Bin Abdullah Sani (Independent Non-Executive Chairman)
Dato' Sharman Kristy A/L Michael (Executive Director)
Salimi Bin Khairuddin (Executive Director)
Haslinda Binti Hussein (Independent Non-Executive Director)
Zariner Binti Ismail (Independent Non-Executive Director)
Y.M Tengku Saifan Rafhan Bin Tengku Putra (Independent Non-Executive Director)

To: The shareholders of Steel Hawk

Dear Sir/ Madam,

- I. PROPOSED BONUS ISSUE;**
- II. PROPOSED WITHDRAWAL;**
- III. PROPOSED LISTING; AND**
- IV. PROPOSED ADOPTION**

(COLLECTIVELY REFERRED TO AS THE "PROPOSALS")

1. INTRODUCTION

On 10 July 2023, UOBKH had, on behalf of the Board, announced that the Board had received the Proposal Letter from the Proposers requesting the Board to consider undertaking the Proposed Transfer.

On 12 July 2023, UOBKH had, on behalf of the Board, announced that the Board (save for the Interested Directors), had deliberated on the Proposal Letter by the Proposers and agreed to undertake the Proposed Transfer. In addition to the Proposed Transfer and to facilitate the implementation of the Proposed Transfer, the Company had proposed to undertake the Proposed Adoption.

On 5 October 2023, UOBKH had, on behalf of the Board, announced that Bursa Securities had vide its letter dated 4 October 2023 resolved to approve the Exemption, subject to the condition that the Minority Shareholders' Undertaking Letters (as defined in **Section 3.1.1** of this Circular) remain valid and binding until the completion of the Proposed Withdrawal.

Further details of the Proposals are set out in the ensuing sections of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSALS, TO SET OUT THE BOARD'S RECOMMENDATION ON THE PROPOSALS AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF EGM AND THE PROXY FORM ARE ENCLOSED TOGETHER WITH THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTIONS TO GIVE EFFECT TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED BONUS ISSUE

In conjunction with, and as an integral part of the Company's listing of and quotation for its enlarged issued share capital on the ACE Market of Bursa Securities, the Company intends to undertake a pre-listing reorganisation exercise involving the Proposed Bonus Issue prior to the Proposed Transfer.

2.1 Basis and number of Bonus Shares to be issued

As at the LPD, the issued share capital of Steel Hawk is RM7,808,001 comprising 160,000,000 Shares.

The Proposed Bonus Issue entails the issuance of 240,000,000 Bonus Shares to be credited as fully paid-up on the basis of 3 Bonus Shares for every 2 existing Steel Hawk Shares held by the Entitled Shareholders on the Entitlement Date.

The basis of the Proposed Bonus Issue of 3 Bonus Shares for every 2 existing Steel Hawk Shares was arrived at after taking into consideration the potential enhancement of the marketability and trading liquidity of the enlarged Steel Hawk Shares on the ACE Market of Bursa Securities, pursuant to the Proposed Listing.

For illustration purposes, based on the lowest daily volume weighted average share price of Steel Hawk Shares for the past 3 months up to the LPD of RM0.280, the theoretical ex-bonus share price of Steel Hawk Shares is RM0.112 after the Proposed Bonus Issue.

The fractional entitlements arising from the Proposed Bonus Issue, if any, will be disregarded and/ or dealt with by the Board in such manner as it may in its absolute discretion deem fit or expedient and in the best interest of the Company.

For the information of the Shareholders, the Proposed Bonus Issue will not be implemented on a staggered basis over a period of time. The Proposed Bonus Issue will be implemented and completed prior to the Proposed Transfer.

2.2 No capitalisation of reserves

The Bonus Shares will be issued as fully paid, at no consideration and without capitalisation of the Company's reserves. As such, the requirement to ensure that Steel Hawk has sufficient reserves to cover for capitalisation of the bonus issue pursuant to Rule 5.13(2) of the LEAP Market Listing Requirements is not applicable for the Proposed Bonus Issue. For the avoidance of doubt, the Proposed Bonus Issue will increase the total number of Steel Hawk Shares in issue but will not increase the total value of the issued share capital of the Company.

2.3 Ranking of the Bonus Shares

The Bonus Shares will, upon allotment and issuance, rank equally in all respects with the then existing Steel Hawk Shares, save and except that the holders of such new Shares shall not be entitled to any dividends, rights, allotments and/ or other distributions that may be declared, made or paid to the Shareholders, the entitlement date of which is prior to the Entitlement Date.

2.4 Listing of and quotation for the Bonus Shares

On 6 October 2023, UOBKH had, on behalf of the Board, submitted an application to Bursa Securities for the listing of and quotation for the Bonus Shares on the LEAP Market of Bursa Securities. Subsequently, Bursa Securities had vide its letter dated 27 October 2023 noted that 240,000,000 new Steel Hawk Shares will be listed and quoted on the LEAP Market of Bursa Securities on a date to be determined after the Company's forthcoming EGM has been held.

Upon completion of the Proposed Bonus Issue and prior to the Proposed Transfer, the issued share capital of Steel Hawk will increase from 160,000,000 Shares to 400,000,000 Shares.

3. DETAILS OF THE PROPOSED TRANSFER

Subsequent to the completion of the pre-listing reorganisation exercise (i.e. the Proposed Bonus Issue), the Company will undertake the Proposed Transfer, which comprises the Proposed Withdrawal and Proposed Listing.

3.1 Proposed Withdrawal

3.1.1 Requirements for the Proposed Withdrawal pursuant to the LEAP Market Listing Requirements

Pursuant to Rule 8.05 of the LEAP Market Listing Requirements, Bursa Securities may grant a listed corporation's request to withdraw its listing status from the LEAP Market of Bursa Securities.

In accordance with Rule 8.06(1) of the LEAP Market Listing Requirements, a listed corporation may not request to withdraw its listing from the LEAP Market of Bursa Securities unless:-

- a. the listed corporation convenes a general meeting to obtain its shareholders' approval and the circular to be sent to the shareholders includes the information set out in Appendix 8B of the LEAP Market Listing Requirements;
- b. the passing of the resolution for the withdrawal of listing is subject to the following conditions:-
 - i. the resolution is approved by a majority of shareholders, in number, representing 75.00% of the total number of issued securities held by the shareholders, present and voting either in person or by proxy at each meeting; and
 - ii. the number of votes cast against the resolution is not more than 10.00% of the total number of issued securities held by the shareholders, present and voting either in person or by proxy at each meeting;
- c. the shareholders are offered a reasonable cash alternative or other reasonable alternatives ("**Exit Offer**"); and
- d. the listed corporation appoints an independent adviser to advise and make recommendations for the consideration of the Minority Shareholders in connection with the withdrawal of its listing as well as the fairness and reasonableness of the Exit Offer ("**IA Appointment**").

The Proposers had, in the Proposal Letter, expressed that it is not their intention to extend the Exit Offer to the Minority Shareholders pursuant to the Proposed Withdrawal and appoint an independent adviser for the Proposed Withdrawal. Accordingly, the Company had on 22 September 2023, sought the approval of Bursa Securities for the Exemption which entails the exemptions from having to extend the Exit Offer and the IA Appointment pursuant to Rules 8.06(1)(c) and 8.06(1)(d) of the LEAP Market Listing Requirements, respectively.

In support for the Exemption, all the Shareholders had provided their written undertakings ("**Undertaking Letters**") whereby they irrevocably and unconditionally undertake the following:-

- i. will vote in favour of the Proposed Withdrawal at an EGM to be convened;
- ii. will continue to hold and will not dispose of, transfer or reduce their shares in Steel Hawk until the completion of the Proposed Withdrawal and Proposed Listing^{*1}; and
- iii. will not request and waive all their rights for an Exit Offer. Accordingly, they will also not request and waive all their rights for the IA Appointment.

Note:-

^{*1} *For information purposes, the Offerors had provided their written undertakings that they will continue to hold and will not dispose of, transfer or reduce their shares in Steel Hawk until the completion of the Proposed Withdrawal and Proposed Listing, save for the Offer Shares pursuant to the Proposed Offer for Sale which will be undertaken in conjunction with the Proposed Listing.*

The Exemption was approved by Bursa Securities vide its letter dated 4 October 2023, subject to the condition that the Minority Shareholders' Undertaking Letters remain valid and binding until the completion of the Proposed Withdrawal.

Upon fulfilment of the requirements set out in (a) and (b) above, an application to Bursa Securities will be made by Steel Hawk to request for the Proposed Withdrawal in accordance with Rule 8.08 of the LEAP Market Listing Requirements, which include the following information:-

- i. the full and detailed reasons for the Proposed Withdrawal;
- ii. the board resolution for the Proposed Withdrawal;
- iii. the confirmation that the approval of any other relevant authority, if required, has been obtained; and
- iv. the confirmation that the listed corporation has obtained approval of its shareholders in accordance with Rule 8.06 of the LEAP Market Listing Requirements.

3.2 Proposed Listing

The Proposed Listing entails the listing of and quotation for the enlarged issued share capital of Steel Hawk on the ACE Market of Bursa Securities. As highlighted in **Section 2** of this Circular, upon completion of the Proposed Bonus Issue and prior to the Proposed Listing, the issued share capital of Steel Hawk will increase from 160,000,000 Shares to 400,000,000 Shares.

The Proposed Listing will involve, amongst others, the listing of and quotation for 90,000,000 Issue Shares to be issued under the Proposed Public Issue (as elaborated herein). Accordingly, upon completion of the Proposed Listing, the issued share capital of Steel Hawk will increase from 400,000,000 Shares to 490,000,000 Shares.

3.2.1 Requirements for the Proposed Listing pursuant to Rules 3A.02(1) and 3A.02(2) of the ACE Market Listing Requirements

The Proposed Listing entails the admission of Steel Hawk to the Official List and the listing of and quotation for the entire enlarged issued share capital of Steel Hawk on the ACE Market of Bursa Securities pursuant to Rules 3A.02(1) and 3A.02(2) of the ACE Market Listing Requirements.

In accordance with Rule 3A.02(1) of the ACE Market Listing Requirements, a transfer applicant must:-

ACE Market Listing Requirements	Status of compliance
(a) have been listed for at least 2 years on the LEAP Market of Bursa Securities at the time of application for transfer of listing;	Complied. As at the date of this Circular, Steel Hawk has been listed on the LEAP Market of Bursa Securities for more than 2 years since 29 October 2021.
(b) be considered as suitable for listing after the assessment by a Sponsor or both the Sponsor and Recognised Approved Adviser ^{*1} as Joint Transfer Sponsor ^{*2} pursuant to Rule 4.07 of the ACE Market Listing Requirements;	Complied. UOBKH being the Sponsor for the Proposed Transfer has assessed the suitability of Steel Hawk for the Proposed Listing pursuant to Rule 4.07 of the ACE Market Listing Requirements.
(c) comply with Chapters 3 and 3A of the ACE Market Listing Requirements, as the case may be, subject to the additional requirements, modifications or exceptions set out in Chapter 3A of the ACE Market Listing Requirements;	Noted and to be complied.
(d) undertake an issue of shares to the general public as part of its transfer of listing; and	To be complied. The Proposed Public Issue and Proposed Offer for Sale will be undertaken in conjunction with the Proposed Listing at a later date after obtaining approval from the Shareholders of Steel Hawk at the forthcoming EGM of the Company.
(e) comply with the relevant admission procedures and requirements as may be prescribed by Bursa Securities	Noted and to be complied.

In accordance with Rule 3A.02(2) of the ACE Market Listing Requirements, a transfer applicant may apply for the Proposed Transfer through:-

ACE Marking Listing Requirements	Status of compliance
(a) a Sponsor; or	Complied. The Board has appointed UOBKH as the Sponsor for the Proposed Transfer.
(b) a Sponsor jointly with a Recognised Approved Adviser ^{*1} as Joint Transfer Sponsor ^{*2} where the Sponsor must be the lead adviser	Not applicable as there is no Joint Transfer Sponsor being appointed for the Proposed Transfer.

Notes:-

^{*1} means an Approved Adviser (i.e. an adviser authorised by Bursa Securities to carry out both the initial listing activities and post-listing activities of companies listed on the LEAP Market of Bursa Securities) which has been approved to act as a Recognised Approved Adviser by Bursa Securities pursuant to Rule 4.29(2) of the ACE Market Listing Requirements.

^{*2} means the Sponsor and Recognised Approved Adviser, either individually or collectively, as the context may require, who are jointly appointed by a transfer applicant in making the transfer of listing application to Bursa Securities.

3.2.2 Proposed Public Issue

The Proposed Public Issue of 90,000,000 Issue Shares, representing approximately 18.37% of the enlarged issued share capital of Steel Hawk upon completion of the Proposed Listing.

For illustrative purposes, throughout this Circular, the effects of the Proposed Listing shall be illustrated based on the illustrative issue price of RM0.15 per IPO Share ("IPO Price"). The final issue price of the IPO Shares shall be determined by the Board at a later date after receipt of all the relevant approvals, at a price that is deemed appropriate after taking into consideration, amongst others, the price discovery mechanism for the issue price of IPO Shares as further set out in Section 3.2.10 of this Circular.

The Proposed Public Issue is proposed to be allocated and allotted in the following manner:-

i. Malaysian Public via balloting

24,500,000 Issue Shares representing approximately 5.00% of the enlarged issued share capital of Steel Hawk upon completion of the Proposed Listing will be made available for application by the Malaysian Public via balloting, of which 50.00% will be set aside for Bumiputera investors.

ii. Eligible Persons

12,250,000 Issue Shares representing approximately 2.50% of the enlarged issued share capital of Steel Hawk upon completion of the Proposed Listing will be made available for application by the Eligible Persons in recognition of their efforts and supports contributed to the Group under the Proposed Pink Form Allocation in the following manner:-

	No. of Eligible Persons ^{*1}	Aggregate no. of Issue Shares to be allocated
Eligible Persons		
Directors of the Group ^{*2}	4	Up to 1,900,000
Eligible employees of the Group ^{*3}	30	Up to 5,350,000
Persons who have contributed to the success of the Group ^{*4}	10	Up to 5,000,000
Total	44	12,250,000

Notes:-

^{*1} Purely for illustration purposes only. The exact number of Eligible Persons under each category can only be determined at a later date and shall be disclosed, where applicable in the prospectus to be issued for the Proposed Listing.

^{*2} The criteria for allocation to Directors of the Group is based on, amongst others, their respective roles and responsibilities in, and contribution to the Group.

^{*3} The allocation to the eligible employees of the Group who are full-time and confirmed employees are based on, amongst others, length of service, job grade and job responsibilities, performance and past contribution to the Group.

^{*4} The allocation to persons who have contributed to the success of the Group is based on, amongst others, their length of business relationship with the Group, the nature and terms of their business relationship with the Group and the level of contribution and support to the success of the Group.

iii. Private placement to selected investors

53,250,000 Issue Shares representing approximately 10.87% of the enlarged issued share capital of Steel Hawk upon completion of the Proposed Listing will be made available by way of private placement to selected investors.

For information purposes, the 24,500,000 Issue Shares as set out in **Section 3.2.2(i)** and 12,250,000 Issue Shares as set out in **Section 3.2.2(ii)** will be fully underwritten. As at the LPD, the underwriting arrangements and commission have not been finalised. Such underwriting arrangements and commission will be in place prior to the implementation of the Proposed Listing, details of which will be set out in the prospectus to be issued for the Proposed Listing. In any event, the underwriting commission for the underwritten Issue Shares will be borne by the Company. The 53,250,000 Issue Shares as set out in **Section 3.2.2(iii)** and 44,700,000 Offer Shares as set out in **Section 3.2.3** below, which will be made available by way of private placement to selected investors will not be underwritten.

The new Shares will, upon allotment and issuance, rank equally in all respects with the existing Shares, including voting rights, and will be entitled to all rights, dividends and distributions that may be declared, paid or made subsequent to the date of allotment of the new Shares, subject to any applicable rules of Bursa Depository.

3.2.3 Proposed Offer for Sale

The Offerors propose to undertake an offer for sale of 44,700,000 Offer Shares, representing approximately 9.12% of the enlarged share capital of Steel Hawk upon completion of the Proposed Listing, will be made available by way of private placement to selected investors in the following proportion:-

Name	No. of Offer Shares
Dato' Sharman	39,700,000
Radiant Capital	5,000,000
Total	44,700,000

3.2.4 Ranking of the IPO Shares

The IPO Shares will, upon allotment and issuance, rank equally in all respects with the existing Shares, including voting rights, and will be entitled to all rights, dividends and distributions that may be declared, paid or made subsequent to the date of allotment of the new Shares, subject to any applicable rules of Bursa Depository.

3.2.5 Listing of and quotation for the IPO Shares

The listing application for the Proposed Listing shall be submitted at a later date subject to the approval from the Shareholders on the Proposals at the Company's forthcoming EGM and upon completion of, amongst others, the due diligence as well as other preparation works.

Upon completion of the Proposed Public Issue and Proposed Offer for Sale, Steel Hawk shall be admitted to the Official List and the entire enlarged issued share capital of RM20,368,929 comprising 490,000,000 Shares shall be listed and quoted on the ACE Market of Bursa Securities.

3.2.6 Pre-emptive rights pursuant to Section 85(1) of the Act

Pursuant to Section 85(1) of the Act read together with Clause 12(3) of the Company's existing Constitution, the Shareholders have pre-emptive rights to be offered any new Shares which rank equally to the existing issued Shares or other convertible securities.*¹

Note:-

*¹ Section 85(1) of the Act provides that:-

"Subject to the constitution, where a company issues shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders."

Clause 12(3) of the Constitution of the Company states that:-

- "(a) Subject to the Act, the Listing Requirements and any direction to the contrary that may be given by the Company in General Meeting, all new shares or other convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of General Meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled.
- (b) The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they think most beneficial to the Company.
- (c) The Directors may likewise also dispose of any new share or security which (by reason of the ratio which the new shares or securities bear to shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the Directors, be conveniently offered under this Constitution."

In order for the Board to issue any new Shares or other convertible securities free of pre-emptive rights, such pre-emptive rights must be waived.

As such, an ordinary resolution to seek the approval of the Shareholders for the Proposed Listing and to waive such pre-emptive rights will be tabled at the Company's forthcoming EGM. The ordinary resolution if passed, will exclude the pre-emptive rights of the Shareholders to be offered any new Shares to be issued by the Company pursuant to the Proposed Listing, and dilute the Shareholders' shareholding percentage in the Company. Please refer to the Ordinary Resolution 3 as set out in the Notice of EGM herein.

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3.2.7 Details and status of the utilisation of proceeds from the listing of Steel Hawk on the LEAP Market of Bursa Securities

Pursuant to the Group's listing on the LEAP Market of Bursa Securities on 29 October 2021, the Group had successfully raised a total gross proceeds of RM3.20 million ("**LEAP Placement Proceeds**") via the placement of 16,000,000 new Shares at a subscription price of RM0.20 per Share. The details of utilisation of the LEAP Placement Proceeds and its status as at the LPD are as follows:-

Details of utilisation	Proposed utilisation LEAP Proceeds ¹ RM'000	Variation to the utilisation of the LEAP Placement Proceeds ² RM'000	Revised utilisation of LEAP Placement Proceeds ² RM'000	Utilisation of the LEAP Placement Proceeds as at the LPD RM'000	Balance proceeds unutilised RM'000
Setting up 2 fire rated door assembly lines	413	-	413	413	-
Construction of a mud cooler system	730	(730)	-	-	-
Working capital	757	730	1,487	1,487	-
Estimated listing expenses	1,300	-	1,300	1,300	-
Total	3,200	-	3,200	3,200	-

Notes:-

¹ As indicated in the Information Memorandum, the Group had intended to utilise the LEAP Placement Proceeds in the following manner:-

- i. RM0.41 million had been allocated for the acquisition of necessary machinery and equipment to set up 2 fire rated door assembly lines at the Group's workshop facility yard at the Existing Teluk Kalung Facility 1;
- ii. RM0.73 million had been allocated to finance the acquisition of necessary equipment for the construction of a mud cooler system which is essential to reduce the temperature of the drilling fluids and to help provide a safer drilling environment during drilling activities;
- iii. RM0.76 million had been allocated for working capital of the Group for general overheads and administrative expenses which includes, amongst others, defrayment of operational expenses, such as payment of staff related expenses, office supplies and expenses consisting of utility charges, office maintenance, office rental printing and stationaries, quit rent and other upkeep of office expenses as well as other operating expenses; and
- iv. RM1.30 million had been allocated for the Group's listing expenses in relation to its listing on the LEAP Market of Bursa Securities which includes professional fees, placement fees, regulatory fees and other miscellaneous expenses.

² On 5 October 2022, the Company had announced that the Board had resolved to vary the utilisation of the LEAP Placement Proceeds in which RM0.73 million of the LEAP Placement Proceeds that were originally allocated for the construction of a mud cooler had been re-allocated for working capital, in particular for the Group's Effluent Management at Source ("**EMAS**") Project. For information purposes, as highlighted in the Company's announcement dated 20 June 2022, Steel Hawk Engineering Sdn Bhd had on 20 June 2022 accepted the letter of award dated 17 June 2022 awarded by Sigma Water Engineering (M) Sdn Bhd ("**Sigma**") with a contract value of RM2,000,000, in relation to the provision of the design, supply, manufacture and delivery of 9 chemical injection skids under the EMAS Project.

As at the LPD, Steel Hawk has fully utilised the LEAP Placement Proceeds.

3.2.8 Utilisation of proceeds from the Proposed Public Issue

For illustrative purposes only, based on the illustrative issue price of RM0.15 per IPO Share, the gross proceeds to be raised from the Proposed Public Issue would be RM13.50 million and is proposed to be utilised in the following manner:-

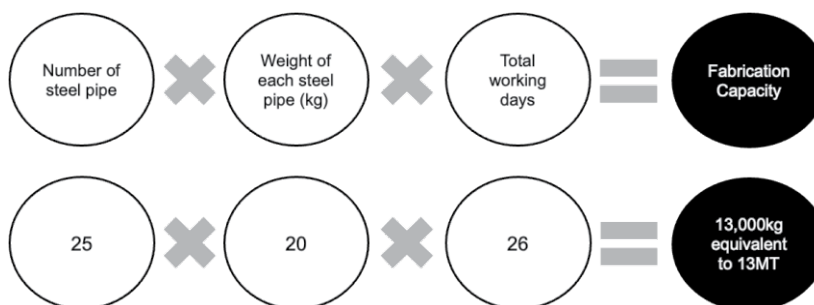
Details of utilisation	Gross proceeds		Estimated timeframe for utilisation upon completion of the Proposed Listing
	RM'000	%	
Construction of the Proposed Teluk Kalung Facility 2 ^{*1}	7,000	51.85	Within 24 months
Working capital ^{*2}	2,000	14.81	Within 18 months
Repayment of bank borrowings ^{*3}	1,000	7.41	Within 6 months
Estimated expenses ^{*4}	3,500	25.93	Within 3 months
Total	13,500	100.00	

Notes:-

^{*1} **Construction of the Proposed Teluk Kalung Facility 2**

As at the LPD, the Group's business operations are mainly carried out at the Existing Teluk Kalung Facility 1. The Existing Teluk Kalung Facility 1 has a total land area and gross built-up area of approximately 23,508 sq. ft. and 7,609 sq. ft., respectively which enables the Group to carry out fabrication of certain parts of chemical injection skids, pipes, tubing and fittings in-house to support its main business segment, namely EPCC services and facilities improvement/ maintenance operations. To a lesser extent, the Group also assembles fire rated doors at the Existing Teluk Kalung Facility 1 and subsequently to be installed at its customers' sites. However, the Group outsources all blasting and painting services for pre-fabricated structures and piping spools for onsite erection to its subcontractors as the layout of the Existing Teluk Kalung Facility 1 does not support the installation of a blasting and painting chamber.

For information purposes, the current fabrication capacity of the Existing Teluk Kalung Facility 1 is approximately 13MT per month. The Group calculates its monthly fabrication capacity for the Existing Teluk Kalung Facility 1 based on fabrication of pipe by applying the following formula:-



The Group's monthly fabrication capacity is calculated based on the following assumptions:-

Parameter	Details
Number of steel pipe	The Group is able to undertake fabrication of steel pipe of 6-meter length with various diameters ranging from 3 inches to 36 inches. For the calculation of its monthly fabrication capacity, the fabrication space of the Existing Teluk Kalung Facility 1 can cater up to 25 units of 3 inches steel pipe of 6-meter length. 3 inches steel pipe of 6-meter length is common and frequently used in the Group's fabrication work for on-going contracts.
Weight of each steel pipe	A 3 inches steel pipe of 6-meter length weighs approximately 20kg.
Total working days	The Group operates at a maximum of 26 workings days per month based on its projects' requirement.

Based on the Group's latest audited financial statements for the 6-month FPE 30 June 2023, the Group's EPCC services and facilities improvement/ maintenance business segment contributed approximately 90.86% of the Group's total revenue. The Group noted that its revenue from the aforesaid business segment had increased progressively from RM11.95 million in FYE 31 December 2020 to RM57.79 million in FYE 31 December 2022. In addition, the Group's order book as at the LPD stood at RM12.11 million (i.e. RM5.72 million was contributed by 13 ongoing call out contracts with purchase orders that are yet to be billed and recognised as revenue and the balance RM6.39 million was contributed by 5 ongoing fixed value contracts with remaining contract value which are yet to be recognised as revenue). After taking into consideration the increasing revenue contribution from the Group's EPCC services and facilities improvement/ maintenance business segment and its order book as at the LPD, the Group anticipates that its fabrication activities will further increase in tandem with the anticipated increase in spending on EPCC services in the O&G industry.

In view of the space constraints and the layout of its Existing Teluk Kalung Facility 1, the Group intends to construct the Proposed Teluk Kalung Facility 2 which is located within a close proximity of approximately 0.5 kilometres from the Existing Teluk Kalung Facility 1, with a larger space to enable the Group to carry out more steelwork fabrication as well as undertaking blasting and painting activities internally as opposed to its current practice of subcontracting such specialised works to third party subcontractors. Being able to undertake the blasting and painting works in-house is critical to optimise the turnaround time of the Group's EPCC services while minimising the possible delays caused by external subcontractors' unexpected delivery schedule. In addition, undertaking an active role in blasting and painting activities allows the Group to precisely meet its customer's requirement as the Group will have better control over the quality of such specialised works instead of relying on third party service providers. This can lead to more cost savings and higher operational efficiency in the long run. Accordingly, the Group intends to construct the Proposed Teluk Kalung Facility 2 on part of the Teluk Kalung Land.

For information purposes, the Group had on 1 October 2023, entered into a leasing agreement with Perbadanan Memajukan Iktisad Negeri Terengganu ("PMINT") to lease part of the Teluk Kalung Land measuring approximately 124,629 sq. ft. for a period of up to 30 years with an option to apply for an extension of another 30 years ("Leasing Agreement"). Pursuant to the Leasing Agreement, the Group shall pay to PMINT a total lease payment of RM1.53 million, of which RM0.31 million deposit payment (i.e. 20.00% of the total lease payment) has been paid by the Group on 11 October 2023, and the balance lease payment of RM1.22 million (i.e. 80.00% of the total lease payment) shall be paid by the Group through its internally generated funds by way of 3 equal instalments of RM0.41 million in half-yearly intervals (i.e. on or before 30 April 2024, 31 October 2024 and 30 April 2025), respectively.

The Proposed Teluk Kalung Facility 2 is estimated to have a gross built-up area of approximately 55,780 sq. ft.. A floor space of approximately 44,024 sq. ft. will be allocated for production space consisting of 2 fabrication yards (i.e. carbon steel fabrication and stainless steel fabrication), a blasting and painting chamber, a non-destructive testing (NDT) space and a chemical storage space. A floor space of approximately 11,756 sq. ft. will be allocated for office space and warehouse. The production space will be utilised for the Group's EPCC services and facilities improvement/ maintenance operations whereas the office space will be to accommodate any future increase in workforce while the warehouse will be used to store raw materials, machinery and equipment.

The total estimated costs for the construction of the Proposed Teluk Kalung Facility 2 is RM13.64 million, further details of which are set out in the table below:-

Description	RM'000
• Preliminaries (e.g., site survey and investigation, site preparation as well as design and planning)	461
• Building works (office, yards, warehouse, paint blasting, chemical storage, bomb pit and guard house)	9,388
• Mechanical and electrical works	2,515
• Infrastructure works	1,226
• Landscaping works	50
Total estimated cost	<u>13,640</u>

The aforementioned estimated costs shall be financed through a combination of proceeds from the Proposed Public Issue and internally generated funds. The Group intends to allocate RM7.00 million representing approximately 51.85% of the gross proceeds from the Proposed Public Issue to partially finance the estimated total cost for the construction of the Proposed Teluk Kalung Facility 2 of RM13.64 million. The remaining RM6.64 million will be paid via internally generated funds and/ or bank borrowings. For information purposes, as at the LPD, the Group's cash and bank balance and borrowings stood at RM15.48 million and RM20.17 million, respectively.

In terms of the regulatory approvals required for the construction of the Proposed Teluk Kalung Facility 2, the Group is required to submit the relevant applications to and obtain the approval from, amongst others, the following authorities/ regulatory bodies:-

Key events	Status of the application as at the LPD	Anticipated timeframe for obtaining approval
Approval for development order application for the development plan from Majlis Perbandaran Kemaman ("MPK")	Application for development order has been submitted to MPK and it is pending the approval from MPK	To be obtained by the second quarter of 2024
Approval for building plan application for the development plan from MPK	Application for building plan has been submitted to MPK and it is pending the approval from MPK	To be obtained by the second quarter of 2024
Approval from other relevant authorities including, amongst others, Jabatan Kawalan Bangunan Jabatan Perancangan Bandar, Jabatan Bomba dan Penyelamat Malaysia, Indah Water Konsortium, Telekom Malaysia, Jabatan Pengairan dan Saliran, Jabatan Kerja Raya, Syarikat Air Terengganu, Jabatan Landskap Negara and Tenaga Nasional Berhad	Applications have been submitted to the relevant authorities. Save for the approval obtained from Tenaga Nasional Berhad, all other approvals are pending the approval from the relevant authorities	To be obtained by the second quarter of 2024

Upon the receipt of all necessary approvals, the Group will then appoint the contractors to oversee, coordinate and manage the construction of the Proposed Teluk Kalung Facility 2.

Barring any unforeseen circumstances, the indicative timeline for the construction of the Proposed Teluk Kalung Facility 2 as at the LPD is as follows:

Indicative Timeline	Details
Third quarter of 2024	• Commencement of construction
First quarter of 2026	• Completion of construction
Second quarter of 2026	• Certificate of Completion and Compliance obtained
Third quarter of 2026	• Commencement of operations

The Group intends to commence the construction of the Proposed Teluk Kalung Facility 2 by September 2024. The construction of the Proposed Teluk Kalung Facility 2 is anticipated to be completed by February 2026 and the operations is expected to commence by September 2026. Nevertheless, in the event there is a mismatch in terms of the timing of the proceeds being made available and the commencement of the construction of the Proposed Teluk Kalung Facility 2, the Group will fund the initial costs of the Proposed Teluk Kalung Facility 2 through internally generated funds.

In the event the amount required for the construction of the Proposed Teluk Kalung Facility 2 is higher than budgeted, any deficit will be funded through internally generated funds and/ or bank borrowings. Conversely, if the amount required for the construction of the Proposed Teluk Kalung Facility 2 is lower than estimated, such proceeds shall be channelled towards the Group's working capital (as elaborated in Note *2 below). Further, in the event that the Proposed Listing is deferred, the Group will fund the estimated costs of the Proposed Teluk Kalung Facility 2 through internally generated funds (i.e. its cash reserves and cash flow from operating activities). In the event the internally generated funds are insufficient to finance the entire costs of the Proposed Teluk Kalung Facility 2, the Group will then utilise its existing bank overdraft facility to bridge the remaining construction costs.

2

Working capital

The Group's working capital requirements are expected to increase in tandem with the expected growth of its business. The Group intends to allocate RM2.00 million representing approximately 14.81% of the gross proceeds from the Proposed Public Issue to finance the Group's expected future working capital requirement (based upon the anticipated growth in its business operations) in the following manner:-

Details	Description	RM'000	Indicative percentage allocation (%)
Purchase of raw materials	Purchase of piping, fittings and structures for the Group's EPCC and facilities improvements/ maintenance services	2,000	100.00
Total		2,000	100.00

While pending utilisation of the proceeds to be raised from the Proposed Public Issue, the proceeds will be placed into interest bearing accounts with licensed financial institutions or short-term money market instruments. Any interest income earned from such deposits or instruments will be used for the above working capital requirements of the Group.

If the actual general working capital required for the Group is higher than the allocated proceeds from the Proposed Public Issue as set out above, the shortfall will be funded via internally generated funds and/ or bank borrowings.

3

Repayment of bank borrowings

As at the LPD, the Group's total outstanding borrowings stood at approximately RM20.17 million. The Group intends to allocate RM1.00 million to partially reduce its bank borrowings, the details of which are as set out below:-

Banking Facility	Purpose	Interest rate	Maturity date	Balance as at the LPD RM'000	Proposed repayment RM'000	Annual interest saving RM'000
Team Loan from Koperasi Angkatan Tentera Malaysia Berhad	To finance working capital requirement	9.00%	1 November 2025	2,424	1,000	151

The term loan above was drawn down in October 2022 to fund the Group's internal working capital requirements. The working capital requirements include but are not limited to payment to suppliers, purchase of materials and for day-to-day operational expenses.

For illustrative purpose, the partial repayment of the abovementioned term loan facility is expected to result in a total annual interest savings of approximately RM0.15 million to the Group based on the interest rate shown in the table above. However, the actual interest savings may vary subject to the then prevailing applicable interest rates imposed by Koperasi Angkatan Tentera Malaysia Berhad. Further, the proposed repayment of the above term loan facility will reduce the Group's overall gearing levels from 0.62 times to 0.36 times based on the pro forma consolidated statement of financial position as at 30 June 2023 and after taking into consideration the proposed repayment of above term loan facility.

Further, a settlement of the financing facility above by the Group within 3 years from the date of the first disbursement of the facility (subject to annual review by the financier) will give rise to an early settlement. Koperasi Angkatan Tentera Malaysia Berhad is entitled to charge the Group actual incidental costs and expenses incurred by the aforesaid financier due to the early settlement made by the Group. The amount payable by the Group in respect of such early settlement will be calculated based on an agreed formula and in accordance with the prevailing policy and procedure of the aforesaid financier.

In the event the actual principal balance at the point of repayment is less than the amount allocated for the repayment of the term loan per the table above, any surplus funds thereof will be allocated towards the Group's working capital (as elaborated in Note *2 above).

Estimated expenses

The estimated expenses for the Proposed Transfer to be borne by the Group is set out below:-

Description	RM'000
Professional fees for the Proposed Transfer	2,600
Underwriting, placement and brokerage fees	330
Printing, advertising fees and other incidental charges relating to the Proposed Transfer	504
Fees payable to authorities	66
Total	3,500

If the Group's actual expenses are higher than the estimated expenses, the deficit will be funded out of the portion allocated for working capital. Conversely, if the actual expenses are lower than the estimated expenses, the excess will be utilised for working capital requirements of the Group (as elaborated in Note *2 above).

Pending the eventual utilisation of proceeds to be raised from the Proposed Public Issue, the proceeds will be placed in interest bearing short-term deposits or money market instruments with licensed banks. Any interest income earned from such deposits or instruments will be used for the working capital requirements of the Group (as elaborated in Note *2 above).

3.2.9 Other fund raising exercises in the past 12 months

The Company has not undertaken any other fund raising exercises in the 12 months prior to the date of this Circular.

3.2.10 Price discovery mechanism for the issue price of IPO Shares

The final issue price of the IPO Shares shall be determined by the Board at a later date after receipt of all relevant approvals and will be based on the below-mentioned factors as well as prevailing market conditions.

Purely for illustration purposes, the Board has ascribed an illustrative IPO Price of RM0.15 per IPO Share which reflects the current valuation ascribed to similar business or sector as the Company after taking into consideration, amongst others, the following factors:-

- i. the illustrative IPO Price represents a PE multiple of 12.61 times, derived from the pro forma EPS of approximately RM0.0119 per Share for the FYE 31 December 2022 based on the Group's enlarged issued share capital of 490,000,000 Shares upon completion of the Proposed Listing;
- ii. the pro forma NA per Share of approximately RM0.06 pursuant to the Proposed Listing (as set out in **Section 9.2** of this Circular), computed based on the Group's pro forma NA as at 30 June 2023 after taking into consideration the Proposed IPO and utilisation of proceeds and the Group's enlarged issued share capital of 490,000,000 Shares upon completion of the Proposed Listing;
- iii. the minimum gross proceeds of RM13.50 million to be raised from the Proposed Public Issue based on the illustrative IPO Price of RM0.15 per IPO Share, which will be channelled towards the proposed utilisation of proceeds (as set out in **Section 3.2.8** of this Circular); and
- iv. the Group's competitive advantages, key strength and business plan and strategies, further details of which will be disclosed in the prospectus to be issued for the Proposed Listing.

To further justify the illustrative IPO Price, peer analysis has been carried out to benchmark the PE multiple implied by the illustrative IPO Price against the PE multiple of comparable companies in similar industry and/ or business activities as Steel Hawk to substantiate the reasonableness of the illustrative IPO Price.

The brief description on the earnings multiple method of valuation is set out below for shareholders' information purpose only:-

Valuation multiple	General description
PE	PE multiple is the measure of the market price of a company's shares relative to its annual net profit per share.

The computation of PE multiple is as follows:-

$$\frac{\text{Price}_{\text{market}}}{\text{EPS}}$$

The earnings multiple method of valuation is considered the most appropriate method of valuation in ascribing the benchmark value of Steel Hawk on the basis that Steel Hawk had been operating profitably for the past 3 financial years up to the FYE 31 December 2022.

The comparable companies were selected based on the following criteria:-

- i. listed on Bursa Securities;
- ii. primarily involved in the provision of EPCC services for customer base in O&G related industry;
- iii. involved in the provision of other related O&G services and equipment ("OGSE") services such as supply of oilfield equipment; and
- iv. market capitalisation of below RM350.00 million as at the LPD.

However, there are no public listed companies in Malaysia which is identical to Steel Hawk in respect of, amongst others, the principal activities and business activities, scale of business operations and financial position. The recent transactions are also compiled from publicly available information on Bursa Securities' website and is not exhaustive. As such, it should be noted that this comparable valuation statistics is carried out on a best effort basis, purely to provide a benchmark valuation for the illustrative IPO Price.

The valuation of Steel Hawk is calculated as follows:-

PE multiple

Issue Price (RM)	(A)	0.15
Net profit of Steel Hawk for the FYE 31 December 2022 (RM)	(B)	5,811,000
Enlarged issued shares of Steel Hawk upon completion of the Proposed Listing (units)	(C)	490,000,000
EPS (RM)	(D) = $\frac{(B)}{(C)}$	0.0119
PE (times)	$\frac{(A)}{(D)}$	<u>12.61</u>

For information purposes, the illustrative IPO Price of RM0.15 per IPO Share represents a discount ranging 46.43% to 58.33% to the prevailing market prices of Steel Hawk Shares on the LEAP Market of Bursa Securities for the past 12 months up to and including the LPD, as illustrated below:-

Price/ VWAPs up to and including the LPD	Share price RM	Discount	
		RM	%
Last transacted price of Steel Hawk Shares as at the LPD	0.28	0.13	46.43
Up to and including the LPD:-			
5-day VWAP	0.28	0.13	46.43
1-month VWAP	0.28	0.13	46.43
3-month VWAP	0.28	0.13	46.43
6-month VWAP	0.28	0.13	46.43
12-month VWAP	0.36	0.21	58.33

Based on the table above and based on the assumption that there is no change to the number of Shares held by an existing Shareholder as at the LPD up to the Proposed Listing, such existing Shareholder may observe an immediate paper loss of RM0.13 per Steel Hawk Share, which represents a decline of 46.43% per Steel Hawk Share (calculated based on the last transacted price of Steel Hawk Shares as at the LPD of RM0.28 per Steel Hawk Share as compared to the illustrative IPO Price of RM0.15 per Steel Hawk Share) upon the Proposed Listing, in the event the opening price of Steel Hawk Shares upon the Proposed Listing is equivalent to the illustrative IPO Price.

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The valuation statistics of the comparable companies using PE multiple are set out below:-

Companies	Principal activities	Latest FYE	Last Price ^{*1} RM	Market Capitalisation ^{*2} RM'mil	PAT ^{*3} RM'mil	EPS ^{*4} sen	PE ^{*5} (times)	Adjusted PE ^{*6} (times)
T7 Global Bhd	Principally involved in the provision of services to O&G and related industries, manufacturing and trading of all types of machinery, equipment and generators used for welding, cutting, cooking and other commercial applications, and development of building projects for own operation	31.12.2022	0.45	333.77	20.35	2.74	16.40	12.30
Uzma Berhad	Principally involved in provision of geoscience and reservoir engineering, drilling, project and operational services and other specialised services within the O&G industry, provision of product and services for satellite imagery, manufacturing, marketing, distribution and supply of oilfield chemicals, petrochemical and chemical products, equipment and services	30.06.2023	0.78	302.04	36.68	9.47	8.23	6.18
Carimin Petroleum Berhad	Principally involved in the engineering, scheduled/ work pack development, procurement, structural/ piping fabrication, electrical/instrumentation installation, pre-commissioning and commissioning activities	30.06.2023	0.84	195.29	22.95	9.81	8.51	6.38
Petra Energy Berhad	Principally involved in the upstream segment of the O&G industry specialising in operations and maintenance of oilfields, integrated brown field maintenance and engineering; marine offshore support; design, fabrication supply & installation and engineering and project management services	31.12.2022	0.86	276.01	13.08	4.07	21.11	15.83
Propel Global Berhad	Principally involved in O&G construction and engineering in Malaysia, with operations across Asia Pacific and the Middle East, including marine heating, ventilation and air conditioning system design, manufacturing and installation, project management and fabrication services.	30.06.2023	0.15	96.39	7.72	1.16	12.49	9.37
							Low High	6.18 15.83
							Simple Average	10.01
							Steel Hawk	12.61

(Source: Bloomberg and the audited financial statements of the respective companies)

Notes:-

- ¹ Being the closing price as at the LPD.
- ² The market capitalisation of the comparable companies was calculated based on the total number of issued shares multiply with the closing price of the respective comparable companies as at the LPD.
- ³ Based on the latest audited financial statements of the respective comparable companies.
- ⁴ The EPS of the comparable companies was computed based on the latest audited PAT over the total number of issued shares of the comparable companies.
- ⁵ PE is computed based on last price over EPS of the respective comparable companies.
- ⁶ Companies listed on the ACE Market and Main Market of Bursa Securities have to comply with the public shareholding spread requirement of 25.00% and thus, the shares of the said public listed companies are more marketable and liquid, as compared to shares being traded on the LEAP Market of Bursa Securities. Given that Steel Hawk Shares are currently only tradable on the LEAP Market of Bursa Securities by Sophisticated Investors i.e. investors who fall within Part I of Schedules 6 or 7 of the CMSA, there is limited avenue to determine the marketability and liquidity of Steel Hawk Shares and after taking into consideration that the size of Steel Hawk is smaller to that of the comparable companies, we have adopted 25.00% as the discount factor to adopt for the PE of comparable companies. Nevertheless, the adjusted PE is purely an illustration for shareholders' information.

Based on the table above, the implied PE multiple of Steel Hawk of 12.61 times is above the simple average adjusted PE multiple of 10.01 times. However, the implied PE multiple of Steel Hawk falls within the range of adjusted PE multiples of the comparable companies from 6.18 times to 15.83 times. As such, the Board deemed the illustrative IPO Price reasonable and reflects the current valuation ascribed to similar business or sector as the Group, after taking into consideration the valuation statistics of the comparable companies.

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4. DETAILS OF THE PROPOSED ADOPTION

Steel Hawk proposes to adopt the Proposed New Constitution to substitute Steel Hawk's existing Constitution in its entirety to facilitate the implementation of the Proposed Transfer. In addition to facilitating the implementation of the Proposed Transfer, the Proposed New Constitution will be adopted to be in line with the ACE Market Listing Requirements.

The Board proposes the adoption of the Proposed New Constitution as the amendments required to be made are numerous and would require substantial amendments to the existing Constitution of the Company. The Proposed Adoption is necessary to facilitate the implementation of the Proposed Transfer and to ensure Steel Hawk's compliance with the ACE Market Listing Requirements.

The Proposed New Constitution of the Company, the adoption of which is subject to the approval of the Shareholders at the forthcoming EGM is set out in **Appendix I** of this Circular.

5. RATIONALE AND JUSTIFICATION FOR THE PROPOSALS

5.1 Proposed Bonus Issue

The Proposed Bonus Issue is a pre-listing reorganisation exercise undertaken by the Company in conjunction with, and as an integral part of the Company's listing of and quotation for its enlarged issued share capital on the ACE Market of Bursa Securities.

Upon the listing of the Bonus Shares and subject to the completion of the Proposals, the enlarged share base of Steel Hawk is expected to enhance the marketability and trading liquidity of Steel Hawk Shares on the ACE Market of Bursa Securities.

5.2 Proposed Transfer

Steel Hawk has been listed on the LEAP Market of Bursa Securities since 29 October 2021 and has since provided opportunities to Sophisticated Investors i.e. investors who fall within Part I of Schedules 6 or 7 of the CMSA to invest and participate in the equity of the Company. The Board intends to undertake the Proposed Transfer after taking into consideration, amongst others, the financial performance and growth prospects of the Company and larger equity capital market for future fund-raising exercises. Steel Hawk has not undertaken any equity fund-raising exercise in the past 12 months prior to the date of this Circular. The Proposed Listing will entail issuance of new Shares to amongst others, the Malaysian public, for the purpose of complying with the public shareholder shareholding requirement of the ACE Market Listing Requirements.

The Proposed Withdrawal is essentially aimed at facilitating the timely and efficient implementation of the Proposed Listing.

The Proposed Listing is expected to increase the liquidity of the Shares by allowing a larger number of investors to engage in the trading of the Shares upon the listing on the ACE Market of Bursa Securities. In addition, the Proposed Listing will also provide the Company access to a bigger fundraising platform to support the Company's expansion plan and to realise the Company's long-term growth potential.

The Board believes that the Proposed Transfer will further enhance the Company's prestige, credibility and reputation and accord it with greater recognition from various stakeholders including its employees, customers, suppliers, business associates, financial institutions as well as investors.

5.3 Proposed Adoption

The Proposed Adoption is necessary to facilitate the implementation of the Proposed Transfer to ensure Steel Hawk's compliance with the ACE Market Listing Requirements. The Proposed Adoption will be implemented and effected simultaneously with the implementation of the Proposed Transfer.

6. INDUSTRY OVERVIEW, OUTLOOK AND FUTURE PROSPECTS OF THE ENLARGED STEEL HAWK GROUP

6.1 Overview and outlook of the Malaysian economy

The global gross domestic product ("GDP") growth in 2022 moderated to 3.40% reflecting the economic slowdown in advanced economies as well as emerging market and developing economies (EMDEs). Despite the softened global growth, Malaysia's economy recorded a strong growth of 8.70% in 2022, exceeding the initial projection of 6.50% - 7.00%, whereby real output value reached above the pre-pandemic level. The commendable performance was driven by domestic demand and improved labour market in line with the transition to endemic phase. These resulted from an increase in economic activities which include household spending, investment and tourism. Subsequently, encouraging expansion in all economic sectors primarily the services and manufacturing have also provided continuous impetus to the significant economic growth in 2022. Furthermore, the growth was attributed to robust external demand, especially among Malaysia's major trading partners.

Notwithstanding the growth, the economy in 2022 experienced several challenges with escalating inflationary pressures due to high commodity and food prices as well as softened global economic growth and trade. Therefore, the Government has taken various holistic and comprehensive measures to help the rakyat and businesses in dealing with inflationary pressures and higher cost of living.

In 2023, global growth is expected to further soften at 2.90% on the back of persistent pressures such as inflation, tightening global financial conditions and economic deceleration among major economies. Meanwhile, Malaysia's economic growth is projected to moderate amid the signs of weakness in the global growth momentum. The growth will be mainly supported by steady domestic demand primarily private expenditure initiatives as well as initiatives under the Budget 2023 and development expenditure under the Twelfth Malaysia Plan, 2021 – 2025 ("12MP"). However, a slowdown in external demand is expected to moderate exports growth, particularly in the electrical and electronic products and major commodities.

On the supply side, all economic sectors are expected to remain in the positive growth trajectory in 2023, driven by the services and manufacturing sectors. Other sectors, namely agriculture, mining and construction are also expected to grow further in line with the improvement in economic activities. However, downside risks such as prolonged geopolitical conflict, climate-related disasters and persistently high inflation are expected to further hampering the global economic growth, hence, affecting Malaysia's performance. Overall, the nation's GDP is forecast to grow approximately 4.50% in 2023.

(Source: Economic & Fiscal Outlook and Federal Government Revenue Estimates 2023, Ministry of Finance Malaysia)

Despite escalating uncertainties in the global landscape, Malaysia's economy remains resilient. The GDP is forecast to expand by approximately 4.00% in 2023 and between 4.00% and 5.00% in 2024. The Government acknowledged the World Bank's forecast that Malaysia's growth will be 4.30% in 2024, which is slightly higher than its initial estimate. This is in line with Malaysia's 2024 growth projection, which will be achieved through robust domestic demand, effectively offsetting the challenges posed by the moderate global growth, supported by the implementation of measures in the new National Energy Transition Roadmap (NETR), New Industrial Master Plan 2030 (NIMP 2030), and the Mid-Term Review of the Twelfth Malaysia Plan (MTR of the 12MP).

(Source: Economic Outlook 2024, Ministry of Finance Malaysia)

6.2 Overview of the O&G industry in Malaysia

The Malaysian O&G industry is part of the broader mining and quarrying sector where the mining and quarrying sector accounted for RM96.20 billion or 6.37% of the Malaysian's real gross domestic product in 2022. The mining and quarrying sector is projected to contribute 6.08% (RM95.45 billion) and 5.96% (RM98.03 billion) of the Malaysia's real GDP in 2023 and 2024, respectively. Out of the mining and quarrying sector, the crude oil and condensate, and natural gas related activities contributed RM87.47 billion or 5.79% of the Malaysian's real GDP in 2022. The crude oil and condensate, and natural gas related activities is projected to register a modest decline of 1.63% to RM86.04 billion in 2023, followed by a growth of 7.65% to reach RM92.62 billion in 2024, in terms of the Malaysia's real GDP.

In 2022, Malaysia is a net importer of crude petroleum (by value) with a trade deficit of RM21.39 billion. The export value of crude petroleum amounted to RM31.55 billion while the import value of crude petroleum amounted to RM52.94 billion. On another note, Malaysia is a net exporter of refined petroleum products (by value) in 2022. The export value of refined petroleum products amounted to RM151.66 billion while the import value of refined petroleum product amounted to RM139.83 billion during the year. Heavy investments made in recent years such as the Pengerang Integrated Complex and Integrated Aroma Ingredients Complex started to bear fruit and bolster the downstream capabilities of the country. Petrolia Nasional Berhad ("**PETRONAS**") has successfully ventured into specialty chemicals and has higher refining capacity to balance Malaysia's gasoline supply and demand. Furthermore, PETRONAS is now better positioned to undertake a lot more blending of oil to meet demand for low-sulphur oil from shippers following the new fuel regulations by the International Maritime Organization.

Malaysia is also a prominent exporter of natural gas in the Asia and Pacific region and has been exporting more than RM40.00 billion worth of liquefied natural gas ("**LNG**") per annum. The country's exports of LNG (including natural gas through pipelines) were valued at RM42.32 billion and RM41.54 billion in 2018 and 2019 respectively. Nonetheless, the value of exports of LNG from Malaysia fell to RM29.87 billion in 2020 and RM38.19 billion in 2021, respectively because of COVID-19. Exports of LNG rebounded strongly in 2022, with exports value reaching RM67.99 billion. The growth was propelled by the continued spike in natural gas prices and an increasing demand as countries seek for alternative fuel sources amid the on-going Russian-Ukraine war. Therefore, with key LNG assets such as PETRONAS Floating LNG Facilities (PFLNG-1 and PFLNG-2) and the PETRONAS LNG Complex in Bintulu, Sarawak, being one of the world's largest LNG production facilities at a single location, Malaysia is well positioned to gain further traction towards the monetisation of gas and strengthen its position as a reliable LNG supplier.

(Source: Protégé Associates)

6.3 Overview of the OGSE industry in Malaysia

OGSE refers to broad categories of products and services that support the needs of the oil and gas value chain from upstream to downstream sectors. In Malaysia, the OGSE can be divided into 2 types, namely standardized work and equipment categories ("**SWECs**") for services and SWECs for products as classified by PETRONAS. Some examples of SWECs for services include provision of geophysical services, electrical engineering and maintenance, engineering design, production/drilling/workover associated services, marine transportation and support services, onshore and offshore facilities construction as well as pipeline and associated services. On the other hand, some examples of SWECs for products include chemicals, drilling equipment and materials, electrical, instrumentation, insulation, pipes, mechanical, rotating equipment, civil and structural, subsea and valves.

The outlook for the local OGSE industry is dependent to a large extent on the annual domestic capital expenditure ("**CAPEX**") of PETRONAS. The domestic CAPEX of PETRONAS stood at RM18.60 billion in 2022, which is an increase of 24.0% from the RM15.00 billion recorded in the previous year. In recent years, the crude oil prices have been volatile due to the impact of COVID-19 pandemic. Moreover, the Russia-Ukraine war has further disrupted the global oil supply chain, causing the crude oil prices to rise above United State Dollar (USD) 100 per barrel during period of March to August 2022. Furthermore, concerns over potential recession in major economies and the economic slowdown in China has contributed to the pressure on the crude oil prices. Despite these challenges, PETRONAS has continued to strengthen its business and pursue CAPEX on exploration, development and production activities to sustain and grow production in Malaysia.

Moving forward, growth is expected to be supported by recovery and expansion in global economic activities. As such, the annual domestic CAPEX of PETRONAS is projected to increase by 20.97% to reach RM22.50 billion in 2023. The annual domestic CAPEX of PETRONAS is projected to grow from RM22.50 billion in 2023 to RM25.00 billion in 2027, registering a compounded annual growth rate (CAGR) of 6.09% during the forecast period. Against the backdrop of economic recovery in the post-pandemic environment, PETRONAS will continue to invest in core business activities and growth projects in continuing their effort to support and contribute towards the resiliency of the OGSE industry.

Factors boosting growth within the local OGSE industry are likely to come from the presence of strategic petroleum reserves as well as continuing influx of investments that can stimulate more upstream and downstream oil and gas activities. In addition, the local OGSE industry can rely on the petrochemical industry as a long-term source of incremental demand for oil. However, fluctuations in crude oil prices can lead to fluctuations in the earnings of OGSE companies, which may affect the expansion of the industry. While the implementation of further efficiency improvements in the road transportation and increasing threat of substitutability from greener and renewable sources of energy may pose a threat to the growth of the local OGSE industry, they are not expected to markedly impact the demand for oil and gas during the forecast period.

The green energy transition process is expected to progress gradually, with fossil fuels projected to account for 78.00% of the global energy mix by 2032, compared with 81.00% recorded in 2022. Therefore, fossil fuels are expected to remain relevant as the familiar and cost-efficient choice for majority of the major energy users. On the supply side, a strong leadership by PETRONAS along with the close attention and support from the Government means that local oil and gas industry including the OGSE industry is being guided by steady hands in navigating its future direction. On the flip side, the level of participation in the local OGSE industry is hindered by the relatively high regulatory barriers to entry. Furthermore, the lack of investment into the oil and gas sector will also likely impact the development of the domestic O&G industry, including the OGSE industry.

(Source: Protégé Associates)

6.4 Future prospects of the enlarged Steel Hawk Group

The Group is principally involved in the provision of EPCC services for chemical injection skids and improvement/ maintenance of topside O&G facilities. Over the years, the Group had progressively expanded beyond its expertise in the improvement/ maintenance of pipelines to include the installation and maintenance of oilfield equipment in topside O&G facilities (e.g. pig trap system, fire rated doors or oil spill recovery equipment, etc.) as well as the supply of such oilfield equipment and their parts and components.

As the OGSE industry is a supporting industry to the O&G industry, regular inspections, preventive maintenance works and planned repairs continue to be carried out to ensure reliability of equipment and to reduce unplanned breakdown of equipment, as well as to reduce maintenance costs by minimising unnecessary maintenance or overhaul works, wear and tear and other equipment failures.

Moving forward, the OGSE industry is expected to be further driven by:-

- i. the sustained demand for petroleum products and natural gas which will drive growth of the O&G industry and the OGSE industry as supporting industry;
- ii. continuous need for technological developments and advancements in O&G services and equipment to enhance the efficiency of processes at new and existing O&G sites; and
- iii. government support and incentives to promote the O&G industry.

In line with the anticipated increase in spending on EPCC services in the O&G industry, the Group plans to further develop its capabilities with the utilisation of majority of the proceeds from the Proposed Public Issue for the construction of the Proposed Teluk Kalung Facility 2, as set out in **Section 3.2.8** of this Circular. The construction of the Proposed Teluk Kalung Facility 2 is expected to improve the Group's control of margins and operational efficiency in the long run, as the Group will be able to carry out more steelwork fabrication as well as undertake blasting and painting activities internally as opposed to its current practice of subcontracting such specialised works to third party subcontractors. Being able to undertake the blasting and painting works in-house is critical to optimise the turnaround time of the Group's EPCC services while minimising the possible delays caused by external subcontractors' unexpected delivery schedule. In addition, by undertaking an active role in blasting and painting activities allows the Group to precisely meet its customer's requirement as the Group will have better control over the quality of such specialised works instead of relying on third party service providers.

Premised on the above, the Board is optimistic of the long-term prospects of the Group driven by the expected long-term growth of the O&G services and equipment industry in Malaysia supported by the government's sustainability plans related to the OGSE industry as well as continuous demand for petroleum products and natural gas. Furthermore, the Proposed Transfer is expected to further enhance the Company's prestige, credibility and reputation and accord it with greater recognition from various stakeholders including its employees, customers, suppliers, business associates, financial institutions as well as investors.

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7. DETAILS AND STATUS OF THE BUSINESS FUTURE PLANS AS DISCLOSED WITHIN THE INFORMATION MEMORANDUM

Section

Section 4.11(i)

Disclosures in the Information Memorandum

Current status

We plan to set up 2 fire rated door accessories assembly lines to improve efficiency of our deliverables for our contract in relation to the provision of fire rated doors

Currently, we purchase pre-assembled complete fire rated door sets from our suppliers to be installed at our customers' sites and therefore we rely on our suppliers for the supply of complete fire rated door sets.

As such, we plan to set up 2 fire rated door accessories assembly lines at our workshop facility in Teluk Kalung, Kemaman, Terengganu. Upon setting up, we will procure the parts and components for fire rated door accessories, comprising panic bars and ironmongery (i.e. hinges and locksets) in bulk from our suppliers. We will assemble the fire rated doors accessories at our assembly lines before they are deployed and installed with the fire rated door at our customers' sites. Such arrangement would enable us to improve our cost control and thus profit margins for the supply of complete fire rated door sets. We expect to also have better control over our supply timelines and mitigate our risk of reliance on our suppliers.

This is also a strategy to obtain the Vendor Development Programme ("VDP") by PETRONAS. Under VDP, we would be supported by PETRONAS in terms of training, capacity building, product development and enhancement as well as market promotion, which we could leverage on when securing more contracts from PETRONAS.

We plan to set up the assembly lines by second quarter of 2022. The estimated cost for setting up the assembly lines is approximately RM0.41 million, which shall be funded via the LEAP Placement Proceeds.

Subsequent to the listing of the Company on the LEAP Market of Bursa Securities, Steel Hawk had utilised RM0.43 million of the LEAP Placement Proceeds raised to setup the 2 fire rated door accessories assembly lines at the Group's workshop facility in the Existing Teluk Kalung Facility 1. The Group completed the set up and commenced full operations for the 2 fire rated door accessories assembly lines in April 2022, which had allowed the Group to improve its lead time between placement of orders by its customers and the delivery of fire rated doors from an average of 10 weeks to an average of between 6 to 8 weeks per fire rated door. As at the LPD, the Group supplies its fire rated doors to PETRONAS Carigali Sdn Bhd and 1 other customer that is principally involved in the O&G sector in Malaysia.

The Company remains committed to its existing strategy of obtaining the VDP status by actively engaging in promoting and advertising its services as an ongoing effort to achieve recognition from PETRONAS.

Section

Section 4.11(ii)

We plan to construct and own a mud cooler system to capitalise on the umbrella contract with PETRONAS Carigali Sdn Bhd

We have secured an umbrella contract in May 2018 from PETRONAS Carigali Sdn Bhd, for the provision of drilling fluids and associated services for petroleum arrangement contractors. This umbrella contract is valid until May 2023.

Under this umbrella contract (which has no fixed value), PETRONAS Carigali Sdn Bhd may issue work orders for the abovementioned services as and when required over the duration of the umbrella contract. We will then submit a tender for each work order and compete with the other pre-qualified service providers to secure the work order.

In order to capitalise on our existing umbrella contract, we intend to strengthen our position in closed bidding activities to secure work orders. As such, we intend to construct and own a mud cooler system. With our own mud cooler system, we will be able to participate in closed bidding activities at more competitive bid prices, which will subsequently increase our competitiveness and in securing work orders under this umbrella contract.

We have completed the design of the mud cooler system and we plan to commence the construction of the mud cooler system by December 2021.

Current status

As stated in **Section 3.2.7** of this Circular, the Group had on 20 June 2022 accepted the letter of award dated 17 June 2022 from Sigma in relation to the provision of the design, supply, manufacture and delivery of 9 chemical injection skids under the EMAS Project, with a total contract value of RM2.00 million (excluding subsequent variation orders comprising addition contract works of RM1.04 million). As such, RM0.73 million of the LEAP Placement Proceeds that were originally allocated for the construction of the mud cooler system had been re-allocated for working capital requirements of the EMAS Project.

As at the LPD, the Group had completed the 9 chemical injection skids, pending the final stage of the project which involves the delivery and the installation of the chemical injection skids at the customer's site. This is due to an unforeseen delay on the part of the customer in relation to the construction of its effluent management system. Notwithstanding this, the Group anticipates the EMAS Project to be fully completed by the first quarter of 2024.

For information purposes, the Group had decided to re-allocate a portion of the LEAP Placement Proceeds that were originally earmarked for the construction of the mud cooler system to the working capital requirements of the EMAS Project, in view that the balance contract period for the umbrella contract with PETRONAS Carigali Sdn Bhd at that material time was less than a year (i.e. June 2022 to May 2023) and there was no extension/ renewal to the aforesaid umbrella contract. Furthermore, there was no urgent need for the construction of the mud cooler system, given that save for the umbrella contract with PETRONAS Carigali Sdn Bhd, the Group's existing projects and tender book does not involve any installation and supply of a mud cooler system. Accordingly, the Group had decided to put on hold its plan to construct the mud cooler system where the proceeds could be more optimally utilised for the then newly secured EMAS Project.

Section

Section 4.11(iii)

We plan to grow our customer base by acquiring other customers in the energy sector

Disclosures in the Information Memorandum

We are currently dependent on PETRONAS group as our major customer. We face risk of contract terminations despite securing call out contracts and Master Price Agreements with tenures of 3 to 5 years from PETRONAS group.

As such, we plan to grow our customer base by securing contracts from other customers within the energy sector, in view that our products are also required by other industry stakeholders within the energy sector and our technical capabilities and knowledge in the provision of EPCC services for chemical injection skids, facilities improvement/maintenance as well as installation and maintenance of oilfield equipment are transferable within the energy sector.

We have at the LPD registered ourselves with the Federal Land Development Authority, Tenaga Nasional Berhad, Sime Darby Plantation Berhad and Suruhanjaya Perkhidmatan Air Negara as a service vendor and contractor and the details are as follows:-

Potential customers	Validity period
Federal Land Development Authority	12 March 2021 – 14 March 2024
Tenaga Nasional Berhad	25 March 2021 – 14 February 2024
Sime Darby Plantation Berhad	20 January 2021 – 20 January 2023 ^{*1}
Suruhanjaya Perkhidmatan Air Negara	22 May 2021 – 21 May 2024

Note:-

^{*1} Expired and was not subsequently renewed.

Current status

Subsequent to the listing of the Company on the LEAP Market of Bursa Securities, the Group had managed expand its customer base by securing 9 new customers in the FYE 31 December 2022. Pursuant to the securing of these new customers, the revenue contribution by PETRONAS group had decreased to 54.47% of the Group's total revenue in the FYE 31 December 2022 (FYE 31 December 2021: 85.84%).

Notwithstanding the above, PETRONAS group's revenue still accounts for over 50.00% of the Group's total revenue for the FYE 31 December 2022. As such, the Group intends to continue with its current strategy by fostering collaboration and strengthening relationships with its existing customers, and at the same time expanding its customer base by participating in tender activities to secure new customers.

As at the LPD, the Group's tender activities mainly still focused on the O&G sector due to the various tender opportunities within the O&G sector, albeit it has been diversifying away from tenders launched by PETRONAS group. In view of the foregoing, the Group has not been actively participating and securing tenders for non-O&G related projects within the energy sector involving the provision of maintenance services for facilities such as power plants, water treatment plants as well as the supply of equipment such as pumps and valves. Even though the Group has yet to secure any of these tenders as at the LPD, the Group shall maintain its efforts to bid and secure non-O&G related projects within the energy sector as an initiative to further diversify its customer base and reduce the impact of relying on a single customer like PETRONAS group.

Section	Disclosures in the Information Memorandum	Current status
	<p>With these registrations, we are able to participate in tender activities and secure contracts from them, thereby allowing us to expand our revenue sources within the energy sector. At this juncture, we intend to tender for contracts involving the provision of maintenance services for power plants, water treatment plants and other facilities of these companies as well as the supply of equipment such as pumps and valves.</p>	
<p><u>Section 4.11(iv)</u></p>	<p>We plan to expand our presence in the overseas market</p>	<p>As at the LPD, the Group has not been able to secure any suitable distributors and suppliers for the procurement of oilfield equipment to expand its reach to the O&G industry in Brunei and Indonesia. In addition, the Group has not secured any significant contracts or purchase orders from international customers. Notwithstanding this, the Group endeavours to continue its efforts to identify and negotiate with customers in Brunei and Indonesia as well as countries in the Middle East and Asia region to supply its oilfield equipment to the O&G industry overseas.</p>
	<p>We intend to leverage on such growth opportunities in the O&G industry to expand our presence in Brunei and Indonesia. We plan to appoint distributors and suppliers in Brunei and Indonesia and leverage on their network to supply our products to the O&G industry. We are identifying suitable distributors and suppliers and we aim to expand our reach to the O&G industry in Brunei and Indonesia within 2 to 3 years of our LEAP Market Listing.</p>	<p>Furthermore, the Group intends to participate in forums and conventions, and to leverage these platforms to broaden its network and establish connections with prospective international clients.</p>
	<p>In the FYE 31 December 2021, we successfully secured our first overseas order from a customer in Brunei to supply oilfield equipment which was fulfilled in February 2021. Moving forward, we plan to further capitalise on our expertise and experience in the O&G industry to further expand our presence in the overseas market.</p>	

8. RISK FACTORS IN RELATION TO THE PROPOSED TRANSFER

The Proposed Transfer is not expected to expose the Group to additional categories of material risks that are currently faced by the Group. However, shareholders of the Company should carefully consider the following factors (which may not be exhaustive) that are relevant to the Group in relation to the Proposed Transfer in addition to other information contained in this Circular before voting on the resolutions pertaining to the Proposed Transfer.

8.1 Existing Shareholders of Steel Hawk may experience an immediate paper loss upon the Proposed Listing

As stated in **Section 3.2.10** of this Circular, based on the illustrative IPO Price of RM0.15 per Steel Hawk Share and based on the assumption that there is no change to the number of Shares held by an existing Shareholder as at the LPD up to the Proposed Listing, such existing Shareholder may observe an immediate paper loss amounting to approximately RM0.13 per Steel Hawk Share, which represents a decline of 46.43% per Steel Hawk Share (calculated based on the last transacted price of Steel Hawk Shares as at the LPD of RM0.28 per Steel Hawk Share as compared to the illustrative IPO Price of RM0.15 per Steel Hawk Share) upon the Proposed Listing, in the event the opening price of Steel Hawk Shares upon the Proposed Listing is equivalent to the illustrative IPO Price.

8.2 Vagaries of the ACE Market of Bursa Securities

The performance of the ACE Market of Bursa Securities is very much dependent on external factors such as the performance of the regional and world bourses and the inflow or outflow of foreign funds. Sentiment is also largely driven by internal factors such as economic and political conditions of the country as well as the growth potential of the various sectors of the economy. These factors invariably contribute to the volatility of trading volumes witnessed on Bursa Securities, thus adding risks to the market price of the listed Steel Hawk Shares on the ACE Market of Bursa Securities.

In addition, the market price of Steel Hawk Shares may be more volatile on the ACE Market of Bursa Securities as compared to being traded on the LEAP Market of Bursa Securities as the shares of LEAP market companies can only be traded by Sophisticated Investors i.e. investors who fall within Part I of Schedules 6 or 7 of the CMSA to invest and participate in the equity of the Company. As such, the market price of Steel Hawk Shares could fluctuate significantly and rapidly in response to, among others, the following factors, some of which are beyond Steel Hawk's control:-

- i. material variations in Steel Hawk Group's financial results and operations;
- ii. success or failure of Steel Hawk Group's management in implementing future plans, and business and growth strategies;
- iii. changes in securities analysts' recommendations, perceptions or estimates of Steel Hawk Group's financial performance;
- iv. changes in conditions affecting the industry, the general economic conditions or stock market sentiments or other related events or factors;
- v. changes in market valuations and share prices of companies with similar businesses to Steel Hawk Group that may be listed on Bursa Securities;
- vi. additions or departures of key personnel;
- vii. fluctuations in stock market prices and volumes; or
- viii. involvement in claims, litigation, arbitration or other form of dispute resolution.

Nevertheless, the profitability of Steel Hawk Group is not dependent on the performance of Bursa Securities as the business activities of the Steel Hawk Group have no direct correlation with the performance of securities listed on the ACE Market of Bursa Securities.

8.3 No prior market for Steel Hawk Shares and there may not be an active trading market for Steel Hawk Shares after the Proposed Transfer

As at the LPD, Steel Hawk Shares are only tradable on the LEAP Market of Bursa Securities by Sophisticated Investors i.e. investors who fall within Part I of Schedules 6 or 7 of the CMSA. Consequently, there is an absence of a prior active trading market for Steel Hawk Shares and a lack of historical reference for the Company's trading performance in the market. As such, there is no guarantee that an active trading market for Steel Hawk Shares will develop upon the Proposed Listing and even if one does, there is no assurance that it can be sustained in the long term. Furthermore, there is no guarantee that the market price of Steel Hawk Shares will not decline below the illustrative IPO Price of RM0.15 per Steel Hawk Share, upon the Proposed Listing.

8.4 There may be a potential delay to or failure of the Proposed Transfer

The occurrence of any one or more of the following events may cause a delay in or cancellation of the Proposed Transfer:-

- i. the appointed underwriter exercising its rights pursuant to the underwriting agreement to discharge itself from its obligations thereunder; or
- ii. the revocation of approvals from the relevant authorities for the Proposed Transfer and/ or admission for whatever reason; or
- iii. the inability of Steel Hawk to meet the public shareholding spread requirement of the ACE Market Listing Requirements of Bursa Securities, i.e. at least 25.00% of the issued share capital of Steel Hawk for which listing is sought must be held by a minimum number of 200 public shareholders holding not less than 100 Shares each at the point of its listing.

Where prior to the issuance and allotment of the Issue Shares:-

- i. the SC issues a stop order pursuant to Section 245(1) of the CMSA, the applications shall be deemed to be withdrawn and cancelled and the Company shall repay all monies paid in respect of the applications for the Issue Shares within 14 days of the stop order, failing which Steel Hawk shall be liable to return such monies with interest at the rate of 10.00% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(a) of the CMSA; or
- ii. the Proposed Listing is aborted, investors will not receive any of the Issue Share, all monies paid in respect of all applications for the Issue Shares will be refunded free of interest.

Where subsequent to the issuance and allotment of the Issue Shares:-

- i. the SC issues a stop order pursuant to Section 245(1) of the CMSA, any issue of the Issue Shares shall be deemed to be void and all monies received from the applicants shall be forthwith repaid and if any such money is not repaid within 14 days of the date of service of the stop order, Steel Hawk shall be liable to return such monies with interest at the rate of 10.00% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(b) of the CMSA; or
- ii. the Proposed Listing is aborted other than pursuant to a stop order by the SC, a return of monies to the Shareholders could only be achieved by way of a cancellation of share capital as provided under the Act and its related rules. Such cancellation can be implemented by either:-
 - a. the sanction of the Shareholders by special resolution in a general meeting, consent by its creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya, in which case there can be no assurance that such monies can be returned within a short period of time or at all under such circumstances; or

- b. the sanction of the Shareholders by special resolution in a general meeting supported by a solvency statement from the directors of Steel Hawk.

In this respect, the Group will exercise its best endeavour to comply with the various regulatory requirements, including, inter-alia, the public shareholding spread requirement in paragraph (iv) above. However, there can be no assurance that the abovementioned factors/ events will not cause a delay in or non-implementation of the Proposed Transfer.

8.5 Impact of non-implementation of the Proposed Transfer on the expenses incurred for the Proposed Transfer

As stated in **Section 3.2.8** of this Circular, the Company intends to fund the total estimated expenses for the Proposed Transfer of approximately RM3.50 million via proceeds to be raised from the Proposed Public Issue. As at the LPD, out of the total estimated expenses of RM3.50 million, an amount of RM0.82 million has been recorded in the Group's profit and loss for the financial year ending 31 December 2023. In the event of non-implementation of the Proposed Transfer, the Company will need to finance the total expenses incurred of RM0.82 million and any subsequent accrued expenses, using its internally generated funds (i.e. cash and bank balances).

As such, the Group's business cash flows, liquidity, financial position and financial performance may be adversely affected in the event that there is a timing mismatch in meeting the Group's working capital requirements (i.e. mismatch in outgoing payments for expenses incurred for the Proposed Transfer and payment to its suppliers, with incoming revenues generated from its business operations). Furthermore, there is also no assurance that the Group will not experience any delay and/ or default in payments by its customers, which may further constraint the cash flow of the Group. Notwithstanding this, the Group will exercise its best endeavour to assess its cash flow requirements from time to time, and prior to making any material capital expenditure to ensure that it will have sufficient working capital to meet its operating requirements.

For information purposes, as at the LPD, the Group's cash and bank balances stood at RM15.48 million. In the event that there is any shortfall to fund the payment of the expenses incurred for the Proposed Transfer from its internally generated funds, the Group intends to finance such shortfall via bank borrowings at that material point in time.

8.6 Risk of delay in the implementation of the Group's expansion plan in relation to the construction of the Proposed Teluk Kalung Facility 2

As set out in **Section 3.2.8** of this Circular, the Group intends utilise RM7.00 million from the gross proceeds to be raised from the Proposed Public Issue to construct the Proposed Teluk Kalung Facility 2, to enable the Group to carry out more steelwork fabrication as well as undertake blasting and painting works in-house. In the event there is a delay or non-implementation of the Proposed Transfer, the Group will have to fund such construction costs via internally generated funds (i.e. cash and bank balances and cash generated from its business operations), which may cause a delay in the construction of the Proposed Teluk Kalung Facility 2 if the Group faces cash flow constraint due to a timing mismatch in meeting the Group's working capital requirements.

Furthermore, the construction of the Proposed Teluk Kalung Facility 2 within the specified timeline and budget is subject to various uncertainties including, but not limited to, receiving the approvals from the relevant authorities (e.g. building plan and development order, etc), issuance of Certificate of Completion and Compliance (CCC) as well as procuring new machinery or relocating existing machinery to the Proposed Teluk Kalung Facility 2.

If there are continued delays in realising Steel Hawk's expansion plan, this may delay the Group's future business growth and may lead to an adverse effect on the Group's financial performance as well as affect the Group's competitiveness in meeting the Group's customers' growing needs. Furthermore, delays in constructing the Proposed Teluk Kalung Facility 2 may result in higher construction costs due to factors which include, but are not limited to, an increase in cost of construction materials. If construction of the Proposed Teluk Kalung Facility 2 is delayed, the Group may be subject to higher costs and may require the use of internally generated funds or increase its bank borrowings to pay for such costs, which will lead to a reduced availability of working capital and increase in interest cost respectively. Notwithstanding this, the Group will take all necessary and reasonable steps to ensure that the construction of the Proposed Teluk Kalung Facility 2 will progress in a timely manner accordingly to the construction timeline as set out in **Section 3.2.8** of this Circular.

8.7 Dilution of existing Shareholders' percentage shareholding

The issuance of new Shares pursuant to the Proposed Public Issue would lead to an immediate dilution of shareholding among existing Shareholders. The extent of dilution to existing Shareholders' shareholding in the Company is illustrated in **Section 9.4** of this Circular.

9. EFFECTS OF THE PROPOSALS

The Proposed Withdrawal and the Proposed Adoption will not have any effect on the issued share capital, EPS, NA and gearing and substantial shareholders' shareholdings of the Company. The effects of the Proposed Bonus Issue and the Proposed Listing on the issued share capital, earnings and EPS, NA and gearing and substantial shareholders' shareholdings of the Company are set out below.

9.1 Issued share capital

The pro forma effects of the Proposed Bonus Issue and the Proposed Listing on the issued share capital of the Company are as follows:-

	No. of Shares	RM
Issued share capital as at the LPD	160,000,000	7,808,001
New Steel Hawk Shares to be issued pursuant to the Proposed Bonus Issue	240,000,000	-
	<hr/>	<hr/>
	400,000,000	7,808,001
New Steel Hawk Shares to be issued pursuant to the Proposed Public Issue	90,000,000	13,500,000 ^{*1}
	<hr/>	<hr/>
Enlarged issued share capital	490,000,000	21,308,001
Less: Estimated expenses directly attributable to the Proposed Public Issue and allowed to be deducted against the share capital of the Company	-	(939,082)
	<hr/>	<hr/>
Enlarged issued share capital of Steel Hawk upon completion of the Proposed Listing	490,000,000	20,368,919
	<hr/>	<hr/>

Note:-

^{*1} Computed based on the illustrative IPO price of RM0.15 per IPO Share pursuant to the Proposed Public Issue.

9.2 NA and gearing

Based on the latest audited consolidated statements of financial position of the Group as at 30 June 2023, the pro forma effects of the Proposed Bonus Issue and the Proposed Listing on the NA per Share and gearing of the Group are as follows:-

	I	II
	After the Proposed Bonus Issue RM	After I and the Proposed Listing RM
Audited as at 30 June 2023 RM		
Share capital	7,808,001	20,368,919 ^{*1}
Restructuring reserves	(3,107,999)	(3,107,999)
Retained earnings	13,382,501	10,821,582 ^{*2}
Shareholders' funds/ NA	18,082,503	28,082,502
No. of Shares in issue	160,000,000	490,000,000
NA per Share (RM)	0.11	0.06
Total borrowings (RM)	11,216,748	10,216,748 ^{*3}
Gearing ratio (times)	0.62	0.36

Notes:-

^{*1} Computed based on the illustrative IPO Price of RM0.15 per IPO Share pursuant to the Proposed Public Issue and after deducting a portion of the estimated expenses of approximately RM0.94 million in relation to the Proposed Transfer used to set off against issued share capital.

^{*2} After deducting the estimated expenses of approximately RM2.56 million in relation to the Proposed Transfer used to set off against profit or loss.

^{*3} After taking into consideration the utilisation of RM1.00 million from the proceeds of the Proposed Public Issue for the repayment of outstanding bank borrowings of the Group.

9.3 Earnings and EPS

The Proposed Bonus Issue and Proposed Listing are not expected to have a material effect on the consolidated earnings of Steel Hawk Group. However, the EPS is expected to be diluted pursuant to the increase in issued share capital following the issuance of new Shares under the Proposed Bonus Issue and Proposed Listing.

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9.4 Substantial shareholders' shareholdings

The pro forma effects of the Proposed Bonus Issue and the Proposed Listing on the substantial shareholders' shareholdings of the Company are set out below:-

Substantial shareholders	Shareholdings as at the LPD ¹				After the Proposed Bonus Issue ²			
	Direct	%	Indirect	%	Direct	%	Indirect	%
	No. of Shares		No. of Shares		No. of Shares		No. of Shares	
Radiant Capital	73,440,020	45.90	-	-	183,600,050	45.90	-	-
Salimi Bin Khairuddin	-	-	73,440,020 ⁴	45.90	-	-	183,600,050 ⁴	45.90
Khairul Nazri Bin Kamarudin	-	-	73,440,020 ⁴	45.90	-	-	183,600,050 ⁴	45.90
Dato' Sharman	35,359,980	22.10	16,000,000 ⁵	10.00	88,399,950	22.10	40,000,000 ⁵	10.00
Datin Annie A/P V Sinniah	16,000,000	10.00	35,359,980 ⁶	22.10	40,000,000	10.00	88,399,950 ⁶	22.10

Substantial shareholders	After I and the Proposed Public Issue ³				After II and the Proposed Offer for Sale ³			
	Direct	%	Indirect	%	Direct	%	Indirect	%
	No. of Shares		No. of Shares		No. of Shares		No. of Shares	
Radiant Capital	183,600,050	37.47	-	-	178,600,050	36.45	-	-
Salimi Bin Khairuddin	-	-	183,600,050 ⁴	37.47	-	-	178,600,050 ⁴	36.45
Khairul Nazri Bin Kamarudin	-	-	183,600,050 ⁴	37.47	-	-	178,600,050 ⁴	36.45
Dato' Sharman	88,399,950	18.04	40,000,000 ⁵	8.16	48,699,950	9.94	40,000,000 ⁵	8.16
Datin Annie A/P V Sinniah	40,000,000	8.16	88,399,950 ⁶	18.04	40,000,000	8.16	48,699,950 ⁶	9.94

Notes:-

- ¹ Based on the Company's issued share capital of 160,000,000 Shares as at the LPD.
- ² Based on the Company's enlarged issued share capital of 400,000,000 Shares pursuant to the Proposed Bonus Issue.
- ³ Based on the Company's enlarged issued share capital of 490,000,000 Shares pursuant to the Proposed Public Issue or Proposed Offer for Sale.
- ⁴ Deemed interested by virtue of his shareholding in Radiant Capital pursuant to Section 8 of the Act.
- ⁵ Deemed interested by virtue of his family relationship with Datin Annie A/P V Sinniah pursuant to Section 8 of the Act.
- ⁶ Deemed interested by virtue of her family relationship with Dato' Sharman pursuant to Section 8 of the Act.

9.5 Convertible Securities

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

10. IMPACT OF THE PROPOSED TRANSFER AND PRICE DISCOVERY MECHANISM

10.1 Impact of the Proposed Transfer on public shareholding spread

Pursuant to Rule 3.10 of the ACE Market Listing Requirements, a company is required to meet a public shareholding spread of at least 25.00% of the total number of listed shares (excluding treasury shares) to be in the hands of a minimum number of 200 public shareholders holding not less than 100 shares each ("**ACE Market Public Spread Requirements**").

As at the LPD, approximately 22.00% of the total number of issued Shares is held by 6 public shareholders. Pursuant to the Proposed Transfer, the public shareholding spread of the Company will increase to 45.45% and thus, the Company will be in compliance with the ACE Market Public Spread Requirements, upon completion of the Proposed Transfer. For information purposes, the exact number of public shareholders of the Company pursuant to the Proposed Transfer cannot be determined at this juncture. Nevertheless, the Company will ensure that the Proposed Public Issue of 90,000,000 Issue Shares to be allocated and allotted in the manner as set out in **Section 3.2.2** of this Circular, will be in the hands of a minimum number of 200 public shareholders holding not less than 100 Shares each.

10.2 Impact of the Proposed Transfer on existing Shareholders' shareholdings

The Proposed Transfer is intended to increase the liquidity of Shares by allowing a larger pool of investors to engage in the trading of the Shares upon the listing of the Shares on the ACE Market of Bursa Securities and provide the Company access to a bigger fundraising platform to support the Company's expansion plan in order to realise the Company's long-term growth potential. Furthermore, as mentioned in **Section 5.2** of this Circular, the Proposed Listing will further enhance the Company's prestige, credibility and reputation and accord it with greater recognition from various stakeholders including its employees, customers, suppliers, business associates, financial institutions as well as investors. Notwithstanding this, the issuance of new Shares pursuant to the Proposed Public Issue would result in a dilution of shareholding for Steel Hawk's existing Shareholders.

10.3 Impact of the price discovery mechanism

The price discovery mechanism for the issue price of IPO Shares would allow the Shareholders and potential investors to make informed investment decisions based on the re-adjusted value of Steel Hawk Shares in conjunction with the Proposed Transfer. The Board has ascribed an illustrative IPO Price of RM0.15 per IPO Share which reflects the current valuation ascribed to similar business or sector as the Company after taking into consideration the various factors as highlighted in **Section 3.2.10** of this Circular. However, the final issue price of the IPO Shares shall be determined by the Board at a later date after receipt of all relevant approvals.

11. APPROVALS REQUIRED AND CONDITIONALITY

The Proposals are subject to and conditional upon the following approvals being obtained from:-

- i. the Shareholders at the forthcoming EGM;
- ii. Bursa Securities for the listing of and quotation for the Bonus Shares on the LEAP Market of Bursa Securities;
- iii. Bursa Securities for the Proposed Withdrawal, the admission of Steel Hawk to the Official List and listing of and quotation for the entire enlarged issued share capital of Steel Hawk on the ACE Market of Bursa Securities;
- iv. Equity Compliance Unit of the SC, for the resultant equity structure after the Proposed Transfer; and

- v. any other approval, consent or permission that may be required for any relevant authority, if required.

The Proposed Bonus Issue is not conditional upon the Proposed Transfer and Proposed Adoption. However, the Proposed Transfer and Proposed Adoption are inter-conditional upon each other and conditional upon the Proposed Bonus Issue. As such, the Proposed Adoption will take effect on the same date of the listing of and quotation for the entire issued share capital of Steel Hawk on the ACE Market of Bursa Securities.

Save for the above, the Proposals are not conditional upon any other corporate proposals undertaken or to be undertaken by the Company.

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

None of the Directors, major shareholders and/ or chief executive of the Company and/ or persons connected with them has any interest, whether direct or indirect, in the Proposed Bonus Issue other than their respective entitlements as shareholders of the Company under the Proposed Bonus Issue, which are also available to all other Entitled Shareholders.

Save as disclosed below, none of the Directors, major shareholders, chief executives and/ or persons connected with them has any interests, whether direct or indirect in the Proposed Transfer and Proposed Adoption:-

- i. Radiant Capital (a major shareholder of Steel Hawk), is a Proposer for the Proposed Transfer. As at the LPD, it directly holds 73,440,020 Shares (representing approximately 45.90% of the total issued Shares of Steel Hawk) and is deemed interested in the Proposed Transfer;
- ii. Salimi Bin Khairuddin (a director and major shareholder of Steel Hawk), is also a director and shareholder of Radiant Capital. As at the LPD, he indirectly holds 73,440,020 Shares through Radiant Capital (representing approximately 45.90% of the total issued Shares of Steel Hawk) and is deemed interested in the Proposed Transfer;
- iii. Khairul Nazri Bin Kamarudin (a major shareholder of Steel Hawk), is also a director and shareholder of Radiant Capital. As at the LPD, he indirectly holds 73,440,020 Shares through Radiant Capital (representing approximately 45.90% of the total issued Shares of Steel Hawk) and is deemed interested in the Proposed Transfer;
- iv. Dato' Sharman (a director and major shareholder of Steel Hawk), is a Proposer for the Proposed Transfer. As at the LPD, he directly holds 35,359,980 Shares (representing approximately 22.10% of the total issued Shares of Steel Hawk) and indirectly holds 16,000,000 Shares through his spouse, Datin Annie A/P V Sinniah (representing 10.00% of the total issued Shares of Steel Hawk), and is deemed interested in the Proposed Transfer; and
- v. Datin Annie A/P V Sinniah (a major shareholder of Steel Hawk), is the spouse of Dato' Sharman. As at the LPD, she directly holds 16,000,000 Shares (representing approximately 10.00% of the total issued Shares of Steel Hawk) and indirectly holds 35,359,980 Shares through Dato' Sharman (representing approximately 22.10% of the total issued Shares of Steel Hawk), and is deemed interested in the Proposed Transfer.

However, since the Proposals affect the rights of all the Shareholders and no specific shareholder or group of shareholders shall benefit from the Proposals, all Shareholders are entitled to vote in respect of their direct and indirect shareholdings on the resolutions for the Proposals. In that regard, the Proposals are not regarded as related party transactions and no parties are conflicted under the provisions of the LEAP Market Listing Requirements. Accordingly, the Interested Parties are not required to abstain from voting in respect of their direct and/ or indirect shareholdings, if any, on the resolutions for the Proposals to be tabled at the EGM to be convened.

The Interested Directors have abstained and will continue to abstain from all deliberations and voting at the relevant Board meetings pertaining to the Proposed Transfer.

The Directors who are eligible for an allocation under the Proposed Pink Form Allocation, namely Tan Sri Acryl Sani Bin Abdullah Sani, Haslinda Binti Hussein, Y.M Tengku Saifan Rafhan Bin Tengku Putra and Zariner Binti Ismail (collectively referred to as "**Eligible Directors**") are deemed interested in the Proposed Listing to the extent of their respective allocations as well as allocations to persons connected with them (if any). Accordingly, they have abstained and will continue to abstain from deliberating and voting at the relevant Board meetings of the Company pertaining to their respective proposed allocations of the new Steel Hawk Shares as well as proposed allocations to persons connected with them (if any) under the Proposed Pink Form Allocation. The Eligible Directors will also abstain from voting in respect of their respective allocations of the new Steel Hawk Shares as well as allocations to persons connected with them (if any) under the Proposed Pink Form Allocation, to be tabled at the forthcoming EGM of the Company. They will also undertake to ensure that persons connected with them will also abstain from voting in respect of their respective direct and/ or indirect shareholdings, if any, on the resolutions pertaining to the proposed allocations of the new Steel Hawk Shares to them or any persons connected with them (if any) at the forthcoming EGM of the Company.

The proposed allocations of IPO Shares to the Eligible Directors under the Proposed Pink Form Allocation are as follows:-

Directors	Designation	No. of IPO Shares to be allocated
Tan Sri Acryl Sani Bin Abdullah Sani	Independent Non-Executive Chairman	Up to 1,000,000 Shares
Haslinda Binti Hussein	Independent Non-Executive Director	Up to 300,000 Shares
Y.M Tengku Saifan Rafhan Bin Tengku Putra	Independent Non-Executive Director	Up to 300,000 Shares
Zariner Binti Ismail	Independent Non-Executive Director	Up to 300,000 Shares

13. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board (save for the Interested Directors), after having considered all relevant aspects of the Proposed Transfer, including the rationale and justification, effects and impact of the Proposed Transfer, is of the opinion that the Proposed Transfer is in the best interest of the Company and its shareholders. Accordingly, the Board (save for the Interested Directors), recommends the Shareholders to vote in favour of the resolutions pertaining to the Proposed Transfer to be tabled at the forthcoming EGM.

The Board (save for the Eligible Directors) having considered all aspects of the Proposed Pink Form Allocation, is of the opinion that the proposed allocations of the new Steel Hawk Shares to the Eligible Directors and any persons connected with them is not detrimental to the interest of the Company. Accordingly, the Board (save for the Eligible Directors) recommends the Shareholders to vote in favour of the resolutions pertaining to the proposed allocations of the new Steel Hawk Shares to the Eligible Directors and any persons connected with them to be tabled at the forthcoming EGM.

The Board, after having considered all relevant aspects of the Proposed Bonus Issue and the Proposed Adoption, is of the opinion that the Proposed Bonus Issue and the Proposed Adoption are in the best interest of the Company and its shareholders, as the Proposed Bonus Issue is expected to enhance the marketability and trading liquidity of Steel Hawk Shares on the ACE Market of Bursa Securities, pursuant to the Proposed Listing, and the Proposed Adoption is necessary to facilitate the implementation of the Proposed Transfer to ensure Steel Hawk's compliance with the ACE Market Listing Requirements. Accordingly, the Board recommends the Shareholders to vote in favour of the resolution pertaining to the Proposed Bonus Issue and the special resolution pertaining to the Proposed Adoption to be tabled at the forthcoming EGM.

14. PROPOSALS ANNOUNCED BUT PENDING COMPLETION

Save for the Proposals, the Board is not aware of any other outstanding proposals which have been announced but not yet completed as at the date of this Circular.

15. HISTORICAL SHARE PRICE

The monthly highest and lowest market prices of Steel Hawk Shares as traded on the LEAP Market of Bursa Securities for the past 12 months from December 2022 to November 2023 are set out below:-

	High RM	Low RM
2022		
December	0.75	0.55
2023		
January	0.75	0.55
February	0.75	0.55
March	0.60	0.50
April	0.43	0.35
May	0.28	0.28
June	0.28	0.28
July	0.28	0.28
August	0.28	0.28
September	0.28	0.28
October	0.28	0.28
November	0.28	0.28
Last transacted market price of Steel Hawk Shares as at the LTD		0.28
Last transacted market price of Steel Hawk Shares as at the LPD		0.28

(Source: Bloomberg)

16. APPLICATION TO AUTHORITIES

The listing application, final copy of the prospectus and application for the Proposed Withdrawal pursuant to Rule 2.2 of Guidance Note 15A of the ACE Market Listing Requirements (collectively known as "**Applications for the Proposed Transfer**") shall be submitted at a later date subject to the approval from the Shareholders on the Proposals at an EGM to be convened and upon completion of, amongst others, the due diligence as well as other preparation works. As at the date of this Circular, Steel Hawk has been listed on the LEAP Market of Bursa Securities for more than 2 years since 29 October 2021.

17. ADVISER

The Board has appointed UOBKH as the Approved Adviser for the Proposals and Sponsor for the Proposed Transfer.

18. ESTIMATED TIMEFRAME FOR COMPLETION

Subject to all the approvals being obtained and barring any unforeseen circumstances, the Proposals are expected to be completed by the third quarter of 2024. The tentative timeline for the implementation of the Proposals is as follows:

Events	Tentative timeline
EGM for the Proposals	First quarter of 2024
Implementation and completion of the Proposed Bonus Issue	First quarter of 2024
Submission of Applications for the Proposed Transfer	First quarter of 2024
Approval from Bursa Securities for the Proposed Transfer	Third quarter of 2024
Completion of the Proposed Transfer and Proposed Adoption ^{*1}	Third quarter of 2024

Note:-

^{*1} For information purposes, the trading of Steel Hawk Shares on the LEAP Market of Bursa Securities will be suspended from the date of allotment of the new IPO Shares until the completion of the Proposed Listing.

19. IMPLICATIONS FOR NON-IMPLEMENTATION OF THE PROPOSED TRANSFER

In the event of non-implementation of the Proposed Transfer, Steel Hawk and its entire issued share capital would remain listed on the LEAP Market of Bursa Securities. Following which, the Company would not be able to tap into the larger pool of investors, which includes the Malaysian public, to raise funds for the Group. The non-implementation of the Proposed Transfer would not result in a dilution of shareholding of Steel Hawk's existing Shareholders as there will be no further issuance of new Shares to the general Malaysian public. Nevertheless, the Group will continue with its business including its business plans and seek other source of funding and opportunities for its long-term growth.

20. EGM

The EGM, the notice of which is enclosed in this Circular, is scheduled to be held virtually via Online Meeting Platform provided by Tricor Investor & Issuing House Services Sdn Bhd ("**Tricor**") in Malaysia via Tricor's TIIH Online website at <https://tiih.online> on Monday, 22 January 2024 at 10.00 a.m., or any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modification, the resolutions to give effect to the Proposals.

A member entitled to attend, participate, speak and vote at the EGM is entitled to appoint a proxy or proxies to attend, participate, speak and vote on his/ her behalf. In such event, the Proxy Form must be lodged with the Company's Share Registrar, Tricor situated at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah or via Tricor's TIIH Online website at <https://tiih.online> or email to sakila@my.tricorglobal.com or fax to +603-2783 9277, not less than 48 hours before the time for holding the EGM or at any adjournment thereof. The lodging of the Proxy Form shall not preclude you from attending, participating, speaking and voting in person at the EGM should you subsequently wish to do so.

21. FURTHER INFORMATION

Kindly refer to the appendices of this Circular for further information.

Yours faithfully,
For and on behalf of the Board
STEEL HAWK BERHAD

Tan Sri Acryl Sani Bin Abdullah Sani
Independent Non-Executive Chairman

Company No. 202001043293 (1399614-A)

**COMPANIES ACT 2016
MALAYSIA**

PUBLIC COMPANY LIMITED BY SHARES

CONSTITUTION

OF

STEEL HAWK BERHAD

Incorporated on the 29th day of December 2020

Companies Act 2016
Public Company Limited by Shares

Constitution of
STEEL HAWK BERHAD

Name of Company

1. The name of the Company is STEEL HAWK BERHAD. *Company name*

Registered Office

2. The registered office of the Company is situated in Malaysia. *Registered office*

DEFINITIONS AND INTERPRETATION

Definitions

3. In this Constitution: *Definitions*
- | | |
|---------------------------------|--|
| "Act" | Means the Companies Act 2016, as amended, substituted or re-enacted from time to time. |
| "Annual General Meeting" | Means a meeting of the Company required to be held pursuant to Section 340 of the Act. |
| "Auditors" | Means the auditors of the Company. |
| "Board" or "Board of Directors" | Means the board of directors for the time being of the Company. |
| "Board Meeting" | Means a meeting of the Directors of the Company. |
| "Bursa Depository" | Means Bursa Malaysia Depository Sdn Bhd. |
| "Bursa Securities" | Means Bursa Malaysia Securities Berhad. |
| "Central Depositories Act" | Means the Securities Industry (Central Depositories) Act 1991 and regulations made thereunder, as amended or re-enacted from time to time. |
| "Company" | Means Steel Hawk Berhad. |

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

"Company's Documents"

Including, but not limited to any of the following documents that may be issued by the Company from time to time:

- (a) In respect of a Member and person entitled to a Security in consequence of an Event of Transmission:
 - (i) Notices relating to General Meetings, instrument appointing a proxy (including electronic proxy appointment and voting manner), annual reports, audited financial statements, circular to shareholders, notices to holders of Securities, prospectus, information memorandum, notice of resolution, statement and other documents relating thereto;
 - (ii) All other documents as required under the Act, the Listing Requirements, applicable laws, guidelines, practice directives etc;
 - (iii) Other publication concerning the Company; and/ or
 - (iv) All written communications.
- (b) In respect of a Director:
 - (i) Notices relating to meetings of Board and Board committees and other documents relating thereto;
 - (ii) Notices relating to General Meetings, annual reports, audited financial statements, circular to shareholders, and other documents relating thereto;
 - (iii) All other documents as required under the Act, the Listing Requirements, applicable laws, guidelines, practice directives etc;

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (iv) Other publication concerning the Company; and/ or
 - (v) All written communications.
- (c) In respect of the Auditors:
- (i) Notices relating to General Meetings, audited financial statements, and other documents relating thereto;
 - (ii) All other documents as required under the Act, the Listing Requirements, applicable laws, guidelines, practice directives etc; and/ or
 - (iii) All written communications.
- (d) In respect of a holder of Debt Securities:
- (i) Notices relating to meeting of Debt Securities holders, audited financial statements, notices to Debt Securities holders and other documents relating thereto;
 - (ii) All other documents as required under the trust deed governing an issue of Debt Securities, Act, the Listing Requirements, applicable laws, guidelines, practice directives etc; and/ or
 - (iii) All written communications.
- "Constitution" The constitution of the Company as constituted by this document, or as altered from time to time by a special resolution.
- "Debt Securities" Means debentures, loan stocks or other similar instruments representing or evidencing indebtedness, whether secured or unsecured, and whether convertible or not.
- "Deposited Security" Means a security standing to the credit of a Securities Account and includes a security in a Securities Account that is in suspense.

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

"Depositor"	Means a holder of a Securities Account.
"Depository"	Means Bursa Malaysia Depository Sdn Bhd.
"Directors"	Means the directors for the time being of the Company (inclusive of alternate or nominee directors).
"Event of Transmission"	Means the death, bankruptcy or insolvency of a Member or debenture holder which would result in the Member or debenture holder being unable to remain as the registered holder of a share or debenture or such other transmission by operation of law.
"General Meeting"	Means a meeting of Members of the Company.
"Joint Holder"	In respect of a Security (other than Deposited Security), means two (2) or more persons are jointly entitled to any Security in the Company.
"Jumbo Certificate"	In relation to a Deposited Security, means a certificate comprising not less than fifty thousand (50,000) units of Securities of the Company or such denominations as may be directed by the Depository which is registered in the name of the Depository or its nominee company, as nominee for Depositors.
"Listed Deposited Security"	Means a Deposited Security quoted on the official list of Bursa Securities.
"Listing Requirements"	Means the ACE Market Listing Requirements of Bursa Securities, including any amendment that may be made from time to time.
"Member"	Means: (a) a person whose name is entered in the Register of Members as the holder for the time being of one or more shares in the Company; and/ or (b) a Depositor whose name appears in the Record of Depositors as the holder for the time being of one or more shares in the Company. Shares include ordinary shares, preference shares or other type of shares that may be issued and allotted by the Company from time to time.

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

"Office"	Means the registered office of the Company.
"Officer"	Means any Director, Secretary or employee of the Company.
"Record of Depositors"	Means a record provided by the Depository to the Company under Chapter 24.0 of the Rules.
"Register of Members"	Means the record of members of the Company kept and maintained pursuant to Section 50 of the Act.
"Registrar"	Means the Registrar of Companies designated under Section 20A(1) of the Companies Commission of Malaysia Act 2001.
"Representative of Member"	Includes any of the following persons: (a) Representative appointed by a corporation which is a Member; or (b) Attorney appointed by the Member by a power of attorney.
"Rules"	Means the Rules of Depository, including any amendment that may be made from time to time.
"Seal"	Means the common seal of the Company.
"Secretary"	Means a secretary of the Company appointed under Section 236 of the Act.
"Security" or "Securities"	Has the meaning given in Section 2(1) of the Capital Markets and Services Act 2007.
"Securities Account"	Means an account established by the Depository for a Depositor for the recording of deposit of Securities and for dealing in such Securities by the Depositor.
"Shareholder"	Means a holder of one or more share(s) in the Company.

Interpretation

4. (1) Expressions referring to writing include, unless the contrary intention appear, references to printing, lithography, photography and other modes of representing or reproducing words in a visible form. *Interpretation*
- (2) Words importing the singular number only shall include the plural number, and vice versa.

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (3) Words importing the masculine gender only shall include the feminine gender.
- (4) Words importing persons shall include corporations.
- (5) Unless the context requires otherwise, other words and expressions contained in this Constitution shall bear the same meaning as in the Act when this Constitution becomes effective and binding on the Company.

TYPE AND PURPOSE OF COMPANY**Type of Company**

- 5. (1) The Company is a public company limited by shares. *Public company*
- (2) The liability of the Members is limited to the amount, if any, unpaid on shares held by the Members. *Members' liability*

Purpose of Company

- 6. (1) The principal object for which the Company is established is investment holding company. *Object*
- (2) Without derogating from the generality of this Clause, the Company shall have the full capacity to carry on or undertake any business or activity that is in the best interest of the Company with full rights, powers and privileges for such purpose in accordance with Section 21 of the Act, subject always to the requirements of any applicable laws and regulations. *Legal capacity and powers of the Company*

SECURITIES**Classes of Shares**

- 7. (1) The capital of the Company shall consist of ordinary shares. *Ordinary shares*
- (2) A holder of ordinary share(s) shall have the following voting rights: *Rights of ordinary shares*
 - (a) Right to vote on a show of hands to one (1) vote on any resolution of the Company; and
 - (b) Right to vote on a poll to one (1) vote for every share held on any resolution of the Company.

Variation of Rights

8. (1) Subject to the provisions of Section 71 and Section 91 of the Act, if at any time the share capital is divided into different classes of shares, the rights attached to each class of shares (unless otherwise provided by the terms of issue of the shares of that class) may only, whether or not the Company is being wound up, be varied: *Variation of rights*
- (a) with the consent in writing of the holders holding not less than seventy-five percent (75%) of the total voting rights of the holders of that class of shares; or
- (b) by a special resolution passed by a separate meeting of the holders of that class of shares sanctioning the variation.
- (2) The provisions of this Constitution relating to General Meetings apply with the necessary modifications to every separate meeting of the holders of the shares of the class referred to in Clause 8(1), except that: *Quorum for Class Meeting*
- (a) for a meeting other than an adjourned meeting, a quorum is constituted by two (2) persons present in person or represented by proxy holding at least one-third (1/3) of the number of issued shares of such class, excluding any shares of that class held as treasury shares; *Class Meeting*
- (b) if that class of shares only has one holder, a quorum is constituted by one (1) person present in person or represented by proxy holding shares of such class; and
- (c) for an adjourned meeting, a quorum is constituted by one (1) person present holding share(s) of such class. *Adjourned Class Meeting*
- (3) The rights attached to an existing class of preference shares shall be deemed to be varied by the issue of new preference shares that rank equally with the existing class of preference shares unless such issuance was authorised by: *Variation of rights of existing preference shares*
- (a) the terms of the issue of the existing preference shares; or
- (b) this Constitution of the Company as in force at the time when the existing preference shares were issued.

Records of Members

9. (1) The records of Members of the Company comprise the following: *Records of Members*
- (a) Record of Depositors; and/ or

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (b) Register of Members.
- (2) In relation to Deposited Securities, a Depositor whose name appears in the Record of Depositors maintained by the Depository in accordance with Section 34 of the Central Depositories Act in respect of the Securities of the Company which have been deposited with the Depository shall be deemed to be a shareholder, debenture holder or option holder of the Company, as the case may be, and shall, subject to the provisions of the Central Depositories Act and any regulations made under that Act, be entitled to the number of securities stated in the Record of Depositors. *Record of Depositors*
- (3) In relation to non-Deposited Securities, the Company shall: *Register of Members*
- (a) maintain a Register of Members at its Office or such other place as may be determined by the Directors from time to time; and
- (b) record the particulars of the Members as prescribed under Section 50 of the Act in the Register of Members.
- (4) The Company shall use the address of a Member in the Record of Depositors or Register of Members (as applicable) for the purpose of delivering Company's Documents and such address may be any one or more of the following: *Address*
- (a) a residential address;
- (b) a postal address;
- (c) a registered office (if the Member is a corporation);
- (d) a business address;
- (e) an email address;
- (f) a facsimile number; and/ or
- (g) contact details as provided by the Depositor to the Depository.
- (5) (a) In relation to Deposited Securities, a Depositor must notify the Depository from time to time of any change of his particulars or such information as required under the Rules. *Notification of change of particulars of Record of Depositors*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (b) In relation to non-Deposited Securities, each Member must notify the Company as soon as practicable (in any event no later than fourteen (14) days) of any change of his particulars to enable the Company to record such change in the Register of Members and notify the Registrar within the aforesaid timeline as stipulated in the Act. *Notification of change of particulars of Register of Members*

Certificates of Shares or Debentures

10. (1) The Company may, as required by the Depository, issue a Jumbo Certificate in the name of the Depository or its nominee company, as nominee for Depositors, for the Deposited Securities issued by the Company from time to time. *Issuance of Jumbo Certificate*
- (2) In relation to non-Deposited Securities:
- (a) every person whose name is entered as member in the Register of Members or holder in the register of debenture holders shall be entitled without payment to receive a certificate in respect of the shares or debentures issued under the Seal in accordance with the Act. *Issuance of share / debenture certificate*
- (b) in respect of shares or debentures held jointly by several persons, the Company is not bound to issue more than one (1) certificate for such shares or debentures, and delivery of a certificate for shares or debentures to one (1) of several Joint Holders is sufficient delivery to all such holders. *Issuance of share / debenture certificate to Joint Holders*
- (c) if a certificate of shares or debentures is worn out, defaced, lost or destroyed, it may be re-issued on payment of a fee not exceeding RM50.00 on the application by the Shareholder or debenture holder. The Directors may, at its absolute discretion and as they think fit, impose such terms and requirements (if any) as to evidence and indemnity and payment of out-of-pocket expenses of the Company incidental to the investigation, and in the case of defacement or wearing out, on delivery of the old certificate. *Loss or destruction of share / debenture certificate*

Beneficial Ownership of Shares

11. (1) Except as required by law, this Constitution, the Central Depositories Act, the Rules or pursuant to any order of the Court, no person is to be recognised by the Company as holding any share upon any trust. *Trust*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (2) Except as required by law, this Constitution, the Central Depositories Act, the Rules or pursuant to any order of the Court, the Company is not bound by or compelled in any way to recognise or enter into the Register of Members or Record of Depositors: *Not compelled to recognise trust*
- (a) any equitable, contingent, future or partial interest in any share or unit of a share; or
- (b) any other rights in respect of any share or unit of share,
- other than the registered holder's rights to the entirety of the share or unit of share.
- (3) Clause 11(2) applies even when the Company has notice of any interest or right (including notice of any trust expressed, implied or constructive in this regard) referred to in Clauses 11(2)(a) or (b). *Notice of interest or right*

DEALING IN SECURITIES

Issue of Securities

12. (1) Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares but subject always to the Act, the Listing Requirements and this Constitution, the Directors have the right to: *Allotment of shares or grant of rights*
- (a) issue and allot shares in the Company; and
- (b) grant rights to subscribe for shares or options over unissued shares in the Company.
- (2) Subject to the Act, the Listing Requirements, this Constitution and the relevant Shareholders' approval being obtained, the Directors may issue any shares (including rights or options over subscription of such shares): *Pre-emptive rights shall not apply*
- (a) with such preferred, deferred, or other special rights or such restrictions, whether with regard to dividend, voting, return of capital, or otherwise, as the Directors may determine;
- (b) to any person, whether a Member or not, in such numbers or proportions as the Directors may determine; and
- (c) for such consideration as the Directors may determine.

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (3) (a) Subject to the Act, the Listing Requirements and any direction to the contrary that may be given by the Company in General Meeting, all new shares or other convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of General Meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. *Issue of new shares or securities to Members*
- (b) The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they think most beneficial to the Company.
- (c) The Directors may likewise also dispose of any new share or security which (by reason of the ratio which the new shares or securities bear to shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the Directors, be conveniently offered under this Constitution.
- (4) Subject to Rule 6.07 of the Listing Requirements and notwithstanding the existence of a resolution pursuant to Sections 75(1) and 76(1) of the Act, the Company must not issue any shares or convertible securities if the total number of those shares or convertible securities, when aggregated with the total number of any such shares or convertible securities issued during the preceding twelve (12) months, exceeds ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company except where the shares or convertible securities are issued with the prior shareholder approval in a General Meeting of the precise terms and conditions of the issue. *General mandate for issue of securities*
- (5) (a) The Company may pay commission (including brokerage) subject to the following: *Permitted commission*
- (i) the commission shall not exceed the rate of ten percent (10%) of the price at which the shares in respect whereof the same is paid are issued; or
- (ii) the commission shall not exceed an amount equal to ten percent (10%) of that price,
- whichever is lesser;
- (b) The rate of commission shall be disclosed in the manner prescribed in the Act; and

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (c) The said commission may be satisfied by payment in cash or shares (fully or partly paid shares) or partly in one way and partly in the other. For the purpose of Clause 12(5), commission includes brokerage and the rates referred to in Clause 12(5)(a) shall not apply to brokerage.
- (6) Subject to Section 130 of the Act, where any shares of the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a long period, the Company may pay interest or returns on the amount of such share capital as is for the time being paid up and charge the interest or returns paid to share capital as part of the cost of construction of the works, buildings or the provision of any plant. *Power of Company to pay interest out of capital in certain cases*
- (7) The Company must not cause or authorise its share registrar to cause the Securities Accounts of the allottees to be credited with the additional securities until after the Company has filed with Bursa Securities an application for listing of such additional securities and has been notified by the stock exchange that they have been authorised for listing.
- (8) The Company must ensure that all new issues of securities for which listing is sought are made by way of crediting the Securities Accounts of the allottees with such Securities save and except where they are specifically exempted from compliance with Section 38 of the Central Depositories Act, in which event they shall so similarly be exempted from compliance with Listing Requirements. For this purpose, the Company must notify the Bursa Depository of the names of the allottees and all such particulars required by the Bursa Depository, to enable the Bursa Depository to make the appropriate entries in the Securities Accounts of such allottees.
- (9) Subject to the provisions of the Act, the Listing Requirements, the Central Depositories Act, and the Rules, the Company must allot securities and despatch notices of allotment to the allottees within the stipulated time frame as prescribed under the Listing Requirements or such other period as may be prescribed by the Exchange.
- (10) Every certificate shall be under the Seal and shall be signed by one (1) Director and countersigned by the Secretary or some other person nominated by the Directors for the purpose. All such signatures shall be autographic unless the Directors shall by a resolution otherwise determine.

Transfer and Transmission of Securities under the Central Depository System

13. Clauses 14 and 15 shall apply to Deposited Securities.

Application

Transfer of Securities

14. The transfer of any Deposited Security or class of Deposited Security of the Company, shall be by way of book entry by the Depository in accordance with the Rules and, notwithstanding Sections 105, 106 or 110 of the Act, but subject to Section 148(2) of the Act and any exemption that may be made from compliance with Section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of the Deposited Securities. *Transfer of securities*

Transmission of Securities

15. Where: *Transmission of securities*
- (a) the Securities of the Company are listed on another stock exchange; and
- (b) the Company is exempted from compliance with Section 14 of the Central Depositories Act or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act 1998, as the case may be, under the Rules in respect of such Securities,

the Company shall, upon request of a Securities holder, permit a transmission of Securities held by such Securities holder from the register of holders maintained by the registrar of the Company in the jurisdiction of the other stock exchange, to the register of holders maintained by the registrar of the Company in Malaysia and vice versa provided that there shall be no change in the ownership of such Securities.

Transfer and Transmission of Shares or Debentures

16. Clauses 17 to 23 shall apply to non-Deposited Securities. *Application*

Transfer of Shares or Debentures

17. (1) Subject to this Constitution and other written laws, any Shareholder or debenture holder may transfer all or any of his shares or debentures by instrument of transfer as prescribed under the Act. *Instrument of transfer*
- (2) The instrument of transfer must be executed by or on behalf of the transferor and the transferee. *Execution of instrument of transfer*
- (3) The transferor shall remain as the holder of such shares or debentures until the transfer is registered and the name of the transferee is entered in the Register of Members or register of debenture holders in respect of the shares or debentures respectively. *Effect the transfer of shares or debentures*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

18. (1) To enable the Company to register the name of the transferee, the following items in relation to the transfer of shares or debentures must be delivered by the transferor to the Office of the Company: *Items for transfer of shares or debentures*
- (a) the instrument of transfer duly executed and stamped;
 - (b) the certificate of the shares or debentures which the instrument of transfer relates; and
 - (c) any other evidence as the Directors may reasonably require showing the right of the transferor to make the transfer.
- (2) Upon receipt of the items referred to in Clause 18(1), the Company shall, upon the approval of the Board and unless otherwise resolved, register the name of the transferee in the Register of Members or register of debenture holders (as applicable). *Approval of registration*
19. (1) The Directors may decline or delay to register the transfer of shares within thirty (30) days from the receipt of the instrument of transfer if: *Refusal of registration*
- (a) the shares are not fully paid shares;
 - (b) the Directors passed a resolution with full justification to refuse or delay the registration of transfer;
 - (c) the Company has a lien on the shares; and/ or
 - (d) the Shareholder fails to pay the Company an amount due in respect of those shares, whether by way of consideration for the issue of the shares or in respect of the sums payable by the Shareholder in accordance with this Constitution.
- (2) Where applicable, the Company shall send a notice of the resolution referred to in Clause 19(1)(b) to the transferor and transferee, within seven (7) days of the resolution being passed by the Directors. *Notification to transferor and transferee*
20. On giving at least fourteen (14) days' notice to the Registrar to close the Register of Members or register of debenture holders, the Company may close the Register of Members or register for any class of members or register of debenture holders (collectively, the "Registers") for the purpose of updating the Registers. The registration of transfer may be suspended at such time and for such period as the Directors may from time to time determine, provided that no part of the relevant Register(s) be closed for more than thirty (30) days in aggregate in any calendar year. *Closing the Register of Members or Register of Debenture Holders*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

Transmission on Death

21. In case of the death of a Member or debenture holder, the only persons recognised by the Company as having any title to the interest of the deceased Member or debenture holder in the shares or debentures respectively shall be: *Transmission on death*
- (1) the survivor(s), where the deceased Member or debenture holder was a Joint Holder; and
 - (2) the legal personal representatives of the deceased Member or debenture holder, where the deceased Member or debenture holder was a sole holder,

but nothing herein contained shall release the estate of a deceased Joint Holder from any liability in respect of any share which had been jointly held by him with other persons.

Transmission by Operation of Law

22. (1) Any person becoming entitled to a share or debenture in consequence of an Event of Transmission may, upon such evidence being produced as is properly required by the Directors, and subject as hereinafter provided, elect either to register himself as the holder of the share or debenture or to have some other person nominated by him registered as the transferee of the shares or debentures. *Registration of transmission*
- (2) If the entitled person elects to register himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. *Elects to register himself as holder*
- (3) If he elects to have another person registered, he shall execute an instrument of transfer of the share or debenture in favour of that person. *Elects to register other person as the holder*
- (4) All limitations, restrictions and clauses of this Constitution relating to the right to transfer and the registration of transfers of shares or debentures shall be applicable to any such notice or transfer as if the Event of Transmission had not occurred and the notice or transfer were a transfer signed by that Shareholder or debenture holder. *Limitations, restrictions and clauses relating to transfer of shares or debentures shall apply to transmission*
23. (1) Upon an Event of Transmission and the receipt by the Company of the relevant notification as required under the Act together with such documentary evidence as required by the Directors from the person who is entitled to the title to the relevant shares or debentures, the Company shall register the person as a shareholder or debenture holder of the Company within sixty (60) days from its receipt of the notification (together with the required documentary evidence). *Entitled to the same rights as the registered holder*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (2) The registration of transmission of shares or debentures under Clause 23(1) shall entitle the registered holder to the same dividends and other advantages, and to the same rights (whether in relation to meetings of the Company, or to voting or otherwise), as the registered holder would have been entitled to if the registered holder had not suffered an Event of Transmission.
- (3) Where two (2) or more persons are jointly entitled to any shares or debentures in consequence of the death of the registered holder, they shall, for the purpose of this Constitution, be deemed to be Joint Holders of the shares or debentures. *Joint Holder*

Lien on Shares

24. (1) The Company has a first and paramount lien on every share for: *Lien on shares*
- (a) any amount due or unpaid in respect of the share which has been called or is payable at a fixed date and/ or time;
- (b) all amounts that the Company may be called on by law to pay in respect of the share; and/ or
- (c) any reasonable interest in respect of the unpaid amounts on the share and reasonable expenses incurred by the Company in respect of receiving unpaid amounts on the share.
- (2) The Company's lien, if any, on a share extends to all dividends payable in respect of the share which may be retained and applied towards the satisfaction of any or all amounts due to the Company in respect of which the lien exists. *Dividends payable may be used for satisfaction of the amount due*
- (3) The Company's lien on shares and dividends from time to time declared in respect of such shares, shall be restricted to: *Company's lien on shares and dividends*
- (a) unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid,
- (b) if the shares were acquired under an employee share option scheme, amounts which are owed to the Company for acquiring them; and
- (c) such amounts as the Company is required by law to pay, and has paid, in respect of the shares of the Member or deceased Member.

In each case, the lien extends to reasonable interest and expenses incurred because the amount is not paid.

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (4) The Directors may at any time declare a share to be wholly or partly exempt from Clauses 24(1) or (2), or both. *Exemption*
25. No person is entitled to exercise any rights or privileges as a Member until the Member has paid all calls, instalments of calls and other moneys (including interest and expenses) for the time being payable in respect of which the lien exists. *Rights or privileges of a Member*
26. The registration of a transfer of a share approved by the Directors shall operate as a waiver of the Company's lien over the share. *Registration of transfer*
27. (1) Subject to Clause 27(2), the Company may sell, in any manner as the Directors think fit and appropriate, any shares over which the Company has a lien. *Sale of shares under lien*
- (2) A share on which the Company has a lien shall not be sold unless: *Enforcing sale of shares under lien*
- (a) a sum in respect of which the lien exists is presently payable; and
- (b) the Company has, not less than fourteen (14) days before the date of the sale, given to the registered holder for the time being of the share or the person entitled to the share by reason of the death or bankruptcy of the registered holder of the share, a notice in writing stating and demanding payment of such part of the amount in respect of which the privilege or lien exists and is presently payable.
28. (1) To give effect to any sale of shares under Clause 27, the Directors may authorise a person to transfer the shares sold to the purchaser of the shares. *Give effect to any sale of shares*
- (2) The Company shall register the purchaser as the holder of the shares comprised in any such transfer and the Directors shall not be bound to see to the application of the purchase money. *Register the purchaser as the holder*
- (3) The title of the purchaser to the shares shall not be affected by any irregularity or invalidity in the proceedings relating to the sale of the shares. *Title of the purchaser*
29. The proceeds of a sale of shares under Clause 27 shall be received and applied by the Company in payment first of the expenses of the sale, then of such part of the amount in respect of which the lien exists as is presently payable and the residue (if any) shall (subject to any similar lien for sums not presently payable that exists over the shares before the sale) be paid to the person entitled to the shares as at the date of the sale. *Proceeds of sale of shares*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

Calls on shares

30. (1) The Directors may from time to time make calls upon the Shareholders in respect of any money unpaid on the shares of the Shareholders and not by the conditions of the allotment of the shares made payable at fixed date, provided that: *Directors to make calls*
- (a) no call shall exceed one-fourth ($\frac{1}{4}$) of the issue price of the share or be payable at less than thirty (30) days from the date fixed for the payment of the last preceding call; and
- (b) each Shareholder shall, upon receiving at least fourteen (14) days' notice specifying the date, time and place of payment, pay to the Company (at the time or times and place specified in the notice) amount called on the Shareholder's shares.
- (2) The Joint Holders of a share shall be jointly and severally liable to pay all calls in respect of their shares. *Joint Holder*
- (3) A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments. *Board's resolution authorising the call*
- (4) A call may be revoked or postponed as the Directors may determine. *Directors may revoke or postpone call*
31. (1) If a sum called in respect of a share is not paid before or on the day appointed for payment of the sum, the person from whom the sum is due shall pay interest on that sum from the appointed day for payment to the time of actual payment at a rate not exceeding eight percent (8%) per annum as the Board may determine. *Interest on late payment*
- (2) The Board may waive payment of any such interest in whole or in part. *Waiver of interest*
32. (1) Any sum which, by the terms of issue of a share, becomes payable on allotment or at any fixed date shall be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. *Sum becomes due and payable*
- (2) In the case of non-payment of such sum, all the relevant provisions of this Constitution as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified. *Non-payment of such sum*
33. (1) The Company may accept from any Shareholder the whole or a part of the amount unpaid on a share although no part of that amount has been called up. *Advance from shareholder*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (2) The Company may make arrangements on the issue of shares for varying the amounts and times of payment of calls as between Shareholders. *Arrangement to vary the amount and payment*
- (3) Upon all or any part of the money advanced by Shareholder (for all or any part of the money uncalled or unpaid upon the shares held by such Shareholder) received by the Directors from the Shareholder become payable, the Directors may authorise the Company to pay interest or return at a rate not exceeding eight percent (8%) per annum as may be agreed upon between the Directors and the Shareholder paying the sum in advance (unless the Company in a General Meeting otherwise directs). *Interest on advance*
- (4) However, the Company may not pay dividends in proportion to the amount paid up on each share where a larger amount is paid up on some shares than on others.

Forfeiture of Shares

34. (1) If a Shareholder fails to pay any call or instalment of a call on or before the day appointed for the payment of the call or instalment, the Directors may serve a notice on the Shareholder requiring payment of the amount unpaid, together with interest at such rate not exceeding eight percent (8%) per annum as the Directors shall determine. *Notice of forfeiture of shares*
- (2) The notice shall specify a date (not earlier than the expiration of fourteen (14) days from the date of service of the notice) on or before which the payment is required to be made and the notice shall state that, in the event of non-payment on or before the specified date, the shares in respect of which the call was made will be liable to be forfeited. *Contents of notice*
35. (1) If the requirements set out in the notice served under Clause 34 are not complied with, the shares in respect of which such notice has been given shall be forfeited by a resolution of the Directors to that effect, unless the required payment is made before such resolution. *Passing of Directors' resolution to forfeit the shares*
- (2) A forfeiture of shares as referred to in Clause 35(1) above shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. *Forfeiture including all dividends declared*
36. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit and, at any time before a sale or disposition of the forfeited shares, the forfeiture may be cancelled on such terms as the Directors think fit. *Forfeited share may be sold, reissued or otherwise*
37. If any share is forfeited and sold, any residue after the satisfaction of the unpaid calls and accrued interest and expenses, shall be paid to the person whose shares have been forfeited, or his executors, administrators or assignees or as he directs. *Sale of shares forfeited*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

38. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares. Notwithstanding that, such person shall remain liable to pay to the Company all money that, at the date of forfeiture, was payable by the person to the Company in respect of the shares (together with interest or compensation at the rate of eight percent (8%) per annum from the date of forfeiture on the money for the time being unpaid if the Directors think fit to enforce payment of the interest or compensation). Liability of the person shall cease if and when the Company receives payment in full of all the money (including interest or compensation) so payable in respect of the shares. *Cessation of Member in respect of forfeited shares*
39. A statutory declaration in writing by a Director or Secretary that a share in the Company has been duly forfeited on the date stated in the declaration shall be conclusive evidence of the facts stated in the declaration against all persons claiming to be entitled to the share. *Statutory declaration*
40. (1) The Company may receive the consideration (if any) given for a forfeited share on any sale or disposition of the shares and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of. *Consideration of the forfeited shares*
- (2) Upon the execution of the transfer of the share, the transferee shall be registered as the holder of the share and the Company shall not be bound to see to the application of the purchase money (if any). *Transfer of forfeited shares*
- (3) The title of the transferee to the share is not affected by any irregularity or invalidity in the proceedings in connection with the forfeiture, sale or disposal of the share. *Title of the transferee*
41. The provision of this Constitution as to forfeiture of shares shall apply in the case of non-payment of any sum that, by the terms of issue of a share, become payable to the Company at a fixed date as if that sum of the shares had been payable by virtue of a call duly made and notified. *Provision of forfeited shares*

Conversion of shares into stock

42. The Company may by ordinary resolution passed at a General Meeting convert any paid-up shares into stock and reconvert any stock into paid-up shares in accordance with Sections 84(1)(b) and 86 of the Act. *Conversion of shares into stock and vice versa*
43. (1) The stockholders may transfer their stock or any part thereof in the same manner as the transfer of shares from which the stock arose may, before the conversion, have been transferred or be transferred in the closest manner as the circumstances allow. *Stock is transferable*
- (2) The Directors may from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum. *Directors' powers*
44. (1) The stockholders shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose. *Rights of stockholders*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (2) However, no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by any such part of stock which would not, if existing shares have conferred that privilege or advantage. *Participation in dividends and profits*
45. For the purpose of Clauses 42 to 44, any reference in this Constitution as are applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" therein shall include "stock" and "stockholder" respectively. *Reference*

Alteration of Capital

46. (1) The Company may from time to time by ordinary resolution and subject to other applicable laws or requirements:
- (a) consolidate and divide all or any of its share capital, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived; or *Consolidation of shares*
- (b) subdivide its shares or any of them into shares, whichever is in the subdivision; the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived. *Subdivision of shares*
- (2) The Company may from time to time by special resolution and subject to other applicable requirements:
- (a) cancel shares which, at the date of the passing of the resolution in that regard, have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled or in such other manner allowed by law; or *Cancellation of shares*
- (b) reduce its share capital in such manner permitted by law, and (where applicable) subject to the relevant required approvals being obtained. *Reduction of share capital*
- (3) The Company shall have the power, subject to and in accordance with the provisions of the Act, the Listing Requirements and any rules, regulations and guidelines in respect thereof for the time being in force, to purchase its own shares and thereafter to deal with the shares purchased in accordance with the provisions of the Act, the Listing Requirements and any rules, regulations and guidelines thereunder or issued by Bursa Securities and any other relevant authorities in respect thereof. *Purchase of own shares*

PASSING OF RESOLUTIONS OF MEMBERS

Passing of Resolutions of Members

47. The Company may pass a resolution of the Members or of a class of Members at a meeting of the Members. *Passing a Members' Resolution*

MEETINGS OF MEMBERS

Convening General Meetings

48. (1) The Company shall hold an Annual General Meeting in every calendar year pursuant to Section 340 of the Act to transact the following ordinary business: *Annual general meeting*
- (a) The laying of audited financial statements and the reports of the Directors and Auditors; *Ordinary business*
- (b) The declaration of dividend (if any);
- (c) The election or re-election and the fixing of the fees and benefits of the Directors;
- (d) The appointment and the fixing of the fees and benefits of the Directors; and
- (e) The appointment or re-appointment and the fixing of the remuneration of the Auditors.
- (2) All businesses (except for those set out under Clause 48(1)) shall be special that is transacted at an Annual General Meeting and also that is transacted at other General Meeting. *Special business*
49. Subject to Clause 48, all meetings of Members shall be called General Meetings. *General Meetings*
50. The Board: *Board to convene General Meeting*
- (1) may, whenever it thinks fit, convene a meeting of the Members; and
- (2) shall convene a General Meeting on the request of the Members pursuant to Section 311 of the Act.

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

51. A General Meeting may be requisitioned by:
- Members to requisite a General Meeting*
- (a) any Member(s) holding at least ten percent (10%) of the issued and paid up share capital of the Company pursuant to Sections 310(b) and 311(3)(a) of the Act; or
- (b) any of the Members representing more than one half of the total voting rights of all of the Members who requisitioned the General Meeting pursuant to Section 313(1) of the Act.

Notice of General Meetings

52. (1) A notice of a General Meeting must specify the following:
- Contents of Notice of General Meeting*
- (a) the place, date and time of the General Meeting;
- (b) the general nature of the business of the General Meeting; and
- (c) the text of any proposed resolution and other information as the Directors think fit.
- (2) If the General Meeting is to be held in two (2) or more places, the notice of the General Meeting shall specify the technology or method that will be used to facilitate the General Meeting. *General Meeting held at two (2) or more venues*
- (3) The main venue of the General Meeting shall be in Malaysia and the chairperson shall be present at that main venue of the General Meeting. *Main venue*
53. (1) The notices convening General Meetings shall specify the place, day and hour of the General Meeting, and shall be given to all Shareholders at least fourteen (14) days before the General Meeting or at least twenty-one (21) days before the General Meeting where any special resolution is to be proposed or where it is an Annual General Meeting. Any notice of a General Meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business. At least fourteen (14) days' notice or twenty-one (21) days' notice in the case where any special resolution is proposed or where it is the Annual General Meeting, of every such meeting must be given by advertisement in at least one (1) nationally circulated Bahasa Malaysia or English daily newspaper and in writing to each stock exchange upon which the Company is listed. *Notice of General Meetings*
- (2) The notice of General Meeting shall exclude the date of issuing the notice and the date of the General Meeting.
- (3) An Annual General Meeting may be called by a notice shorter than the period referred to in Clause 53(1) if so agreed by all the Members entitled to attend and vote at the General Meeting.

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (4) The technology to be used for the purpose of this Clause must allow the Members who participate in the physical and/ or virtual General Meeting to communicate simultaneously with the chairperson, Directors, other Members and advisers (if any) taking part in the main venue of the General Meeting and such technology may include telephone, television, video conferencing, or any other telecommunication or digital methods which permits instantaneous communication. *Technology to be used for physical and/ or virtual General Meeting*
- (5) Subject to the Act, the Listing Requirements and other applicable laws and regulations, the physical and/ or virtual General Meeting shall be deemed to constitute a General Meeting and all provisions of this Constitution relating to General Meetings shall apply to any physical and/ or virtual General Meeting provided the following conditions are met: *Conditions for physical and/ or virtual General Meeting*
- (a) All the Members for the time being entitled to receive notice of the General Meeting shall be entitled to receive notice of the physical and/ or virtual General Meeting. Notice of any such meeting shall be given by an appropriate form of technology (or in such other manner) as determined by the Board of Directors and permitted by this Constitution; and
- (b) The Members who attend the General Meeting remotely may participate, speak and vote at the physical and/ or virtual General Meeting provided that the remote locations should leverage on technology to facilitate voting, including voting in absentia and remote shareholders' participation at the physical and/ or virtual General Meeting.
- (6) A General Meeting, other than an Annual General Meeting and a General Meeting for passing of a special resolution, may be called by a notice shorter than the period referred to in Clause 53(1) if so agreed by a majority in the number of the Members who collectively hold not less than ninety-five percent (95%) of the total number of shares giving the rights to attend and vote at the General Meeting, excluding any shares in the Company held as treasury shares. *Shorter notice*
54. Notice of every General Meeting shall be given in the manner authorised by Clause 127 to: *Persons entitled to receive notice of General Meeting*
- (1) every Member (including any person who is entitled to a share in consequence of the death or bankruptcy of a Member who, but for his death or bankruptcy, would be entitled to receive notice of the meeting and the Company has been notified of the person's entitlement in writing);
- (2) every Director; and
- (3) the Auditors.

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

55. (1) In relation to Deposited Securities, the Company shall request the Depository in accordance with the Rules, to issue a Record of Depositors to whom notices of General Meetings shall be given by the Company. *Record of Depositors*
- (2) The Company shall also request the Depository in accordance with the Rules, to issue a Record of Depositors, as at the latest date which is reasonably practicable which shall in any event be not less than three (3) market days before the General Meeting ("General Meeting Record of Depositors").
- (3) Subject to the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 (where applicable), a Depositor shall not be regarded as a Member entitled to attend any General Meeting and to speak and vote thereat unless his name appears in the General Meeting Record of Depositors.

Quorum for General Meetings

56. (1) No business is to be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business. *Quorum*
- (2) Two (2) Members personally present at a meeting or by proxy or by Representative of Member shall constitute a quorum. *More than one (1) Member*
- (3) For the purpose of constituting a quorum:
- (a) one (1) or more representatives appointed by a corporation shall be counted as one (1) Member; *Corporate representative*
- (b) one (1) or more proxies appointed by a person shall be counted as one (1) Member; or *Proxy*
- (c) the presence of one (1) or more Joint Holders shall be counted as one (1) Member. *Joint Holders*

No Quorum

57. If a quorum is not present within half an hour after the time appointed for a General Meeting: *Quorum is not present*
- (1) where the General Meeting was convened upon the requisition of Members, the meeting shall be dissolved; or *Requisition of Member*
- (2) in any other case: *Other case*
- (a) if no determination is made by the Directors, the General Meeting shall stand adjourned to the same day in the next week at the same time and place or if that day falls on a public holiday then to the next business day following that public holiday; or *Adjournment of General Meeting*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (b) the General Meeting shall stand adjourned to another day and at another time and place as the Directors may determine; and

if at the adjourned General Meeting, a quorum is not present within half an hour from the time appointed for the meeting, then any Member present shall form a quorum.

*Adjourned
General
Meeting*

Chairperson of General Meetings

58. The chairperson of a General Meeting is:

- (1) where the Board has appointed a chairperson or deputy chairperson amongst the Directors, the Chairperson of the Board; or

*Chairperson
of the Board*

- (2) where:

*Members to
appoint
Chairperson
of General
Meeting*

- (a) the Chairperson of the Board is unable or unwilling to act as the chairperson of the General Meeting;

- (b) the Chairperson is not present within fifteen (15) minutes after the time appointed for the holding of the General Meeting; or

- (c) the Board has not appointed a chairperson amongst the Directors,

the Members present shall elect one of their Members present to be the chairperson of the General Meeting.

- (3) For avoidance of doubt, a proxy or Representative of Member may be elected as the chairperson of the General Meeting by a resolution passed at the meeting.

Adjournment of General Meetings

59. (1) The chairperson shall adjourn a General Meeting, at which a quorum is present, from time to time and from place to place if the Members present with a majority of votes that may be cast at that meeting agree or direct the chairperson to do so.

*Members'
consent is
required*

- (2) No business shall be transacted at any adjourned General Meeting other than the business left unfinished at the General Meeting from which the adjournment took place (referred to as the "Original General Meeting").

*Only transact
the business
left unfinished
at the General
Meeting*

- (3) There is no need to give any notice of an adjourned General Meeting or of the business to be transacted at an adjourned General Meeting unless the adjourned General Meeting is to be held thirty (30) days or more after the date of the Original General Meeting or otherwise as the chairperson directs.

*Notice of
adjourned
General
Meeting*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

Voting by Show of Hands

60. (1) Subject to the Listing Requirements, at a General Meeting, a resolution put to the vote of the General Meeting shall be decided on a show of hands unless a poll is demanded before or on the declaration of the result of the show of hands. *By show of hands*
- (2) On a vote on a resolution at a General Meeting on a show of hands, a declaration by the chairperson that a resolution has been passed unanimously, or with a particular majority, or is lost, and an entry to that effect in the minutes of the proceeding shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. *Declaration by the chairperson*

Voting by Poll

61. (1) A poll may be demanded: *Demand a poll*
- (a) by the chairperson;
- (b) by at least three (3) Members present in person or by proxy;
- (c) by any Member or Members present in person or by proxy and representing not less than ten percent (10%) of the total voting rights of all the Members having the right to vote at the General Meeting; or
- (d) by a Member or Members holding shares in the Company conferring a right to vote at the General Meeting being shares on which an aggregate sum has been paid up equal to not less than ten percent (10%) of the total paid up shares conferring that right.
- For purposes of this Clause, references to "Member" shall include Representative of Member.
- (2) The demand for a poll may be subsequently withdrawn. *Withdrawal of a demand for poll*
- (3) Subject to Clause 61(4), if a poll is duly demanded, it shall be taken in such manner and either at once or after an interval or adjournment or otherwise as the chairperson directs. *When a poll is to be held*
- (4) No poll shall be demanded on the election of a chairperson of a General Meeting or on a question of adjournment of a General Meeting. *No poll on election of chairperson or adjournment*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (5) When a poll is properly demanded, the earlier vote by a show of hands shall be superseded by the result of the poll and the result of the poll shall be the resolution of the General Meeting at which the poll was demanded. *Result of the poll*

Casting Vote

62. In the case of an equality of votes, whether on a show of hands or on a poll, the chairperson of the General Meeting at which the show of hands takes place or at which the poll is carried out is entitled to a second or casting vote. *Chairperson shall have a casting vote*

Voting Entitlement

63. Subject to any rights or restrictions for the time being attached to any class or classes of shares:
- (1) at meetings or class meetings of Members, each Member entitled to vote may vote in person or by a proxy or by Representative of Member; *Voting by Member*
- (2) on a vote by way of show of hands, every Member who is present in person or by proxy or Representative of Member has one (1) vote; *Voting by a show of hands*
- (3) on a vote by way of poll, every Member who is present in person or by proxy or by Representative of Member shall have one (1) vote for each share or stock the Member holds; and *Voting by poll*
- (4) in the case of Joint Holders, the joint holders shall be considered as one (1) Member. *Voting by Joint Holders*
64. For the purposes of Clause 63(2): *Votes by proxy*
- (1) where a Member entitled to vote on a resolution has appointed a proxy, the proxy shall be entitled to vote on a show of hands, provided that he is the only proxy appointed by the Member; *May vote by show of hands if one proxy is appointed*
- (2) where a Member entitled to vote on a resolution has appointed more than one (1) proxy,
- (a) the proxies shall only be entitled to vote on a poll; and
- (b) the appointment shall not be valid unless he specifies the proportions of his holdings to be represented by each proxy; and
- (3) in respect of Clause 64(1), where the shares of the Company are quoted on a stock exchange and if a Member entitled to vote on a resolution has appointed more than one (1) proxy, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange. *Exception*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

65. For the purposes of Clause 63(4), if the Joint Holders purport to exercise the power to vote in the same way, the power is treated as exercised in that way. If the Joint Holders do not purport to exercise the power in the same way, the power is treated as not exercised. *Votes of Joint Holders of shares*
66. For the purposes of Clause 63, when a corporate Member appoints more than one (1) representative, if its representatives purport to exercise the power to vote in the same way, the power is treated as exercised in that way. If the representatives do not purport to exercise the power in the same way, the power is treated as not exercised. *Votes of corporate representative of shares*

Voting Restrictions

67. If a Member is of unsound mind or is a person whose person or estate is liable to be dealt with in any way under the law relating to mental health, the relevant committee or trustee or such other person as properly appointed under the applicable law to manage his estate may exercise any rights of the Member in relation to a meeting of the Company's Members as if the committee, trustee or other person were the Member. *Member is of unsound mind*
68. No member is entitled to attend and vote at any General Meeting unless all calls or other sums presently payable by the Member in respect of shares in the Company have been paid. *Calls unpaid*

Objection to Votes

69. (1) An objection may be raised to the qualification of a voter only at the General Meeting or adjourned General Meeting at which the vote objected to is given or tendered. *Objection to qualification of a voter*
- (2) Any such objection made in due time shall be referred to the chairperson of the General Meeting, whose decision is final and conclusive. *Any objection shall be referred to the chairperson*
- (3) A vote not disallowed pursuant to an objection at the General Meeting is valid for all purposes. *Vote not disallowed*

PROXIES / REPRESENTATIVES OF MEMBERS**General**

70. (1) A Member of the Company may appoint a proxy and/ or Representative of Member to exercise his rights to attend, participate, speak and vote for the Member at a General Meeting. A proxy may but need not be a Member of the Company. *Proxy / Representative of Member*
- (2) Subject to the Act and this Constitution, a proxy or Representative of Member is only entitled to vote: *Entitlement to vote*
- (a) if the Member is entitled to vote;

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (b) if the Member is not personally present at the General Meeting;
 - (c) if the Member has complied with the requirements set out in this Constitution to properly appoint a proxy or Representative of Member and to give notice of such appointment to the Company;
 - (d) if the Member has conferred a right to vote on the proxy or Representative of Member; and
 - (e) the appointment of proxy or Representative of Member was not revoked by the Member by a notice of revocation forty-eight (48) hours before the time of holding of the General Meeting or adjourned General Meeting or such other time that may be determined by the Directors and the said revocation must be deposited at the Office or such other place in Malaysia as is specified in the notice convening the General Meeting.
- (3) A proxy or Representative of Member may vote, whether on a show of hands or on a poll, on any question at any General Meeting and to the extent permitted under the instrument of proxy or certificate of appointment of corporate representative or power of attorney. *May vote by a show of hands or on a poll*

Proxies

71. (1) An instrument appointing a proxy: *Manner of execution of instrument appointing a proxy*
- (a) must be in writing and executed by or on behalf of the appointing Member in substantially the form and in the manner as specified in "Appendix A" annexed hereto or in such other permitted form (including the electronic proxy appointment and voting manner) as the Board of Directors may determine from time to time;
 - (b) will not be invalid merely because it omits any particulars of the proxy and the appointing Member; and
 - (c) will be deemed to have appointed the Chairperson of the General Meeting as the proxy of the appointing Member where no other person has been named to act as proxy.
- (2) An instrument appointing a proxy may: *Form of instrument of proxy*
- (a) specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote in the resolution except as specified in the instrument;
 - (b) specify the proportion or number of votes that the proxy may exercise; and/ or

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (c) be a specific appointment for a particular meeting.
- (3) An instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority :
- (a) shall be deemed to confer authority to demand or join in demanding a poll; *Confer authority to demand a poll*
- (b) shall be deposited at the Office or at such other place in Malaysia as is specified in the notice convening the General Meeting or adjourned General Meeting, at which the person named in the instrument proposes to vote: *Time limit to deposit instrument appointing a proxy*
- (i) not less than forty-eight (48) hours before the time for holding the General Meeting or adjourned General Meeting; or
- (ii) in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll; and
- (c) may be accepted if it is: *Execution by electronic or digital signature or authentication of an appointment by electronic means*
- (i) transmitted to the Company by any technology purporting to include a signature and/ or an electronic or digital signature by the Member; or
- (ii) authenticated in any document given to the Company by electronic means which shows the validity of the appointment of a proxy.
- (4) In Clause 71(3), documents relating to proxies include: *Documents relating to proxies*
- (a) the appointment of a proxy in relation to a General Meeting;
- (b) any document necessary to show the validity of, or otherwise relating to, the appointment of a proxy; and
- (c) notice of the revocation of the authority of a proxy.
- (5) For the purposes of Clause 71(3), delivery may be effected by: *Manner of delivery*
- (a) physical delivery of the document;
- (b) delivery by facsimile transmission;

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (c) delivery by email transmission; or
- (d) lodging electronic document,

to the place, facsimile number, electronic address or the designated website link or address (where applicable) as specified in the notice of General Meeting.
- (6) The proceedings at a General Meeting shall not be invalidated where an appointment of proxy in respect of that General Meeting is sent in electronic form, but cannot be read by the Company due to technical problems or other reasons.
- (7) If a Member is entitled to cast two (2) or more votes at a General Meeting, the Member: *Member with two (2) or more votes*
 - (a) may appoint up to two (2) proxies; and
 - (b) must specify the proportion or number of the Member's votes each proxy may execute.
- (8) (a) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. *Appointment of multiple proxies*
 - (b) An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- (9) Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account. *Appointment of proxy by authorised nominee*
- (10) When two (2) or more valid but differing appointments of a proxy are received by the Company in respect of the same share for use at the same General Meeting, the one which is last received (regardless of its date or of the date of its execution or submission) shall be treated as replacing and revoking the other as regards that share. If the Company is unable to determine which appointment was last received, none of them shall be treated as valid in respect of that share. *Differing appointment of proxy*
- (11) For the avoidance of doubt, the appointment of a proxy shall not preclude a Member from attending and voting in person at a General Meeting.

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

72. (1) Subject to Clause 72(2), a vote given in accordance with the terms of an instrument of proxy is valid despite: *Validity of a vote*
- (a) the previous death or unsound mind of the appointing Member;
 - (b) the revocation of the instrument or of the authority under which the instrument was executed; or
 - (c) the transfer of the share in respect of which the instrument or power is given.
- (2) Clause 72(1) does not apply if an instrument in writing of such:
- (a) death, unsound mind or transfer has been received by the Company before the commencement of the General Meeting or adjourned General Meeting at which the instrument is used; or
 - (b) revocation by the Member was not received by the Company forty-eight (48) hours before the time of holding of the General Meeting or adjourned General Meeting or such other time that may be determined by the Directors, and
- the said notification must be deposited at the Office or such other place in Malaysia as is specified in the notice convening the General Meeting.

Attorneys

73. (1) A person purporting to be the attorney of a Member shall be required to produce the original Power of Attorney to the Company. *Power of attorney*
- (2) A copy of the power of attorney may be accepted provided that it is certified notarially and/ or in accordance with the applicable legal requirements in the relevant jurisdictions in which it is executed.

Corporate Representatives

74. (1) A corporate Member may appoint an individual as its corporate representative to exercise all or any of the powers the corporate Member may exercise. *Appointment of corporate representative*
- (2) The appointment may be a standing appointment until notice of revocation is received by the Company.
- (3) The instrument of appointment may set out restrictions on the powers of the corporate representative.

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (4) A corporate Member may appoint more than one (1) corporate representative. However, it shall observe the voting entitlement set out in Clause 66.

DIRECTORS**Number of Directors**

75. (1) The Company may from time to time by an ordinary resolution passed at a General Meeting fix the number of Directors (excluding Alternate Director) but the number so fixed shall not be less than two (2) nor more than nine (9). *May fix the number of Directors*
- (2) The shareholding qualification for Directors may be fixed by the Company in general meeting and until so fixed no shareholding qualification for Director shall be required. *Shareholding qualification for Directors*

Retirement of Directors

76. (1) An election of Directors shall take place each year. *Election*
- (2) At the first Annual General Meeting of the Company, all the Directors shall retire from office at the conclusion of the Annual General Meeting. *Retirement at Annual General Meeting*
- (3) At the Annual General Meeting in every subsequent year, one-third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3), shall retire from office at the conclusion of the Annual General Meeting in every year provided always that all Directors shall retire from office once at least in each three (3) years, but shall be eligible for re-election. *Retirement at Annual General Meeting in every subsequent year*
- (4) The Directors to retire in every year shall be the Directors who have been longest in office since the Directors' last election, but as between persons who became Directors on the same day, the Directors to retire shall be determined by lot, unless they otherwise agreed among themselves. *Directors to retire*
- (5) A retiring Director shall be eligible for re-election at the Annual General Meeting. *Eligible for re-election*
- (6) The Company may appoint any person who is not disqualified under the Act to fill in vacancy at the Annual General Meeting at which a Director so retires, and if no appointment was made to fill the vacancy, the retiring Director shall, if he offers himself for re-election, be deemed to have been re-elected, unless: *Fill in vacancy at the Annual General Meeting*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (a) at that meeting, the Company expressly resolved not to fill the vacated office; or
- (b) a resolution for the re-election of the Directors is put to the meeting and lost.

Appointment of Directors

77. The Directors shall have power from time to time to appoint any person: *Appointment by Directors*
- (1) to be a Director to fill a casual vacancy; and
 - (2) to be an addition to the existing Directors,
- subject to the total number of Directors shall not exceed the maximum number fixed in Clause 75(1).
78. Any Director so appointed under Clause 77 shall hold office only until the next Annual General Meeting, and shall then be eligible for re-election. *Hold office until next Annual General Meeting*
79. The Members may, at any time and from time to time by an ordinary resolution, appoint any person: *Appointment by Members*
- (1) to be a Director to fill a casual vacancy; and
 - (2) to be an addition to the existing Directors,
- subject to the total number of Directors shall not exceed the maximum number fixed in Clause 75(1).
80. Subject to Clause 75(1), no person, not being a retiring Director, shall be eligible for election to the office of Director at any General Meeting unless a Member intending to propose him for election has, at least eleven (11) clear days before the meeting, left at the Office of the Company a notice in writing duly signed by the nominee, giving his consent to the nomination and signifying his candidature for the office, or the intention of such member to propose him for election, provided that in the case of a person recommended by the Directors for election, nine (9) clear days' notice only shall be necessary, and notice of each and every candidature for election to the Board shall be served on the Members at least seven (7) days before the meeting at which the election is to take place. *Notice of intention to appoint Director*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

Proceedings in case of Vacancies

81. The remaining Director may continue to act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the minimum number fixed by or pursuant to this Constitution, the remaining Director may, except in an emergency, act only for the purpose of increasing the number of Directors to such minimum number, or to summon a General Meeting. *Proceedings in case of vacancies*

Defects in Appointment of Directors

82. The acts of a Director shall be valid notwithstanding any defect that is discovered after his appointment or in his qualifications. *Validity of acts of Directors*

Appointment of Managing and Executive Directors

83. (1) The Board of Directors may from time to time appoint one (1) or more of its body to the office of Managing Director (which term shall be deemed to include the chief executive or other such designation of the Company's chief executive officer) for such period and on such terms as they think fit and, subject to the terms of any agreement entered into in any particular case, may revoke any such appointment. *Managing and Executive Directors*
- (2) A Director (other than a Managing Director) holding any such other office or employment is herein referred to as an "Executive Director". *Executive Director*
- (3) Any such appointment of a Managing Director automatically terminates if the appointee ceases from cause to be a Director. *Cessation of office of Managing Director*
84. A Managing Director or an Executive Director shall, subject to the terms of any agreement entered into in any particular case, receive such remuneration (whether by way of salary, bonus, commission, or participation in profits, or partly in one way and partly in another and other benefits) as the Board of Directors may determine. *Remuneration*
85. (1) The Board of Directors may, upon such terms and conditions and with such restrictions as it may think fit, entrust to and confer upon a Managing Director or an Executive Director any of the powers exercisable by them. A Managing Director or an Executive Director shall be subject to the control of the Board of Directors. *Directors may confer powers to Managing Director or Executive Director*
- (2) Any powers so conferred may be collateral with, or be to the exclusion of, the powers of the Board of Directors.
- (3) The Board of Directors may at any time, and from time to time, revoke, withdraw, alter or vary all or any of the powers so conferred on a Managing Director or an Executive Director.

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

Appointment of Alternate Director

86. (1) Any Director (called in this Clause the "Appointer") may, with the approval of a majority of the other members of the Board of Directors, appoint one (1) or more persons to be his Alternate Director in the Appointer's place for any period as the Appointer thinks fit provided that:
- Appointment of Alternate Director*
- (a) such person is not a Director of the Company; and
- (b) such person does not act as an Alternate Director for more than one (1) Director of the Company.
- (2) An appointment or removal of an Alternate Director must be in writing under the Appointer's hand. The original notification of appointment or removal must be provided by the Appointer to the Board. *Appointment or removal must be in writing*
- (3) An Alternate Director may resign from office by notice in writing to the Appointer and the Board. *Resignation*
- (4) An Alternate Director must vacate office if the Appointer vacates office as a Director or removes the appointee from office. *Vacate office*
87. An Alternate Director is entitled to receive notice of Board Meetings and, if the Appointer is not present at such a meeting, is entitled to attend and vote in his stead. *Entitled to receive notice of Board Meetings*
88. (1) An Alternate Director may exercise any powers that the Appointer may exercise and the exercise of any such power by the Alternate Director shall be deemed to be the exercise of the power by the Appointer. *Exercise of power*
- (2) The exercise of any power by an Alternate Director shall be an agent of the Company and not as an agent of the Appointer.
89. An Alternate Director:
- (1) has no entitlement to receive remuneration from the Company and any fee paid by the Company to the Alternate Director shall be deducted from the Appointer's remuneration; and *Not entitled to receive remuneration*
- (2) is entitled to be reimbursed for all the travelling and other expenses properly incurred by him in attending the Board Meetings on behalf of the Appointer from the Company. *May be paid travelling and other expenses*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

Appointment of Associate Director

90. (1) The Board may from time to time appoint any person to be an associate director and may from time to time revoke any such appointment. *Appointment or revocation*
- (2) The Board may fix, determine and vary the powers, duties and remuneration of any person appointed as an associate director. *Board to fix the terms*
- (3) A person appointed as an associate director does not have any right to attend or vote at any Board Meetings except by the invitation and with the consent of the Board. *May attend Board Meetings by invitation*

Removal of Director

91. Subject to the Act, the Company may by an ordinary resolution remove any Director and may by an ordinary resolution appoint another person in place of the removed Director provided that the total number of Directors should not at any time fall below the minimum or exceed the maximum set out in Clause 75(1) of this Constitution. *May remove and appoint a Director by ordinary resolution*

Vacation of Office of Director

92. The office of Director shall become vacant if the Director: *Vacation of office*
- (a) resigns from his office by giving a written notice to the Company at its Office;
- (b) is removed from office in accordance with Clause 91 of this Constitution;
- (c) becomes disqualified from being a Director under Section 198 or Section 199 of the Act;
- (d) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the Mental Health Act 2001;
- (e) dies or has passed away;
- (f) has been convicted by a court of law of an offence under the securities laws; or
- (g) otherwise vacates his office in accordance with this Constitution.

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

Remuneration of Directors

93. (1) The Company may from time to time by an ordinary resolution passed at a General Meeting, approve the remuneration of the Directors, who hold non-executive office with the Company, for their services as non-executive Directors. *Non-executive Directors' remuneration*
- (2) Subject to Clause 84, the fees of the Directors and any benefits payable to the Directors shall be subject to annual shareholders' approval at a General Meeting. *Fee*
- (3) If the fee of each such non-executive Director is not specifically fixed by the Members, then the quantum of fees to be paid to each non-executive Director within the overall limits fixed by the Members, shall be decided by resolution of the Board. In default of any decision being made in this respect by the Board, the fees payable to the non-executive Directors shall be divided equally amongst themselves and such a Director holding office for only part of a year shall be entitled to a proportionate part of a full year's fees. The non-executive Directors shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover.
- (4) The following expenses shall be determined by the Directors: *Expenses*
- (a) Traveling, hotel and other expenses properly incurred by the Directors in attending and returning from meetings of the Directors or any committee of the Directors or General Meetings of the Company or in connection with the business of the Company; and
- (b) Other expenses properly incurred by the Directors arising from the requirements imposed by the authorities to enable the Directors to effectively discharge their duties.
- (5) Executive Directors of the Company shall be remunerated in the manner referred to in Clause 84 but such remuneration shall not include a commission on or percentage of turnover. *Executive Directors' remuneration*

Powers of Directors

94. (1) The business and affairs of the Company shall be managed by or under the direction and supervision of the Directors who may pay all expenses incurred in promoting and registering the Company. *Directors shall manage the business and affairs of the Company*
- (2) The Directors may exercise all the powers necessary for managing and for directing and supervising the management of the business and affairs of the Company except any power that the Act or by this Constitution requires the Company to exercise in General Meeting, but no regulation made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made. *Validity of acts of Directors*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (3) Where an oral contract is made by a Director acting under authority, express or implied, the contract is to be reduced to writing within fourteen (14) days and may be subject to ratification by the Board (if required). If there is any non-compliance with the above requirement of reduction to writing and proper ratification by the Board, the Director entering into such oral contract shall assume personal responsibility for the same and shall indemnify the Company fully in all respects in relation to such contract. *Oral contract shall be reduced to writing and Board's ratification*
- (4) (a) The Directors may procure the establishment and maintenance of any non-contributory or contributory pension or superannuation fund or life assurance scheme for the benefit of, and pay, provide for or procure the grant of donations, gratuities, pensions, allowances, benefits or emoluments to any persons who are or shall have been at any time in the employment or service of the Company or any subsidiary company or to any persons who are or have been a Director or other officer of and holds or has held salaried employment in the Company or any subsidiary company, or the wives, widows, families or dependents of any such persons. *Establishment and maintenance of fund*
- (b) The Directors may also procure the establishment and subsidy of or subscription and support to any institutions, association, clubs, funds or trusts calculated to be for the benefit of any such persons as aforesaid or of its members and payment for or towards the insurance of any such persons as aforesaid, and subscriptions or guarantees of money for charitable or benevolent objects or for any exhibitions or for any public, general or useful object.
95. Without limiting the generality of Clause 94(1) and (2), the Directors may, subject to the Act and the Listing Requirements, exercise all the powers of the Company to do all or any of the following for any debt, liability, or obligation of the Company or of any third party:
- (1) borrow money; *Borrowing*
- (2) mortgage or charge its undertaking, property, and uncalled capital, or any part of the undertaking, property and uncalled capital; *Mortgage*
- (3) issue debentures and other Securities whether outright or as security; and/ or *Issue debentures*
- (4) (a) lend and advance money or give credit to any person or company; *Lend or advance money*
- (b) guarantee and give guarantees or indemnities for the payment of money or the performance of contracts or obligations by any person or company;

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (c) secure or undertake in any way the repayment of moneys lent or advanced to or the liabilities incurred by any person or company;

and otherwise to assist any person or company.

96. All cheques, promissory notes, drafts, bills of exchange, and other negotiable instruments, and all receipts for money paid to the Company, must be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by any two (2) Directors or in such other manner as the Directors may from time to time determine. *Operation of cheques, promissory notes etc.*
97. (1) The Directors may from time to time by power of attorney appoint any corporation, firm, or person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for the purposes and with the powers, authorities, and discretions (not exceeding those vested in or exercisable by the Directors under this Constitution) and for a period and subject to any conditions as the Directors may think fit. *Power of attorney*
- (2) Any powers of attorney granted under Clause 97(1) may contain provisions for the protection and convenience of persons dealing with the attorney as the Directors think fit and may also authorise the attorney to delegate all or any of the powers, authorities, and discretions vested in the attorney.
98. Subject always to the Act and the Listing Requirements, a Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Board of Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established. *Director may hold other office*

Delegation of Powers

99. Subject to the applicable laws and/ or the Listing Requirements:
- (1) the Directors may delegate any of their powers to a committee or committees consisting of such their number as they think fit; *Directors may delegate powers to committee*
- (2) any committee formed under Clause 99(1) shall exercise the powers delegated in accordance with any directions of the Directors and a power so exercised shall be deemed to have been exercised by the Directors; and *Committee shall exercise powers as per Board's direction*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

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| | (3) | the Board shall, subject to the Listing Requirements and upon the committee's recommendation (where applicable), appoint a chairperson of the committee and determine the period for which he is to hold office. | <i>Chairperson of committee</i> |
| 100. | | The Company may pass a resolution of the committee either by way of a written resolution or at a meeting of the committee. | <i>Passing a Committee's Resolution</i> |
| 101. | (1) | The Company may pass a resolution of the committee by way of a written resolution by the committee's members recording the resolution and signing the record. | <i>Passing of resolution by committee's members</i> |
| | (2) | The record of decisions made by the committee is valid and effective as if it were a resolution duly passed at a meeting of the committee. | <i>Record of decision</i> |
| | (3) | Any such resolution may consist of several documents in like form, each signed by one or more of the committee's members, and shall be as valid and effectual as if it were a resolution duly passed at a meeting of the committee. | <i>Resolution may consist of several documents</i> |
| | (4) | Any such document may be accepted as sufficiently signed by a member of the committee if transmitted to the Company by any technology purporting to include a signature and/ or an electronic or digital signature by the said member. | <i>Agreement to written resolution by electronic means</i> |
| 102. | (1) | A committee may, whenever it thinks fit, convene a meeting of the committee, and may adjourn the meeting as it thinks proper. | <i>Convening of meeting of the committee</i> |
| | (2) | The committee may hold a committee meeting at two (2) or more venues within or outside Malaysia using any technology that gives the committee members as a whole a reasonable opportunity to participate. | <i>Committee meeting may hold at two or more venues</i> |
| | (3) | The virtual meeting of the Directors set out in Clause 120 shall apply to the meeting of the committee. | <i>Virtual meeting of committee</i> |
| | (4) | Where a meeting of committee is held and: | <i>Chairperson of meeting</i> |
| | (a) | a chairperson has not been appointed as provided by Clause 99(3); | |
| | (b) | the person so appointed is not present within fifteen (15) minutes after the time appointed for holding the meeting; or | |
| | (c) | the person so appointed is unable or unwilling to act as the chairperson of the meeting, | |

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

the members present may, subject to the Listing Requirements, choose one of their number to be chairperson of the meeting.

- (5) No business is to be transacted at any meeting unless a quorum of members is present at the time when the meeting proceeds to business. *Quorum*
- (6) Subject to the Listing Requirements, two (2) members personally present at a meeting shall constitute a quorum. *Quorum*
- (7) Questions arising at any meeting of the committee must be determined by a majority of votes of the members present, and in the case of an equality of votes, the chairperson has a second or casting vote, except where two (2) members form a quorum, the chairperson of a meeting at which only such a quorum is present, or at which only two (2) members are competent to vote on the question at issue shall not have a casting vote. *Votes*

Duties of Directors

103. A Director shall at all times exercise his powers in accordance with the Act, for a proper purpose and in good faith in the best interest of the Company. *Duties*
104. Where a Director acts by virtue of his position as an employee of the Company, or who was appointed by or as a board representative of Member, employer or debenture holder, that Director shall be taken to have acted in the best interest of the Company, and in the event of any conflict between his duty to act in the best interest of the Company and his duty to his nominator, he shall not subordinate his duty to act in the best interest of the Company to his nominator. *Duties of nominee Director*

Directors' Interest in Contracts

105. (a) A Director shall not vote in regard to any contract or proposed contract or arrangement in which he has, directly or indirectly, an interest. *Directors' interest in contracts*
- (b) Every Director shall observe the provisions of Sections 221 and 222 of the Act relating to the disclosure of the interest of the Directors in contracts or proposed contracts with the Company or of any office or property held by the Directors which might create duties or interest in conflict with their duties or interest as Directors and participation in discussion and voting. Such disclosure of material personal interest by the Directors shall be in the form of a notice. Such notice shall be in the form and manner prescribed under Section 221 of the Act.

PASSING OF RESOLUTIONS OF DIRECTORS

Passing of Resolutions of Directors

106. The Company may pass a resolution of the Directors either by way of a written resolution or at a meeting of the Directors. *Passing a Directors' Resolution*

DIRECTORS' WRITTEN RESOLUTION

Passing of resolution by the Directors

107. (1) The Directors may pass a resolution without a Board Meeting, if a majority of the Directors entitled to vote and sign on the resolution signed the resolution, signifying their agreement to the resolution set out in the document. *Passing of resolution by more than one Director*
- (2) Any such resolution may consist of several documents in like form, each signed by one (1) or more of the Directors, and shall be as valid and effectual as if it were a resolution duly passed at a Board Meeting. *Resolution may consist of several documents*

Agreement to written resolution by electronic means

108. (1) Any such document may be accepted as sufficiently signed by a Director if transmitted to the Company by any technology purporting to include a signature and/ or an electronic or digital signature by the Director. *Agreement to written resolution by electronic means*
- (2) For the purposes of Clause 108(1), delivery may be effected by: *Manner of delivery*
- (a) physical delivery of the document;
 - (b) delivery by facsimile transmission; or
 - (c) delivery by email transmission,
- to the place, facsimile number or electronic address as specified by the Director or Secretary of the Company.

MEETINGS OF DIRECTORS

Frequency of Board Meetings

109. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. *Frequency of Board Meetings*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

Convening Board Meetings

110. A Director may at any time, and the Secretary shall on the requisition of a Director to do so, convene a Board Meeting by giving notice in accordance with Clause 111. *Secretary or Director may convene a Board Meeting*

Notice of Board Meetings

111. (1) A notice of a Board Meeting must specify the following: *Contents of Notice of Board Meeting*
- (a) the place, date and time of the Board Meeting;
 - (b) the general nature of the business (including matters to be discussed) of the Board Meeting; and
 - (c) where the Directors think fit, the text of any proposed resolution and other information.
- (2) If the Board Meeting is to be held in two (2) or more places, the notice of the Board Meeting shall specify the technology that will be used to facilitate the Board Meeting. *Board Meeting held at two (2) or more venues*
- (3) The main venue of the Board Meeting shall be the place where the chairperson is present at the Board Meeting. *Main venue*
112. Reasonable notice in the circumstances must be given of all Board Meetings. *Notice period*
113. Notice of every Board Meeting shall be given to all Directors in accordance with the manner specified in Clause 127. *Directors entitled to receive notice*

Quorum for Board Meetings

114. (1) No business is to be transacted at any Board Meeting unless a quorum of Directors is present at the time when the meeting proceeds to business. *Quorum*
- (2) Two (2) Directors personally present at a meeting shall constitute a quorum. *More than one Director*
- (3) In this clause, "Director" includes Alternate Director. *Meaning of Director*

No Quorum

115. If a quorum is not present within half an hour after the time appointed for a Board Meeting: *Quorum is not present*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (1) the Board Meeting shall stand adjourned to another day and at another time and place as the Directors may determine; or *Adjournment of Board Meeting*
- (2) if no determination is made by the Directors, the Board Meeting shall stand adjourned to the same day in the next week at the same time and place or if that day falls on a public holiday then to the next business day following that public holiday; and
- (3) if at the adjourned Board Meeting, a quorum is not present within half an hour from the time appointed for the meeting, then any Director present shall form a quorum. *Adjourned Board Meeting*

Chairperson of Board Meetings

116. (1) The Directors shall appoint one of their number as Chairperson and may also appoint another of their number as Deputy Chairperson of the Company. *Chairperson and Deputy Chairman*
- (2) The Directors shall determine the period for which such Chairperson or Deputy Chairperson is to hold office. *Office period*
- (3) The Chairperson or Deputy Chairperson (in the absence of the Chairperson) shall be the Chairperson of the Board Meeting. *Chairperson of Board Meetings*
- (4) Where a Board Meeting is held and: *Chairperson of Board Meetings*
- (a) a Chairperson or Deputy Chairperson has not been appointed as provided by Clause 116(1); or
- (b) the person so appointed is not present within fifteen (15) minutes after the time appointed for the holding of the Board Meeting or is unable to act for all or part of the meeting;
- the Directors present shall elect one of their number to be the chairperson of the Board Meeting.
- (5) For avoidance of doubt, an Alternate Director shall not be elected as the chairperson of the Board Meeting.

Adjournment of Board Meetings

117. (1) The chairperson shall adjourn a Board Meeting, at which a quorum is present, from time to time and from place to place if the Directors present with a majority of votes that may be cast at that meeting agree or direct the chairperson to do so. *Directors' consent is required*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (2) No business is to be transacted at any adjourned Board Meeting other than the business left unfinished at the Board Meeting from which the adjournment took place (referred to as the "Original Board Meeting"). *Only transact the business left unfinished at the Board Meeting*
- (3) There is no need to give any notice of an adjourned Board Meeting or of the business to be transacted at an adjourned Board Meeting unless the adjourned Board Meeting is to be held more than thirty (30) days after the date of the Original Board Meeting. *Notice of adjourned Board Meeting*

Voting at Board Meetings

118. (1) Subject to this Constitution, questions arising at a Board Meeting shall be decided by a majority of votes of Directors present and voting and any such decision shall for all purposes be deemed a decision of the Directors. *Directors' decision*
- (2) Each Director is entitled to cast one (1) vote on each matter for determination. *Casting of vote*

Casting Vote

119. In the case of an equality of votes, the chairperson of the Board Meeting is entitled to a second or casting vote, except where two (2) Directors form a quorum, the chairperson of a meeting at which only such a quorum is present, or at which only two (2) Directors are competent to vote on the question at issue shall not have a casting vote. *Chairperson shall have a casting vote*

Virtual Meetings of Directors

120. (1) The Directors may hold a Board Meeting at two (2) or more venues within or outside Malaysia using any technology that gives the Directors as a whole a reasonable opportunity to participate. *Board Meeting may hold at two (2) or more venues*
- (2) The technology to be used for the purpose of this Clause must be such that each Director taking part in the meeting must be able to communicate simultaneously with each of the other Directors taking part in the meeting and may include telephone, television, video conferencing, or any other audio and/ or visual device which permits instantaneous communication. *Technology to be used for virtual meeting*
- (3) A virtual meeting shall be deemed to constitute a Board Meeting and all the provisions of this Constitution as to Board Meetings shall apply to any virtual meeting provided the following conditions are met: *Conditions for virtual meeting*
- (a) All the Directors for the time being entitled to receive notice of the Board Meeting (including any Alternate Director) shall be entitled to receive notice of a virtual meeting. Notice of any such meeting shall be given by an appropriate form of technology (or in such other manner) as permitted by this Constitution; and

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (b) A Director may not leave a virtual meeting by disconnecting from the technology used unless he has previously expressly notified the chairperson of the meeting of his intention to leave the meeting and a Director shall be conclusively presumed to have been present and to have formed part of the quorum at all times during such a meeting until such notified time of his leaving the meeting.
- (4) A minute of the proceedings of meetings including virtual meetings shall be sufficient evidence of such proceeding and of the observance of all necessary formalities if certified as a correct minute by the chairperson of the meeting or the next succeeding meeting. *Minutes*

SECRETARY

Appointment of Secretary

121. The Secretary shall in accordance with the Act be appointed by the Board for such terms, at such remuneration, and upon such terms and conditions as the Board may think fit. *Appointment*

Casual Vacancy of Secretary

122. (1) Any Secretary so appointed under Clause 121 may be removed by the Directors, in accordance with the terms and conditions of its appointment. *Removal*
- (2) The office of a Secretary may or will become vacant if the Secretary: *Vacation of office*
- (a) resigns from office by notice in writing to the Board, the Secretary shall cease to act as Secretary upon the expiry of thirty (30) days from the date of the notice to the Board or from the effective date as specified in his notice or the terms of appointment; or
- (b) is unable to communicate with the Directors at the last known residential address, the Secretary may, notify the Registrar of that fact and of his intention to resign from the office, and he shall cease to act as the Secretary on the expiry of thirty (30) days from the date of the notice to the Registrar.
- (3) The Board shall fill the vacancy of the Secretary within thirty (30) days after the occurrence of any event under Clause 122(1) or (2). *Fill the casual vacancy of Secretary*

INSURANCE AND INDEMNITY OF APPLICABLE PERSONS

Applicable Persons

123. The provisions of Clauses 124 to 126 shall apply to the following persons (*Applicable persons*):
- (1) every person who is or has been an Officer;
 - (2) Auditors; and
 - (3) any other officers as defined in the Act.

Indemnity

124. The Company does not exempt an Applicable Person from a liability which by law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust, of which he may be guilty in relation to the Company incurred in his capacity as an Applicable Person. *No indemnity*
125. (1) The Company may indemnify an Applicable Person out of the Company's assets for any costs incurred by him or the Company in respect of any proceedings: *Indemnity may be allowed*
- (a) that relates to his liability for any act or omission in his capacity as an Applicable Person; and
 - (b) in which judgment is given in favour of the Applicable Person or in which the Applicable Person is acquitted or in which the Applicable Person is granted relief under the Act, or where proceedings are discontinued or not pursued.
- (2) The Company may also indemnify an Applicable Person in respect of an application for relief under the Act.
- (3) The Company may indemnify an Applicable Person in respect of: *Exception*
- (a) any liability to any person, other than the Company, for any act or omission in his capacity as an Officer or Auditors; and
 - (b) costs incurred by that Applicable Person in defending or settling any claim or proceedings relating to any such liability except:
 - (i) any liability of the Director to pay:
 - (aa) a fine imposed in criminal proceedings; or

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (bb) a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature, however arising; or
 - (ii) any liability incurred by the Director:
 - (aa) in defending criminal proceedings in which he is convicted; or
 - (bb) in defending civil proceedings brought by the Company, or an associated company, in which judgment is given against him.
- (4) Where the costs and expenses incurred by an Applicable Person under Clause 125(1) and (2) are recovered by the Company under an insurance policy taken out or paid for by the Company pursuant to Clause 126, the extent of the indemnification of an Applicable Person shall be reduced accordingly.

Insurance

126. (1) The Company may, with the prior approval of the Board, purchase and maintain insurance, at the expense of the Company, for an Applicable Person, against: *Insurance*
- (a) civil liability, for any act or omission in his capacity as a Director or Officer or Auditors; and
 - (b) costs incurred by that Officer or Auditors in defending or settling any claim or proceeding relating to any such liability; or
 - (c) costs incurred by that Officer or Auditors in defending any proceedings that have been brought against that person in relation to any act or omission in that person's capacity as an Officer or Auditors:
 - (i) in which that person is acquitted;
 - (ii) in which that person is granted relief under the Act; or
 - (iii) where proceedings are discontinued or not pursued.
- (2) In the case of a Director, Clauses 125(2) and (3) and 126(1)(a) and (b) shall not apply to any civil and criminal liability in respect of a breach of the duties of the Directors as specified in Section 213 of the Act.

ADMINISTRATION

Notices, Documents and Other Publication

127. Any Company's Documents may be given by the Company to the persons mentioned below in the following manner: *Notice*
- (1) In respect of a Member and person entitled to a Security in consequence of an Event of Transmission ("Persons"): *Members*
- (a) The Company's Documents shall be in writing and shall be given to the aforesaid Persons either:
- (i) in hard copy, which shall be sent to the Persons either personally or by post to his last known address; *Hard copy*
- (ii) in electronic form, which shall be either: *Electronic form*
- (aa) transmitted to the last known electronic address provided by the Persons to the Company;
- (bb) transmitted to the last known contact details as recorded in the Register of Members or Record of Depositors provided by the Persons to the Company or Depository respectively;
- (cc) by publishing on a website;
- (dd) transmitted by the Company to the Persons using any appropriate electronic communication platform established by the Company or third parties, or
- (iii) partly in hard copy and partly in electronic form. *Both of the above*
- (b) If a notice of General Meeting is published on the website, the Company must notify the Persons in writing in hard copy or electronic form stating the following: *Website*
- (i) it concerns a General Meeting;
- (ii) the place, date and time of the General Meeting; and

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (iii) the designated website link or address where a copy of the notice may be downloaded,
- and the notice must be published on the Company's website throughout the period starting from the date of notification until the conclusion of the General Meeting. *Period of publication on website*
- (c) If the Company publishes its documents (other than a notice of General Meeting) ("Company's Publication") on its Company's website or any other appropriate electronic communication platform, the Company must notify the Persons in writing in hard copy or electronic form stating the following: *Publication on Website*
- (i) brief description of the Company's Publication; and
- (ii) the designated website link or address where a copy of the Company's Publication may be downloaded.
- (d) In the event of a delivery failure, the Company must immediately send the Company's Documents to the affected Members by other appropriate means as permitted under Clause 127(1)(a). *Delivery failure*
- (e) The Persons may request for a hard copy of the Company's Documents from the Company if they are sent by electronic means. *Request for hard copy*
- (2) In respect of a Director, the Company's Documents shall be in writing and shall be given to the Director either: *Directors*
- (a) in the manner(s) set out in Clause 127(1) (except for publishing on a website); or
- (b) to the Director's last known service address.
- (3) In respect of the Auditors, the Company's Documents shall be in writing and shall be given to the Auditors either: *Auditors*
- (a) in the manner(s) set out in Clause 127(1) (except for publishing on a website); or
- (b) to the Auditors' last known address.
- (4) In respect of a holder of Debt Securities, the Company's Documents shall be in writing and shall be given to the holder of Debt Securities:
- (a) in the manner(s) set out in Clause 127(1); or.

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (b) to the holder of Debt Securities' last known address provided by the said holder to the Company or Depository.
- (5) For the purpose of Clause 127(1), the Board of Directors may, at its discretion, determine the appropriate mode of communication with the persons mentioned above. *Directors' discretion*
128. Where the Company's Documents are: *Service of notice*
- (1) served by post, service of the notice shall be deemed to be effective by properly addressing, prepaying and posting a letter containing the notice, and to have been effected, in the case of a notice of the Persons, on the day after the date of its posting; *Post*
- (2) sent by facsimile transmission, service of the notice shall be deemed to be effected at the time when the notice is transmitted, unless the Company receives notification that the transmission was not successful; *Facsimile transmission*
- (3) sent by electronic transmission, service of the notice shall be deemed to be effected at the time when the notice is transmitted electronically, unless the Company receives notification that the transmission was not successful; *Electronic transmission*
- (4) published on the Company's website or any appropriate electronic communication platform, service of the notice shall be deemed to be effected on the day on which the notice first appears on the Company's website to which the relevant person may have access or the day on which the notice of publication is deemed to have been served or delivered to such person under Clause 127, whichever is later; or *Website*
- (5) served or delivered in person, service of the notice shall be deemed effected at the time the relevant Company's Documents are delivered, received or left at the address of such person. *Personal delivery*
129. The Company's Documents may be given by the Company to Joint Holders by giving the notice to the Joint Holder first named in the Register of Members. *Joint Holder*
130. Any Company's Documents delivered or sent to any Member in such manner as provided in Clause 127(1) shall, if such Member be then deceased, and whether or not the Company has notice of his death, be deemed to have been duly served on his legal personal representative or survivor.

Written Resolutions and Minutes

131. The Directors must cause: *Written resolutions and minutes*
- (1) all Directors' and committees' written resolutions;

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (2) all proceedings and resolutions of Board Meetings and committee meetings; and
- (3) all proceedings and resolutions of General Meetings,

to be duly entered into the books kept for that purposes in accordance with the Act.

132. The records of resolutions passed by way of Directors' and committees' written resolutions or at the Board Meetings, committee meetings and General Meetings and signed in accordance with the Act and this Constitution are evidence of the proceedings, resolutions or declaration to which they relate, unless the contrary is proved.

Execution of Documents

133. (1) The Company shall adopt a Seal, known as the common seal, on which its name and registration number and the words "Common Seal" are engraved in legible romanised characters. *Seal*
- (2) The Directors shall provide for the safe custody of the Seal. *Custody*
- (3) The Seal shall only be used by the authority of the Board of Directors or of a committee of the Board of Directors authorised by the Directors on their behalf. *Authority of the Directors*
- (4) The Company may execute a document by affixing the Seal to the document where the affixing of the Seal is witnessed by: *Affixing the Seal*
- (a) two (2) Directors;
 - (b) one (1) Director and one (1) Secretary; or
 - (c) one (1) Director and another person appointed by the Directors for that purpose.
- (5) (a) Any Director or the Secretary or any person so appointed by the Directors shall have power to authenticate any documents affecting this Constitution and any resolutions passed by the Company or the Directors or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the Office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. *Authentication of documents*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (b) A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting of the Company or the written resolutions or minutes of a meeting of the Directors or any committee which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that any minute or written resolution so extracted is a true and accurate record of the resolutions or proceedings at a duly constituted meeting to which it relates.
134. (1) The Company may have an official Seal, on which its name and registration number and the words "Common Seal" and the place where it is to be used are engraved in legible romanised characters. *Official seal for use abroad*
- (2) The Directors shall provide for the safe custody of the official Seal. *Custody*
- (3) The Directors may exercise all the powers of the Company in relation to any official Seal for use outside Malaysia and in relation to branch registers of debenture holders kept in any place outside Malaysia. *Authority of the Directors*
- (4) The Company may execute a document by affixing the official Seal to the document where the affixing of the official Seal is witnessed by:
- (a) two (2) Directors;
- (b) one (1) Director and one (1) Secretary;
- (c) one (1) Director and another person appointed by the Directors for that purpose; or
- (d) two (2) persons appointed by the Directors for that purpose, and
- the person affixing official Seal shall certify in writing on the deed or document to which the official Seal is affixed the date and place it is affixed.
- (5) The Company may have an official Seal to seal: *Official seal for Securities*
- (a) Securities issued by the Company; or
- (b) documents creating or evidencing Securities so issued,
- on which its name and registration number and the words "Securities" are engraved in legible romanised characters.
- (6) The official Seal for Securities shall be executed in the manner provided in Clause 133(4).

FINANCIAL MATTERS**Financial Statements**

135. (1) The Directors must cause proper accounting and other records to be kept in accordance with Section 245 of the Act and such records must be true and complete accounts of the affairs and transactions of the Company and give a true and fair view of the state of the Company's affairs and explain its transactions. *Accounting and other records*
- (2) The Directors shall from time to time, in accordance with the provisions of the Act and the Listing Requirements, cause to be prepared and approved, and to be circulated to the Members, Directors and Auditors and laid before the Company in Annual General Meeting such financial statements and consolidated financial statements (if any) and reports of Directors and Auditors. *Circulation and laying of financial statements*
- (3) No Member (who is not a Director) shall have any right of inspecting any accounting or other records of the Company except where such right is conferred by law. *Right of inspection*

Audit

136. (1) (a) The Board shall appoint the first Auditors of the Company at any time before the first Annual General Meeting, at such remuneration as the Board thinks fit. *First Auditors*
- (b) The Auditors appointed under Clause 136(1)(a) shall hold office until the conclusion of the first Annual General Meeting.
- (2) (a) For subsequent years, the Board may, subject to the Act, appoint the Auditors to fill casual vacancy in the office of the Auditors, at such remuneration as the Board thinks fit. *Appointment of Auditors by Board*
- (b) The Auditors appointed under Clause 136(2)(a) shall hold office until the conclusion of the next Annual General Meeting.
- (3) For subsequent years, the Members may by an ordinary resolution: *Change of Auditors by Members*
- (a) re-appoint the existing Auditors;
- (b) appoint another person as the Company's Auditors;
- (c) remove the Auditors; and/ or
- (d) if there is a vacancy in the office of the Auditors, appoint Auditors to fill the vacancy.

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

The remuneration of the Auditors appointed under Clause 136(3) shall be fixed by the Members by ordinary resolution or in such manner as the Members may determine.

- (4) The Auditors shall hold office in accordance with the terms of their appointment, provided that: *Term of office of Auditors*
- (a) they do not take office until the previous auditors have ceased to hold office unless they are the first Auditors; and
- (b) they ceased to hold office at the conclusion of the Annual General Meeting next following their appointment, unless they are re-appointed.
- (5) The powers and duties of the Auditors are as regulated under Sections 266 and 287 of the Act. *Powers and duties*
- (6) The Auditors shall attend every Annual General Meeting where the financial statements and consolidated financial statements (where applicable) of the Company for a financial year ("Financial Statements") are to be laid, so as to respond according to their knowledge and ability to any question relevant to the audit of the Financial Statements. *Attendance of Auditors*
- (7) The Auditors may cease to act as Auditors of the Company by:
- (a) giving a notice of resignation in writing to the Company at the Office and their term of office shall end after twenty-one (21) days from the date of the notice to the Company or from the effective date as specified in their notice; or *Resignation of Auditors*
- (b) giving a notice in writing to the Company at the Office indicating that they do not wish to seek re-appointment at the forthcoming Annual General Meeting. *Retirement of Auditors*

Dividends

137. (1) A dividend may be declared by: *Declaration of dividend*
- (a) the Directors; or
- (b) the Members on the recommendation of the Board of Directors as it thinks appropriate.
- (2) The payment of a dividend is to those holders of such class of shares as the Directors have determined in accordance with and subject to any conditions upon which the shares have been issued. *Payment of dividend*
- (3) A dividend shall not exceed the amount recommended by the Directors. *Directors to recommend amount*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

138. The Directors may authorise a distribution of dividends in accordance with Section 132 of the Act, and any dividend so authorised must be out of profits of the Company available for distribution and provided the Company is solvent. The Directors may authorise a distribution at any time and for such amounts as the Directors shall consider appropriate so long as the Directors are satisfied that the Company will be solvent for a period of twelve (12) months after the distribution is made. *Distribution only if Company is solvent*
139. (1) A dividend may be classified as:
- (a) an interim dividend if it is declared and distributed by the Company to its Members prior to the determination of final profit position of the Company for the financial year; *Interim dividend*
 - (b) a final dividend if it is the last dividend distributed by the Company to its Members after the financial statements for the financial year have been prepared and approved by the Board; and *Final dividend*
 - (c) a special dividend if it is a non-recurring distribution of the Company's assets, where the amount is larger compared to normal dividend paid out by the Company or other circumstances that the Directors think fit. *Special dividend*
- (2) The Directors may, at their discretion, declare dividend pursuant to either Clause 137(1)(a) or (1)(b). *At Directors' discretion*
140. No dividend is to bear interest against the Company. *No interest bearing*
141. (1) The Directors may, before recommending any dividend: *Before recommending dividend*
- (a) set aside out of the profits of the Company such sums as they think proper as reserves; or
 - (b) carry forward any profits which they may think prudent not to divide, without placing the profits to reserve.
- (2) The reserves set aside under Clause 141(1)(a): *Reserves that set aside*
- (a) are, at the discretion of the Directors, to be applied for any purpose to which the profits of the Company may be properly applied; and
 - (b) may, pending any application under Clause 141(2)(a) and at the discretion of the Directors, be employed in the business of the Company or be invested in any investments (other than shares in the Company) as the Directors may from time to time think fit.

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

142. (1) Subject to the rights of persons (if any) entitled to shares with special rights or conditions as to dividend entitlement or to any provisions in this Constitution, all dividends must be declared and paid according to the amounts paid or credited as paid on the shares in respect of which the dividend is paid. *Dividends must be declared and paid according to the amounts paid*
- (2) An amount paid or credited as paid on a share in advance of a call shall not be taken for the purposes of this Clause to be paid or credited as paid on the share and shall not, whilst carrying interest, confer a right to participate in profits. *Amount paid on a share in advance of a call*
- (3) All dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid. *Dividend must be paid proportionately*
- (4) If any share is issued on terms providing that it ranks for dividend as from a particular date that share ranks for dividend accordingly. *Share ranks for dividend*
143. The Directors may deduct from any dividend payable to a Member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company. *Deduct dividend from calls*
144. (1) When declaring a dividend, the Directors or Members on the recommendation of the Directors may by ordinary resolution, direct payment of the dividend wholly or partly by the distribution of specific assets, including: *Distribution of specific assets*
- (a) paid-up shares of the Company or any other corporation;
- (b) debentures or debenture stock of the Company or any other corporation;
- (c) assets of the Company which the Directors think appropriate; or
- (d) any combination of any specific assets, and
- the Directors may do all acts and things considered necessary or expedient to give effect to such a resolution.
- (2) Where a difficulty arises with regard to such a distribution directed under Clause 144(1), the Directors may, subject to the Act and the Listing Requirements, do all or any of the following:
- (a) settle the distribution as they think expedient;
- (b) fix the value for distribution of the specific assets or any part of the specific assets;

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (c) determine that cash payments be made to any Member on the basis of the value so fixed by the Directors in order to adjust the rights of all parties; and/ or
 - (d) vest any specific assets in trustees as the Directors think expedient.
145. (1) Any dividend, interest or other money payable in cash in respect of shares may be paid in such manner as may be determined by the Directors from time to time including: *Payment*
- (a) in respect of Listed Deposited Security, direct crediting the payment into the bank account of the Member as provided by the Member to the Depository from time to time; or
 - (b) in respect of Security other than Listed Deposited Security:
 - (i) by direct crediting the payment into the bank account of the Member as provided by the Member to the Company or Depository from time to time; or
 - (ii) by cheque sent through the post directed to :
 - (aa) the address of the Member as shown in the Register of Members, or in the case of Joint Holders, to the address shown in the Register of Members as the address of the Joint Holder first named in the Register of Members; or
 - (bb) such other address as the holder or Joint Holders in writing directs or direct.
- (2) Every direct transfer or cheque made under Clause 145(1) must be made payable to the order of the person to whom it is sent.
- (3) Any one (1) of two (2) or more Joint Holders may give effectual receipts for any dividends, interest or other money payable in respect of the shares held by them as Joint Holders.

Capitalisation of Profits

146. (1) The Directors may, before declaring or recommending any dividend, set aside out of the profits of the Company such sums as they think proper as reserves, to be applied, at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied. *Application of profits*

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (2) Pending any such application, the reserves may, at the discretion of the Directors, be used in the business of the Company or be invested in such investments as the Directors think fit. *Utilisation of reserves*
- (3) The Directors may carry forward such amount of the profits remaining as they consider ought not to be distributed as dividends without transferring those profits to reserves. *Dividends*
147. (1) Subject to Clause 147(2), the Company may, upon a recommendation of the Directors and in General Meeting, resolve that it is desirable to capitalise any sum, being the whole or a part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution to Members, and that such sum be applied, in any of the manners mentioned in Clause 147(3), for the benefit of the Members in the proportions to which those Members would have been entitled in a distribution of that sum by way of dividend. *Members' approval*
- (2) The Directors may, subject to the Act and the Listing Requirements, capitalise any sum, being the whole or a part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution to the Members. *Exemption*
- (3) The amount capitalised under Clause 147(1) is set free for distribution amongst the Members who would have been entitled to the amount had it been distributed by way of dividend and in the same proportions subject to the following conditions: *Capitalised amount*
- (a) the capitalised amount must not be paid in cash;
- (b) the capitalised amount must be applied in or towards either or both of the following:
- (i) paying up any amounts for the time being unpaid on any shares held by the Members;
- (ii) paying up in full unissued shares or debentures of the Company to be allotted, distributed and credited as fully paid up to and amongst such Members in the same proportions.
148. The Directors shall do all things necessary to give effect to the resolution and, in particular, to the extent necessary to adjust the rights of the Members among themselves, may: *To give effect to the resolution*
- (1) issue fractional certificates or make cash payments in cases where shares or debentures becoming distributable in fractions; and
- (2) authorise any person to enter, on behalf of all the Members entitled to the distribution into an agreement with the Company, providing:

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (a) for the allotment to the Members respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon the capitalisation; or
- (b) for the payment up by the Company on the Members' behalf of the amounts or any part of the amounts remaining unpaid on their existing shares by the application of their respective proportions of the profits resolved to be capitalised, and

any agreement made under such authority referred to in Clause 147(3)(b) is effective and binding on all the Members entitled to the distribution.

DISSOLUTION

Winding Up

149. Subject to the Act, the Company may be dissolved by a special resolution in a General Meeting. If such a resolution is passed, the Members shall also be required to appoint a liquidator or liquidators for the purpose of winding up the affairs and distributing the property of the Company. *Passing of special resolution*
150. (1) If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company: *Power of liquidator*
- (a) divide amongst the Members in kind the whole or any part of the property, if any, of the Company, whether they consist of property of the same kind or not;
 - (b) set a value as the liquidator considers fair upon the property, if any referred to in Clause 150(1)(a);
 - (c) determine how the division of property, if any is to be carried out as between the Members or different classes of Members; and
 - (d) vest the whole or any part of the property, if any, of the Company in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit.
- (2) No Member is compelled to accept any shares or other Securities on which there is any liability.

SECRECY

151. Save as may be expressly provided by the Act, no Member shall be entitled to enter into or upon or inspect any premises or property of the Company nor to require discovery of any information in respect of any detail of the Company's business or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the business and/ or conduct of the business of the Company and which, in the opinion of the Directors, it would be inexpedient in the interests of the Member of the Company to communicate to the public.

EFFECTS OF THE LISTING REQUIREMENTS

Effects of the Listing Requirements

152. (1) Notwithstanding anything contained in this Constitution, if the Listing Requirements prohibit an act being done, the act shall not be done. *Effects of the Listing Requirements*
- (2) Nothing contained in this Constitution prevents an act being done that the Listing Requirements require to be done.
- (3) If the Listing Requirements require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be).
- (4) If the Listing Requirements require this Constitution to contain a provision and it does not contain such a provision, this Constitution is deemed to contain that provision.
- (5) If the Listing Requirements require this Constitution not to contain a provision and it contains such a provision, this Constitution is deemed not to contain that provision.
- (6) If any provision of this Constitution is or becomes inconsistent with the Listing Requirements, this Constitution is deemed not to contain that provision to the extent of the inconsistency.

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

"APPENDIX A"

STEEL HAWK BERHAD
 Company No. 202001043293 (1399614-A)
 (Incorporated in Malaysia)

PROXY FORM

CDS Account No.

No. of shares held

I/We _____ Tel: _____
 [Full name in block, NRIC/Passport/Company No.]
 of _____

being member(s) of **STEEL HAWK BERHAD**, hereby appoint:

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and / or* (*delete as appropriate)

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him, the Chairperson of the Meeting, as my/our proxy to vote for me/us and on my/our behalf at the General Meeting of the Company to be held at (**Venue**) on (**Date**), (**Day**) at (**Time**) or any adjournment thereof, and to vote as indicated below:

Description of Resolution	Resolution	For	Against

Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.

Signed this _____ day of _____

 Signature*
Member

* Manner of execution:

- (a) If you are an individual member, please sign where indicated.
- (b) If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
- (c) If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

- (i) at least two (2) authorised officers, of whom one shall be a director; or
- (ii) any director and/ or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

Notes:

1. For the purpose of determining who shall be entitled to attend this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at (date). Only a member whose name appears on this Record of Depositors shall be entitled to attend this General Meeting or appoint a proxy to attend, speak and vote on his/her/its behalf.
2. A member entitled to attend and vote at this General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.
4. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.
5. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote:
 - (i) In hard copy form
In the case of an appointment made in hard copy form, this proxy form must be deposited at the registered office of the Company situated at (address).
 - (ii) By electronic means via facsimile
In the case of an appointment made by facsimile transmission, this proxy form must be received via facsimile at (facsimile no.).
 - (iii) By electronic means via email
In the case of an appointment made via email transmission, this proxy form must be received via email at (email address).For options (ii) and (iii), the Company may request any member to deposit original executed proxy form to its registered office before or on the day of meeting for verification purpose.
 - (iv) Online
In the case of an appointment made via online lodgement facility, please login to the link website using the holding details as shown below:
(Holding details)
 - (v) By mobile device
In the case of an appointment made by mobile device, please follow the instruction provided below:
(Details)
9. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the registered office of the Company situated at (address) not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/ or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

APPENDIX I – PROPOSED NEW CONSTITUTION OF THE COMPANY (CONT'D)

10. Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.
11. Last date and time for lodging this proxy form is (time), (date) and (day).
12. Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:
 - a. Identity card (NRIC) (Malaysian), or
 - b. Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or
 - c. Passport (Foreigner).
13. For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please bring the **ORIGINAL** certificate of appointment executed in the manner as stated in this proxy form if this has not been lodged at the Company's registered office earlier.

LODGER INFORMATION

Name : REBECCA KONG SAY TSUI
NRIC No : 710112-06-5164
Address : Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia
Phone No : +603 2783 9191
Email : Rebecca.Kong@my.tricorglobal.com

- END -

APPENDIX II – FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board, and the Directors collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

2. CONSENT

UOBKH, being the Approved Adviser for the Proposals and Sponsor for the Proposed Transfer, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

Protégé Associates, being the independent market researcher for the Proposed Listing, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

3. DECLARATION OF CONFLICT OF INTERESTS

UOBKH has given its written confirmation that there is no situation of conflict of interests that exists or is likely to exist in relation to its role as the Approved Adviser for the Proposals and Sponsor for the Proposed Transfer.

Protégé Associates has given its written confirmation that there is no situation of conflict of interests that exists or is likely to exist in relation to its role as the independent market researcher for the Proposed Listing.

4. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, the Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Board is not aware and has no knowledge of any proceedings pending or threatened against the Group, or of any facts likely to give rise to any proceedings, which might materially or adversely affect the Group's financial position or business.

5. MATERIAL COMMITMENTS

As at the LPD, the Board is not aware of any material commitments incurred or known to be incurred by the Group that has not been provided for which, upon becoming enforceable, may have a material impact on the Group's financial results/ position of the Group.

6. CONTINGENT LIABILITIES

As at the LPD, the Board is not aware of any contingent liabilities incurred or known to be incurred by the Group, which, upon becoming enforceable, may have a material impact on the Group's financial results/ position.

APPENDIX II – FURTHER INFORMATION (CONT'D)

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Company's registered office at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200, Kuala Lumpur, W.P. Kuala Lumpur, during normal business hours from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the forthcoming EGM:-

- i. Constitution of Steel Hawk;
- ii. Audited consolidated financial statements of the Group for the past 2 financial years up to the FYE 31 December 2022 and the latest audited consolidated financial statements of Steel Hawk for the 6-month FPE 30 June 2023;
- iii. The letter of consent and declaration of conflict of interest referred to in **Sections 2 and 3** of this **Appendix II**, respectively;
- iv. Proposal Letter; and
- v. Undertaking Letters.

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APPENDIX III – INFORMATION ON STEEL HAWK

1. HISTORY AND PRINCIPAL ACTIVITIES

Steel Hawk was incorporated in Malaysia under the Act on 29 December 2020 as a private limited company under the name of Steel Hawk Sdn Bhd and was subsequently converted into a public limited company on 8 July 2021. As at the date of this Circular, Steel Hawk has been listed on the LEAP Market of Bursa Securities for more than 2 years since 29 October 2021.

As at the LPD, the Company has 2 subsidiaries, namely Steel Hawk Engineering Sdn Bhd and Steel Hawk Defence Sdn Bhd and does not have any associated or joint venture company.

The Group's history can be traced back to the incorporation of Steel Hawk Engineering Sdn Bhd on 3 October 2012. Following the incorporation of Steel Hawk Engineering Sdn Bhd, the Group commenced its initial business activity which was the provision of EPCC services for chemical injection skids at offshore exploration and production platforms in the O&G industry in October 2012. Over the years, the Group had progressively expanded beyond its expertise in the improvement/ maintenance of pipelines to include the installation and maintenance of oilfield equipment in topside O&G facilities (e.g. pig trap system, fire rated doors or oil spill recovery equipment, etc.) as well as the supply of such oilfield equipment and their parts and components. As at the LPD, the Group's services are solely catered to customers in the O&G sector in Malaysia, and the Group sources its raw materials from both domestic and international suppliers (i.e. China, India, United States of America, Germany, Italy, Canada, United Kingdom, United Arab Emirates and Singapore). Further details on the principal activities of the subsidiaries of Steel Hawk are as follows:-

Company	Effective equity interest (%)	Date and place of incorporation	Principal place of business	Principal activities
Steel Hawk Engineering Sdn Bhd	100.00	3 October 2012 Malaysia	Malaysia	Provision of EPCC services and facilities improvement / maintenance, installation and maintenance of oilfield equipment and supply of oilfield equipment
Steel Hawk Defence Sdn Bhd	100.00	18 April 2022 Malaysia	Malaysia	Provision of manpower, materials and equipment support services

As at the LPD, the Group has 4 business premises/ operational facilities. The Group's head office is located at 25-2, Block H, Jalan PJU 1/37, Dataran Prima, 47301 Petaling Jaya, Selangor, having a built-up area of approximately 1,475 sq. ft.. The Group also has an office located at 23-2, Block H, Jalan PJU 1/37, Dataran Prima, 47301 Petaling Jaya, Selangor, having a built-up area of approximately 1,475 sq. ft., an office and warehouse located at Survey Lot 1269 of Parent Lot 980, Block 1, Miri Concession Land District, Jalan Lutong-Kuala Baram, 98000 Miri, Sarawak with a built-up area of 4,962 sq. ft., and an office, warehouse and yard facility, being the Existing Teluk Kalung Facility 1.

2. SHARE CAPITAL

As at the LPD, the issued share capital of Steel Hawk is RM7,808,001 comprising 160,000,000 Shares. As at the LPD, Steel Hawk does not have any convertible securities.

APPENDIX III – INFORMATION ON STEEL HAWK (CONT'D)

3. PUBLIC SHAREHOLDING SPREAD

Pursuant to Rule 3.10 of the ACE Market Listing Requirements, a company is required to meet the ACE Market Public Spread Requirements.

As at the LPD, approximately 22.00% of the total number of issued Shares is held by 6 public shareholders. Pursuant to the Proposed Transfer, the public shareholding spread of the Company will increase to 45.45% and thus, the Company will be in compliance with the ACE Market Public Spread Requirements, upon completion of the Proposed Transfer. For information purposes, the exact number of public shareholders of the Company pursuant to the Proposed Transfer cannot be determined at this juncture. Nevertheless, the Company will ensure that the Proposed Public Issue of 90,000,000 Issue Shares to be allocated and allotted in the manner as set out in **Section 3.2.2** of this Circular, will be in the hands of a minimum number of 200 public shareholders holding not less than 100 Shares each.

4. SUMMARY OF FINANCIAL INFORMATION

The historical audited consolidated statement of profit or loss information for the FYE 31 December 2020, FYE 31 December 2021, FYE 31 December 2022 and the FPE 30 June 2023 have been extracted from the audited consolidated financial statements of the Company for the respective years/ financial period and are set out below:-

	<-----FYE 31 December----->			<-----FPE 30 June----->	
	2020	2021	2022	Unaudited 2022	Audited 2023
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	19,865	24,845	66,326	25,381	32,175
Cost of sales	(9,793)	(14,029)	(51,242)	(18,118)	(23,431)
Gross profit ("GP")	10,072	10,816	15,084	7,263	8,744
Other income	280	172	76	9	61
Administrative expenses	(6,075)	(7,586)	(6,451)	(3,085)	(2,989)
Net loss on impairment of financial instrument	-	-	(69)	-	-
Results from operating activities	4,277	3,402	8,640	4,187	5,816
Finance income	93	12	25	13	24
Finance costs	(354)	(270)	(470)	(97)	(425)
PBT	4,016	3,144	8,195	4,103	5,415
Tax expense	(1,067)	(1,064)	(2,384)	(1,068)	(1,394)
PAT	2,949	2,080	5,811	3,035	4,021
Earnings before interest, tax, depreciation and amortisation ("EBITDA") ^{*1}	4,996	4,130	9,427	4,553	6,187
No. of Shares in issue ('000)	- ²	160,000	160,000	160,000	160,000
Basic EPS (sen)	1.84 ^{*3}	1.30	3.63	1.90	2.51
Dividends declared for the financial years/ period (RM)	1,858	-	624	-	-
Dividends per share (sen)	-	1.16	0.39	-	-
GP margin (%) ^{*4}	50.70	43.53	22.74	28.62	27.18
EBITDA margin (%) ^{*5}	25.15	16.62	14.21	17.94	19.23
PBT margin (%) ^{*6}	20.22	12.65	12.36	16.17	16.83
PAT margin (%) ^{*7}	14.85	8.37	8.76	11.96	12.50

APPENDIX III – INFORMATION ON STEEL HAWK (CONT'D)

Notes:-

*1 EBITDA is computed as follows:-

	<-----FYE 31 December----->			<----FPE 30 June----->	
	2020	2021	2022	Unaudited 2022	Audited 2023
	RM'000	RM'000	RM'000	RM'000	RM'000
PBT	4,016	3,144	8,195	4,103	5,415
Less:-					
Finance income	(93)	(12)	(25)	(13)	(24)
Add:-					
Finance costs	354	270	470	97	425
Depreciation of property, plant and equipment	518	541	593	274	318
Amortisation of rights-of-use assets	201	187	194	92	53
EBITDA	4,996	4,130	9,427	4,553	6,187

*2 Comprising 40 ordinary shares.

*3 The EPS of the Company for the FYE 31 December 2020 is calculated as if the Restructuring Exercise (as defined below) had occurred before the start of the FYE 31 December 2020.

In conjunction with the Company's listing on the LEAP Market of Bursa Securities on 29 October 2021, the following listing scheme was undertaken by the Company:-

- i. On 12 April 2021, the Company entered into a conditional share sale agreement to acquire the entire issued share capital of Steel Hawk Engineering Sdn Bhd ("**SHESB**") from the shareholders of SHESB for a purchase consideration of RM4,607,999. The said purchase consideration was fully satisfied by the issuance of 143,999,960 new ordinary shares at an issue price of RM0.032 per Share to the shareholders of SHESB ("**Acquisition of SHESB**"); and
- ii. On 25 October 2021, the Company issued 16,000,000 new Shares at the issue price of RM0.20 per Share, amounting to RM3,200,000 by way of private placement to selected Sophisticated Investors ("**Private Placement**").

(The Acquisition of SHESB and Private Placement are collectively referred to as the "**Restructuring Exercise**")

*4 Computed based on GP divided by revenue for the respective financial years/ period.

*5 Computed based on EBITDA divided by revenue for the respective financial years/ period.

*6 Computed based on PBT divided by revenue for the respective financial years/ period.

*7 Computed based on PAT divided by revenue for the respective financial years/ period.

There were no shares of profit/ loss from associates and joint ventures companies as Steel Hawk does not have any associates and joint ventures companies. There was no profit/ loss attributable to non-controlling interest as all subsidiaries are wholly owned by Steel Hawk.

Financial analysis and commentary:-

FYE 31 December 2021

For the FYE 31 December 2021, the Group recorded a revenue of RM24.85 million, which represents an increase of revenue of RM4.98 million or 25.06% as compared to the revenue for the preceding year of RM19.87 million. The increase in revenue was mainly due to the increase in revenue for the Group's EPCC services and facilities improvement/ maintenance segment of RM6.29 million to RM18.24 million in the FYE 31 December 2021 (FYE 31 December 2020: RM11.95 million), as there was an increase in work orders from facility improvement projects (FIP) that were secured by the Group following the recovery from the COVID-19 pandemic.

The Group recorded a gross profit of RM10.82 million in the FYE 31 December 2021, which represents an increase in gross profit of RM0.75 million or 7.45% as compared to the gross profit for the preceding year of RM10.07 million, in tandem with the revenue growth for the FYE 31 December 2021.

The Group recorded a PBT of RM3.14 million in the FYE 31 December 2021, which represents a decrease of RM0.88 million or 21.89% as compared to the PBT for the preceding year of RM4.02 million, mainly due to higher administrative expenses in the FYE 31 December 2021 that was mainly attributable to expenses incurred for the listing of the Group on the LEAP Market of Bursa Securities.

FYE 31 December 2022

For the FYE 31 December 2022, the Group recorded a revenue of RM66.33 million, which represents an increase of revenue of RM41.48 million or more than 166.92% as compared to the revenue for the preceding year of RM24.85 million. The increase in revenue was mainly due to the increase in revenue for the Group's EPCC services and facilities improvement/ maintenance segment of RM39.55 million to RM57.79 million in the FYE 31 December 2022 (FYE 31 December 2021: RM18.24 million). The increase in revenue from this segment was primarily attributable to the Group securing a new customer during the year, in which this particular customer had contributed to RM25.00 million in revenue to the Group.

The Group recorded a gross profit of RM15.08 million in the FYE 31 December 2022, which represents an increase in gross profit of RM4.26 million or 39.37% as compared to the gross profit for the preceding year of RM10.82 million, in tandem with the revenue growth for the FYE 31 December 2022.

The Group recorded a PBT of RM8.20 million in the FYE 31 December 2022, which represents an increase of RM5.06 million or more than 161.15% as compared to the PBT for the preceding year of RM3.14 million, mainly due to the increase in revenue as explained above.

FPE 30 June 2023

For the FPE 30 June 2023, the Group recorded a revenue of RM32.18 million, which represents an increase of revenue of RM6.80 million or 26.79% as compared to the revenue for the preceding period of RM25.38 million. The increase in revenue was mainly due to the increase in revenue for the Group's EPCC services and facilities improvement/ maintenance segment of RM11.70 million to RM29.23 million in the FPE 30 June 2023 (FPE 30 June 2022: RM17.53 million), due to the following:-

- i. higher work orders secured for one of the Group's on-going contracts. This contract was initially delayed due to the COVID-19 pandemic, causing a backlog of work orders from these customers. However, with the recovery from the pandemic and the resumption of regular operations at the customers' facilities, the Group had to carry out the regular improvement and maintenance works coupled with such work orders which had previously been delayed due to the abovementioned reason in the FPE 30 June 2023. As a result, the Group managed to recognise higher revenue in the FPE 30 June 2023 as compared to preceding period; and
- ii. higher revenue recognition for one of the Group's on-going contract with a total contract value of RM51.40 million. As this contract was secured by the Group in May 2022, the Group did not recognise any revenue from this contract in the FPE 2022.

The Group recorded a gross profit of RM8.74 million in the FPE 30 June 2023, which represents an increase in gross profit of RM1.48 million or 20.39% as compared to the gross profit for the preceding period of RM7.26 million, in tandem with the revenue growth for the FPE 30 June 2023.

The Group recorded a PBT of RM5.42 million in the FPE 30 June 2023, which represents an increase of RM1.32 million or 32.20% as compared to the PBT for the preceding period of RM4.10 million, mainly due to the increase in revenue as explained above.



STEEL HAWK BERHAD

Registration No. 202001043293 (1399614-A)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("**EGM**") of Steel Hawk Berhad ("**Steel Hawk**" or the "**Company**") will be held via Online Meeting Platform provided by Tricor Investor & Issuing House Services Sdn Bhd ("**Tricor**") in Malaysia via Tricor's TIIH Online website at <https://tiih.online> on Monday, 22 January 2024 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 any modifications:-

ORDINARY RESOLUTION 1

PROPOSED BONUS ISSUE OF 240,000,000 NEW ORDINARY SHARES IN STEEL HAWK ("STEEL HAWK SHARE(S)" OR "SHARE(S)") ("BONUS SHARE(S)") ON THE BASIS OF 3 BONUS SHARES FOR EVERY 2 EXISTING STEEL HAWK SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER ("PROPOSED BONUS ISSUE")

"THAT subject to the approvals being obtained from all relevant authorities and parties (if required) including the approval from Bursa Malaysia Securities Berhad ("**Bursa Securities**") for the listing of and quotation for 240,000,000 Bonus Shares on the LEAP Market of Bursa Securities, approval be and is hereby given to the Board of Directors of the Company ("**Board**") to issue 240,000,000 Bonus Shares on the basis of 3 Bonus Shares for every 2 existing Steel Hawk Shares held by the entitled shareholders of the Company whose names appear in the Record of Depositors of the Company as at the close of business at 5.00 p.m. on the entitlement date to be determined and announced later by the Board;

THAT the Board be and is hereby authorised to allot and issue the Bonus Shares in respect of the Proposed Bonus Issue as fully paid, at nil consideration and without capitalisation of the Company's reserves;

THAT the Bonus Shares will, upon allotment and issuance, rank equally in all respects with the then existing Steel Hawk Shares, save and except that the Bonus Shares will not be entitled to any dividends, rights, allotments and/ or other forms of distribution that may be declared, made or paid to the shareholders, the entitlement of which is prior to the date of allotment and issuance of the Bonus Shares;

AND THAT the Board be and is hereby authorised and empowered to do or procure to be done all such acts, deeds and things and to execute, sign and deliver, on behalf of the Company, all such documents to give effect to and complete the Proposed Bonus Issue with full power to assent to any conditions, variations, modifications and/ or amendments as may be required or imposed by any relevant authorities and/ or parties and as the Board may deem necessary and expedient to finalise, implement and give full effect to the Proposed Bonus Issue."

ORDINARY RESOLUTION 2

PROPOSED VOLUNTARY WITHDRAWAL OF LISTING OF STEEL HAWK FROM THE LEAP MARKET OF BURSA SECURITIES PURSUANT TO RULES 8.05 AND 8.06 OF THE LEAP MARKET LISTING REQUIREMENTS OF BURSA SECURITIES ("PROPOSED WITHDRAWAL")

"**THAT** subject to the passing of Ordinary Resolution 1, Ordinary Resolution 3 and the Special Resolution and the approval being obtained from the relevant authorities for the withdrawal of the listing of Steel Hawk from the LEAP Market of Bursa Securities, approval be and is hereby given for the Company to withdraw its listing status from the LEAP Market of Bursa Securities pursuant to the Proposed Withdrawal as set out in **Section 3.1** of the Circular to shareholders of Steel Hawk dated 29 December 2023;

AND THAT the Board be and are hereby authorised to act for and on behalf of the Company, to take all such steps and execute all necessary documents to complete the Proposed Withdrawal with full powers to give effect or assent to any conditions, modifications, variations and/ or amendments as may be required by the relevant authorities or parties or otherwise deemed by the Board to be in the best interests of the Company."

ORDINARY RESOLUTION 3

PROPOSED LISTING OF STEEL HAWK ON THE ACE MARKET OF BURSA SECURITIES PURSUANT TO RULES 3A.02(1) AND 3A.02(2) OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES ("PROPOSED LISTING")

"**THAT** subject to the passing of Ordinary Resolution 1, Ordinary Resolution 2 and the Special Resolution and the approval being obtained from the relevant authorities for the listing of and quotation for the entire enlarged issued share capital of Steel Hawk on the ACE Market of Bursa Securities, approval be and is hereby given for the Company to list the entire enlarged share capital of Steel Hawk on the ACE Market of Bursa Securities pursuant to the Proposed Listing as set out in **Section 3.2** of the Circular to shareholders of Steel Hawk dated 29 December 2023;

THAT the Board be and are hereby authorised to act for and on behalf of the Company, to take all such steps and execute all necessary documents to complete the Proposed Listing with full powers to give effect or assent to any conditions, modifications, variations and/ or amendments as may be required by the relevant authorities or parties or otherwise deemed by the Board to be in the best interests of the Company;

AND THAT pursuant to Section 85 of the Companies Act, 2016 ("**Act**") read together with Clause 12(3) of the Constitution of the Company, the shareholders of the Company do hereby waive their pre-emptive rights to be offered new Steel Hawk Shares ranking equally to the existing issued Steel Hawk Shares arising from the issuance of Steel Hawk Shares pursuant to the Proposed Listing."

ORDINARY RESOLUTION 4

PROPOSED ALLOCATION OF NEW STEEL HAWK SHARES TO TAN SRI ACRYL SANI BIN ABDULLAH SANI

"**THAT** subject to the passing of Ordinary Resolution 1, Ordinary Resolution 2, Ordinary Resolution 3 and the Special Resolution and subject to the approval and in compliance with any conditions as may be imposed by the relevant authorities, approval be and is hereby given for the Company to allocate up to 1,000,000 new Steel Hawk Shares to Tan Sri Acryl Sani Bin Abdullah Sani, Independent Non-Executive Chairman of the Company;

AND THAT the Board be and are hereby authorised to give full effect to the proposed allocation of up to 1,000,000 new Steel Hawk Shares to Tan Sri Acryl Sani Bin Abdullah Sani with full powers to assent to any conditions, modifications, variations and/ or amendments as may be required by the relevant authorities or parties or otherwise deemed by the Board to be in the best interests of the Company."

ORDINARY RESOLUTION 5

PROPOSED ALLOCATION OF NEW STEEL HAWK SHARES TO HASLINDA BINTI HUSSEIN

"**THAT** subject to the passing of Ordinary Resolution 1, Ordinary Resolution 2, Ordinary Resolution 3 and the Special Resolution and subject to the approval and in compliance with any conditions as may be imposed by the relevant authorities, approval be and is hereby given for the Company to allocate up to 300,000 new Steel Hawk Shares to Haslinda Binti Hussein, Independent Non-Executive Director of the Company;

AND THAT the Board be and are hereby authorised to give full effect to the proposed allocation of up to 300,000 new Steel Hawk Shares to Haslinda Binti Hussein with full powers to assent to any conditions, modifications, variations and/ or amendments as may be required by the relevant authorities or parties or otherwise deemed by the Board to be in the best interests of the Company."

ORDINARY RESOLUTION 6

PROPOSED ALLOCATION OF NEW STEEL HAWK SHARES TO Y.M TENGKU SAIFAN RAFHAN BIN TENGKU PUTRA

"**THAT** subject to the passing of Ordinary Resolution 1, Ordinary Resolution 2, Ordinary Resolution 3 and the Special Resolution and subject to the approval and in compliance with any conditions as may be imposed by the relevant authorities, approval be and is hereby given for the Company to allocate up to 300,000 new Steel Hawk Shares to Y.M Tengku Saifan Rafhan Bin Tengku Putra, Independent Non-Executive Director of the Company;

AND THAT the Board be and are hereby authorised to give full effect to the proposed allocation of up to 300,000 new Steel Hawk Shares to Y.M Tengku Saifan Rafhan Bin Tengku Putra with full powers to assent to any conditions, modifications, variations and/ or amendments as may be required by the relevant authorities or parties or otherwise deemed by the Board to be in the best interests of the Company."

ORDINARY RESOLUTION 7

PROPOSED ALLOCATION OF NEW STEEL HAWK SHARES TO ZARINER BINTI ISMAIL

"**THAT** subject to the passing of Ordinary Resolution 1, Ordinary Resolution 2, Ordinary Resolution 3 and the Special Resolution and subject to the approval and in compliance with any conditions as may be imposed by the relevant authorities, approval be and is hereby given for the Company to allocate up to 300,000 new Steel Hawk Shares to Zariner Binti Ismail, Independent Non-Executive Director of the Company;

AND THAT the Board be and are hereby authorised to give full effect to the proposed allocation of up to 300,000 new Steel Hawk Shares to Zariner Binti Ismail with full powers to assent to any conditions, modifications, variations and/ or amendments as may be required by the relevant authorities or parties or otherwise deemed by the Board to be in the best interests of the Company."

SPECIAL RESOLUTION

PROPOSED ADOPTION OF A NEW CONSTITUTION OF THE COMPANY ("PROPOSED ADOPTION")

"**THAT** subject to the passing of Ordinary Resolution 1, Ordinary Resolution 2 and Ordinary Resolution 3 and the approval being obtained from the relevant authorities for the Proposed Withdrawal and Proposed Listing, approval be and is hereby given for the Company to revoke the existing Constitution of the Company in its entirety with effect from the date of listing of Steel Hawk on the ACE Market of Bursa Securities and in place thereof, the proposed new Constitution of the Company as set out in **Appendix I** of the Circular to shareholders of Steel Hawk dated 29 December 2023 be and is hereby adopted as the Constitution of the Company.

AND THAT the Board be and are hereby authorised to act for and on behalf of the Company, to take all such steps and execute all necessary documents to complete the Proposed Adoption with full powers to give effect or assent to any conditions, modifications, variations and/ or amendments as may be required by the relevant authorities or parties or otherwise deemed by the Board to be in the best interests of the Company."

By Order of the Board

REBECCA KONG SAY TSUI (MAICSA 7039304)

(SSM PC NO. 202008001003)

YAP SIEK LEE (MAICSA 7049598)

(SSM PC NO. 201908002140)

Company Secretaries

Kuala Lumpur, Malaysia

Dated: 29 December 2023

Notes:-

1. A Member of the Company entitled to attend and vote at the meeting is entitled to appoint proxy(ies) or in the case of a corporation, to appoint representative(s) to attend and vote in his place. A proxy may but need not be a Member of the Company.
2. A Member shall appoint not more than two (2) proxies to attend and vote at the meeting.
3. Where a Member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
4. Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. Where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. A proxy appointed shall exercise all or any of his rights to attend, participate, speak and vote at a meeting of the Company.
6. The Proxy Form must be signed by the appointor or his attorney duly authorised in writing or if the appointor is a corporation either under common seal or under the hand of an attorney or an officer duly authorised.
7. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the EGM or adjourned general meeting at which the person named in the appointment proposes to vote:
 - (i) In hard copy form, in the case of an appointment made in hard copy form, the Proxy Form duly completed must be deposited at the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd situated at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.
 - (ii) By electronic means, the Proxy Form duly completed can be electronically lodged via Tricor's TIH Online website at <https://tiah.online> or email to sakila@my.tricorglobal.com or fax to +603-2783 9277.
8. For the purpose of determining a Member who shall be entitled to attend and vote at the meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company a Record of Depositors as at 15 January 2024 and only a depositor whose name appears on the Record of Depositors shall be entitled to attend the meeting or appoint proxies to attend and vote in his stead.

EXPLANATORY NOTE:-**SPECIAL RESOLUTION – PROPOSED ADOPTION OF A NEW CONSTITUTION OF THE COMPANY**

The proposed Special Resolution, if passed, will streamline the Company's existing Constitution with the ACE Market Listing Requirements of Bursa Securities and other the prevailing statutory and regulatory requirements, while facilitating the implementation of the transfer of the listing of and quotation for the Company's entire issued share capital from the LEAP Market to the ACE Market of Bursa Securities. The proposed new Constitution of the Company is set out in **Appendix I** of the Circular to shareholders of Steel Hawk dated 29 December 2023.



STEEL HAWK BERHAD

Registration No. 202001043293 (1399614-A)
(Incorporated in Malaysia)

PROXY FORM

CDS Account No.

No. of shares held

I/We _____ Tel: _____
of _____
[Full name in block, NRIC/Passport/Company No.]

being member(s) of **STEEL HAWK BERHAD**, hereby appoint:

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and / or* (*delete as appropriate)

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him, the Chairperson of the Meeting, as my/our proxy to vote for me/us and on my/our behalf at the Extraordinary General Meeting ("**EGM**") of the Company to be held via Online Meeting Platform provided by Tricor Investor & Issuing House Services Sdn Bhd ("**Tricor**") in Malaysia via Tricor's TIH Online website at <https://tjih.online>, on Monday, 22 January 2024 at 10.00 a.m. or any adjournment thereof, and to vote as indicated below:

Resolution	Description of Resolution	For	Against
Ordinary Resolution 1	Proposed Bonus Issue		
Ordinary Resolution 2	Proposed Withdrawal		
Ordinary Resolution 3	Proposed Listing		
Ordinary Resolution 4	Proposed Allocation of new Steel Hawk Shares to Tan Sri Acryl Sani Bin Abdullah Sani		
Ordinary Resolution 5	Proposed Allocation of new Steel Hawk Shares to Haslinda Binti Hussein		
Ordinary Resolution 6	Proposed Allocation of new Steel Hawk Shares to Y.M Tengku Saifan Rafhan Bin Tengku Putra		
Ordinary Resolution 7	Proposed Allocation of new Steel Hawk Shares to Zariner Binti Ismail		
Special Resolution	Proposed Adoption		

Please indicate with an "**X**" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.



Signed this day of

Signature and/ or Common Seal*

Member

* *Manner of execution:*

- (a) *If you are an individual member, please sign where indicated.*
- (b) *If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.*
- (c) *If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:*
 - (i) *at least two (2) authorised officers, of whom one shall be a director; or*
 - (ii) *any director and/ or authorised officers in accordance with the laws of the country under which your corporation is incorporated.*

Notes:

1. *A Member of the Company entitled to attend and vote at the meeting is entitled to appoint proxy(ies) or in the case of a corporation, to appoint representative(s) to attend and vote in his place. A proxy may but need not be a Member of the Company.*
2. *A Member shall appoint not more than two (2) proxies to attend and vote at the meeting.*
3. *Where a Member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.*
4. *Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
5. *Where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. A proxy appointed shall exercise all or any of his rights to attend, participate, speak and vote at a meeting of the Company.*
6. *The Proxy Form must be signed by the appointor or his attorney duly authorised in writing or if the appointor is a corporation either under common seal or under the hand of an attorney or an officer duly authorised.*
7. *The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the EGM or adjourned general meeting at which the person named in the appointment proposes to vote:*
 - (i) *In hard copy form, in the case of an appointment made in hard copy form, the Proxy Form duly completed must be deposited at the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd situated at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.*

(ii) By electronic means, the Proxy Form duly completed can be electronically lodged via Tricor's TIIH Online website at <https://tiih.online> or email to sakila@my.tricorglobal.com or fax to +603-2783 9277.

8. For the purpose of determining a Member who shall be entitled to attend and vote at the meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company a Record of Depositors as at 15 January 2024 and only a depositor whose name appears on the Record of Depositors shall be entitled to attend the meeting or appoint proxies to attend and vote in his stead.

Personal Data Privacy

By submitting the duly executed proxy form, the member and his/her proxy consent to the Company and/ or its agents/service providers to collect, use and disclose the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the EGM of the Company and any adjournment thereof.

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AFFIX
STAMP

STEEL HAWK BERHAD

Registration No. 202001043293 (1399614-A)

The Share Registrar
c/o Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32,
Tower A, Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
W.P. Kuala Lumpur
Malaysia

2nd Fold Here

Fold This Flap For Sealing

