

STEEL HAWK BERHAD ("STEEL HAWK" OR THE "COMPANY")
REGISTRATION NO.: 202001043293 (1399614-A)
RE: LETTER OF AWARD AWARDED BY SIGMA WATER ENGINEERING (M) SDN BHD TO STEEL HAWK ENGINEERING SDN BHD, A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY

1. INTRODUCTION

The Board of Directors of Steel Hawk ("**Board**") is pleased to announce that Steel Hawk Engineering Sdn Bhd ("**SHESB**"), a wholly-owned subsidiary of Steel Hawk, had on 20 June 2022 accepted the letter of award ("**LOA**") dated 17 June 2022 awarded by Sigma Water Engineering (M) Sdn Bhd ("**SIGMA**") in relation to provision of the Design, Supply, Manufacture and Delivery of Chemical Injection Skid for Effluent Management At Source ("**EMAS**") Project at Malaysian Refining Company Sdn. Bhd. ("**MRCSB**") in Sungai Udang, Melaka.

The Company had on 20 June 2022 obtained the consent from SIGMA to release the announcement pertaining to the LOA.

2. INFORMATION OF SIGMA

SIGMA is a company incorporated in Malaysia and is involved in water and wastewater treatment. SIGMA is currently based in Selangor and it serves as the Middle East and Asia regional headquarters for its parent company, Gradiant International Holdings Pte Ltd.

3. SALIENT TERMS OF THE LOA

- (i) The scope of work includes the Supply of 9 Chemical Injection Skids ("**Supply**").
- (ii) The contract price is RM2,000,000.
- (iii) The effective date shall be the date of the LOA, and shall be valid until the completion of the Supply by 25 December 2022 and the fulfilment of all SHESB's obligations.

4. RISK FACTORS

There are no foreseeable significant risks other than operational risk associated with the Supply during the duration of the Supply.

5. FINANCIAL EFFECTS

The LOA will not have any material effect on the issued and paid-up share capital, substantial shareholders' shareholdings, earnings, earnings per share ("**EPS**"), net assets per share and gearing of Steel Hawk and its subsidiary ("**Steel Hawk Group**"). Barring unforeseen circumstances, the Board is of the opinion that the Supply is expected to contribute positively to the earnings and EPS of the Steel Hawk Group in the future.

6. APPROVALS REQUIRED

The LOA is being entered into in the ordinary course of business of Steel Hawk and is not subject to the approval of shareholders.

7. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of the Directors and/or major shareholders of Steel Hawk and/or persons connected with them have any interest, direct or indirect, in the LOA.

8. STATEMENT BY DIRECTORS

The Board, after having considered all aspects of the LOA, is of the opinion that the LOA is in the best interest of Steel Hawk Group.

This announcement is dated 20 June 2022.