

4. DETAILS OF OUR IPO (CONT'D)

- (ii) our pro forma NA per Share of approximately RM0.07, computed based on our Group's pro forma NA of RM35.95 million as at 31 March 2024 after taking into consideration the IPO and utilisation of proceeds and our enlarged issued share capital of 490,000,000 Shares;
- (iii) our competitive advantages and key strengths as set out in **Section 7.3** of this Prospectus; and
- (iv) our business plans and strategies as set out in **Section 7.4** of this Prospectus.

You should also note that the market price of our Shares upon and subsequent to our Listing is subject to market forces and other uncertainties, which may affect the trading price of our Shares. You are reminded to consider the risk factors set out in Section 9 of this Prospectus before deciding to invest in our Shares.

4.4 DILUTION

Dilution is computed as the difference between our IPO Price to be paid by you for our Issue Shares and the pro forma NA per Share of our Group immediately after our IPO. The following table illustrates the effect of our Group's pro forma NA on a per Share basis:

	Details	RM
IPO Price	(A)	0.15
Pro forma NA per Share as at 31 March 2024 after the Bonus Issue (before our Public Issue)	(B)	0.06
Pro forma NA per Share after our Public Issue and utilisation of IPO proceeds (based on the enlarged issued share capital of 490,000,000 Shares)	(C)	0.07
Increase in pro forma NA per Share attributable to the existing shareholders	(C) – (B)	0.01
Dilution in pro forma NA per Share to new investors	(A) – (C)	0.08
Dilution in pro forma NA per Share to new investors as a percentage of the IPO Price	(A – C)/(A)	53.33%

4. DETAILS OF OUR IPO (CONT'D)

Save as disclosed below, there has been no direct acquisition and / or dealing of any existing Shares in our Company by our Directors (including Independent Non-Executive Directors), Key Senior Management, substantial shareholders or persons connected with them (assuming full subscription under the Pink Form Allocation), or in which they have the right to acquire since the incorporation of our Company up to the date of this Prospectus:

	No. of Shares before our IPO ⁽¹⁾	No. of Shares from our IPO ⁽²⁾	Total consideration	Effective cash cost per Share
			RM	RM
<u>Promoters and substantial shareholders</u>				
Dato' Sharman	88,399,950	-	2,235,519	0.03
Radiant Capital	183,600,050	-	2,350,080	0.01
Datin Annie A/P V Sinniah	40,000,000	8,951,000	1,342,650	0.03
<u>Key Senior Management</u>				
Vinthra A/P Vijayakumar	-	100,000	15,000	0.15
<u>Independent Non-Executive Directors</u>				
Tan Sri Acryl Sani Bin Abdullah Sani	-	1,000,000	150,000	0.15
Haslinda Binti Hussein	-	300,000	45,000	0.15
Y.M. Tengku Saifan Rafhan Bin Tengku Putra	-	300,000	45,000	0.15
Zariner Binti Ismail	-	300,000	45,000	0.15

4. DETAILS OF OUR IPO (CONT'D)**Notes:**

- (1) Further details on the dealing of Shares by Dato' Sharman, Radiant Capital and Datin Annie A/P V Sinniah since the incorporation of our Company up to the date of this Prospectus are as follows:

(a) Dato' Sharman

Date	Details of transaction	Number of Shares acquired/ (disposed)	Consideration
			RM
9 June 2021	Consideration shares received for the Acquisition of Steel Hawk Engineering	70,559,980	2,257,919
26 June 2023	Disposal of Shares via open market transaction	(35,200,000)	(4,822,400)
6 July 2023	Acquisition of Shares via open market transaction	16,000,000	4,800,000
20 September 2023	Transfer of Shares to Datin Annie A/P V Sinniah	(16,000,000)	-
8 March 2024	Bonus Issue of Shares	53,039,970	-
Total		88,399,950	2,235,519

(b) Radiant Capital

Date	Details of transaction	Number of Shares acquired	Consideration
			RM
2 June 2021	Acquisition of 20 Shares from Salimi Bin Khairuddin	20	1
2 June 2021	Acquisition of 20 Shares from Khairul Nazri Bin Kamarudin	20	1
9 June 2021	Consideration shares received for the Acquisition of Steel Hawk Engineering	73,439,980	2,350,080
8 March 2024	Bonus Issue of Shares	110,160,030	-
Total		183,600,050	2,350,082

4. DETAILS OF OUR IPO (CONT'D)

(c) **Datin Annie A/P V Sinniah**

Date	Details of transaction	Number of Shares acquired	Consideration
			RM
20 September 2023	Transfer of Shares from Dato' Sharman without any consideration	16,000,000	-
8 March 2024	Bonus Issue of Shares	24,000,000	-
Total		40,000,000	-

- (2) Assuming all the Pink Form Shares are fully subscribed. Please refer to Section 4.1.1(ii) of this Prospectus for further details on the Pink Form Allocation to our eligible Directors and Key Senior Management.

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4. DETAILS OF OUR IPO (CONT'D)

4.5 UTILISATION OF PROCEEDS FROM OUR IPO

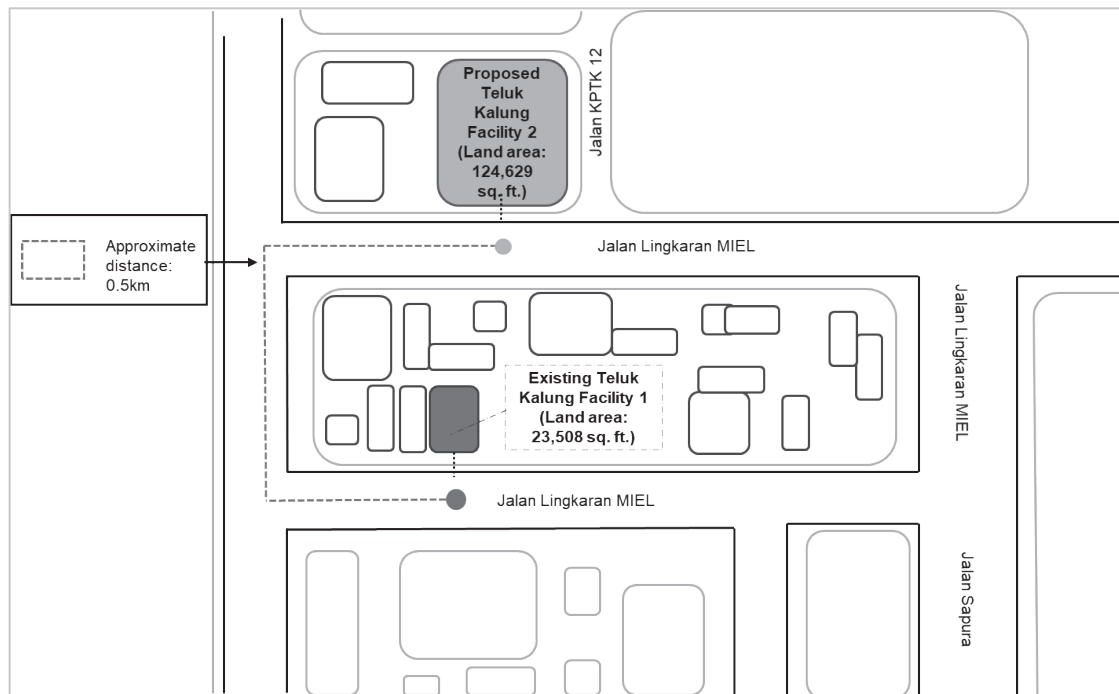
Based on the IPO Price, the gross proceeds of RM13.50 million will be raised from our Public Issue. The gross proceeds raised are intended to be used in the following manner:

Details of utilisation	Section	Gross proceeds		Estimated timeframe for utilisation upon Listing
		RM'000	%	
Construction of the Proposed Teluk Kalung Facility 2	4.5.1	7,000	51.85	Within 24 months
Working capital	4.5.2	2,000	14.81	Within 18 months
Repayment of bank borrowings	4.5.3	1,000	7.41	Within 6 months
Estimated expenses for the Transfer	4.5.4	3,500	25.93	Within 3 months
Total		13,500	100.00	

Further information on the use of proceeds from our IPO is as follows:

4.5.1 Construction of the Proposed Teluk Kalung Facility 2

The location map of the Existing Teluk Kalung Facility 1 and the Proposed Teluk Kalung Facility 2 (to be constructed on the Teluk Kalung Land) are set out below:



4. DETAILS OF OUR IPO (CONT'D)

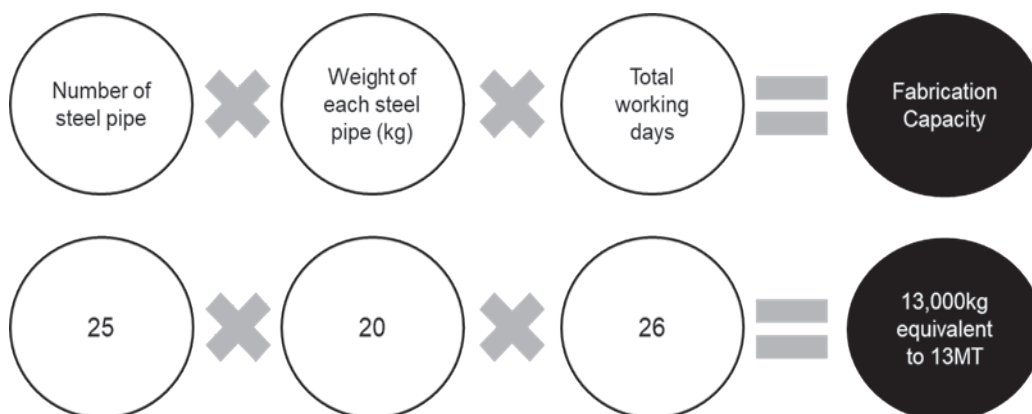
Existing Teluk Kalung Facility 1

As at the LPD, our Group’s business operations are mainly carried out at the Existing Teluk Kalung Facility 1 located at Teluk Kalung, Kemaman, Terengganu, which has a total land area and gross built-up area of approximately 23,508 sq. ft. and 7,609 sq. ft., respectively. The Existing Teluk Kalung Facility 1 enables us to carry out the fabrication of chemical injection skids, pipes, tubing and fittings in-house to support our main business segment, namely EPCC services and facilities improvement / maintenance operations (save for the fabrication of large structures exceeding 6 meters, e.g I-beam and metal plates which are outsourced to third party contractors). We also undertake the assembly of fire rated doors at the Existing Teluk Kalung Facility 1 which are then installed at our customers’ facilities.

Currently, the fabrication capacity of the Existing Teluk Kalung Facility 1 is approximately 13MT per month⁽¹⁾. After taking into consideration the increasing revenue contribution from our Group’s EPCC services and facilities improvement / maintenance business segment and the positive industry outlook as set out in **Section 8**, "IMR Report", our Group anticipates that our fabrication activities will further increase in tandem with the anticipated increase in spending on EPCC services in the O&G industry. Accordingly, we intend to construct the Proposed Teluk Kalung Facility 2 on part of the Teluk Kalung Land in order to expand our fabrication capacity to approximately 65MT per month from our existing capacity of approximately 13MT per month, to cater for the expected increase in demand of our products and services, which require a larger production space and office space for future increase in work force.

Note:

- (1) Computed based on the fabrication of steel pipe (size: 3 inches x 6 meter) by applying the following formula:



Proposed Teluk Kalung Facility 2

On 1 October 2023, Steel Hawk Engineering had entered into a lease agreement with 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. Pursuant to the Lease Agreement, Steel Hawk Engineering shall pay to PMINT a total lease payment of RM1.53 million, of which RM0.31 million deposit payment (i.e. 20% of the total lease payment) has been paid on 11 October 2023, and the balance lease payment of RM1.22 million (i.e. 80% of the total lease payment) shall be paid 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. Steel Hawk Engineering has subsequently on 30 April 2024 paid the first instalment of RM407,560.35 to PMINT. For the avoidance of doubt, our Group and PMINT have yet to agree upon the exact terms of the optional extension, including the lease amount to be paid in relation to the optional extension of another 30 years to which the lease amount will only be determined based on the assessment and market leasing rate at a later point in time upon the extension of the lease period (i.e. year 2053).

4. DETAILS OF OUR IPO (CONT'D)

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

Description	RM'000
Construction of the Proposed Teluk Kalung Facility 2	
• 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
• Landscape and miscellaneous works	50
Total estimated cost	13,640

The aforementioned estimated costs shall be financed through a combination of proceeds from our Public Issue and internally generated funds. Our Group intends to allocate RM7.00 million representing approximately 51.85% of the gross proceeds from our Public Issue to partially finance the estimated 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. Additionally, our Group's audited cash and cash equivalents and borrowings stood at RM15.62 million and RM24.55 million, respectively as at 31 March 2024.

As at the LPD, we have obtained all the necessary approvals from the relevant authorities to commence 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:

Timeline	Details
Third quarter of 2024	<ul style="list-style-type: none"> • Appointment of third-party contractors and consultants • Commencement of construction
First quarter of 2026	<ul style="list-style-type: none"> • Completion of construction
Second quarter of 2026	<ul style="list-style-type: none"> • Certificate of Completion and Compliance obtained
Third quarter of 2026	<ul style="list-style-type: none"> • Commencement of operations

4. DETAILS OF OUR IPO (CONT'D)

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 our working capital (as elaborated in **Section 4.5.2** of this Prospectus). Further, in the event our Listing is deferred, we will fund the estimated costs of the Proposed Teluk Kalung Facility 2 through internally generated funds (i.e. our cash reserves and cash flow from operating activities). In the event our internally generated funds are insufficient to finance the entire costs of the Proposed Teluk Kalung Facility 2, our Group will then utilise our existing bank overdraft facility to bridge the remaining construction costs.

4.5.2 Working capital

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

Details	Description	RM'000
Purchase of raw materials	Purchase of piping, fittings and structures for our Group's EPCC and facilities improvements / maintenance services	2,000
Total		2,000

While pending utilisation of the proceeds to be raised from the Public Issue, we will place the proceeds 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 our Group.

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

4.5.3 Repayment of bank borrowings

As at the LPD, the total outstanding amount of our Group's borrowings stood at approximately RM27.60 million. We intend to allocate RM1.00 million to partially reduce our bank borrowing, the details of which are as set out below:

Banking Facility	Purpose	Interest rate	Maturity date	Balance as at the LPD	Proposed repayment	Annual interest saving
				RM'000	RM'000	RM'000
Term Loan from Koperasi Angkatan Tentera Malaysia Berhad	To finance working capital requirement	Fixed rate at 9.0%	1 November 2025	1,657	1,000	91

For the avoidance of doubt, our Group has decided to repay the abovementioned term loan from Koperasi Angkatan Tentera Malaysia Berhad instead of other outstanding banking facilities in view that this said term loan has the highest fixed interest rate of 9.00% per annum. Please refer to **Section 12.3.1** of this Prospectus for further details of our Group's total outstanding borrowings as at 31 March 2024.

4. DETAILS OF OUR IPO (CONT'D)

Further, a settlement of the banking facilities by our Company 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 our Group actual incidental costs and expenses incurred by the aforesaid financier due to the early settlement made by our Group. The amount payable by our Group in respect of such early settlement will be calculated based on the 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 loans per the table above, any surplus funds thereof will be allocated towards our working capital (as elaborated in **Section 4.5.2** of this Prospectus).

For the avoidance of doubt, there is no early settlement penalty to be imposed on our Group as a result of the early settlement made by us. However, there are incidental costs and expenses which are expected to be incurred for the settlement of the banking facility granted by Koperasi Angkatan Tentera Malaysia Berhad, which mainly comprise of legal fees and administrative expenses for documentation / discharge of the banking facility in facilitating the early settlement made by our Group, to be determined by the aforesaid financier at a later stage. Nevertheless, our Board is of the opinion that the aforesaid incidental costs and expenses payable to Koperasi Angkatan Tentera Malaysia Berhad are not expected to be material as compared to the interest savings of approximately RM0.09 million.

4.5.4 Estimated expenses for the Transfer

The estimated expenses for our Transfer to be borne by us are as set out below:

Description	RM'000
Professional fees for the Transfer ⁽¹⁾	2,600
Underwriting, placement and brokerage fees	330
Printing, advertising fees and other incidental charges relating to our Transfer	504
Fees payable to authorities	66
Total	3,500

Note:

- (1) Include professional fees for the Principal Adviser, Reporting Accountants, Solicitors, IMR, Issuing House and other professional advisers.

If our actual expenses are higher than the estimated expenses for the Transfer, the deficit will be funded out of the portion allocated for working capital. Conversely, if the actual expenses are lower than the estimated expenses for the Transfer, the excess will be utilised for the working capital requirements of our Group (as elaborated in **Section 4.5.2** of this Prospectus).

Pending the eventual utilisation of proceeds raised from the 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 our Group (as elaborated in **Section 4.5.2** of this Prospectus).

The Offer for Sale is expected to raise gross proceeds of approximately RM6.71 million. The entire proceeds of the Offer for Sale shall accrue entirely to the Offerors and no part of the proceeds will be received by our Company. The Offerors shall bear all expenses such as placement, management and miscellaneous fees relating to the Offer Shares estimated to be approximately RM0.13 million.

4. DETAILS OF OUR IPO (CONT'D)

4.6 BROKERAGE FEE, UNDERWRITING COMMISSION AND PLACEMENT FEE

4.6.1 Brokerage fee

We will bear the brokerage fees at the rate of 1.00% of the IPO Price in respect of all successful Applications which bear the stamp of UOBKH, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and / or the Issuing House.

4.6.2 Underwriting commission

UOBKH, as our Underwriter has agreed to underwrite 36,750,000 Issue Shares which are available for application by the Malaysian Public and Eligible Persons as set out in **Sections 4.1.1(i) and 4.1.1(ii)** of this Prospectus. We will pay our Underwriter an underwriting commission at the rate of 2.00% of the total value of the Issue Shares underwritten at the IPO Price.

4.6.3 Placement fee

UOBKH, as our Placement Agent, has agreed to place the 97,950,000 IPO Shares available under the placement to selected investors as set out in **Sections 4.1.1(iii) and 4.1.2** of this Prospectus respectively. Our Company and the Offerors will pay our Placement Agent a placement fee of up to 2.00% of the total value of the 97,950,000 IPO Shares placed out by the Placement Agent.

The placement fees to be incurred on the Offer for Sale will be fully borne by the Offerors.

4.7 SALIENT TERMS OF OUR UNDERWRITING AGREEMENT

We have entered into the Underwriting Agreement with the Underwriter to underwrite up to 36,750,000 Issue Shares ("**Underwritten Shares**") to be made available for application by the Malaysian Public and our Eligible Persons as set out in **Sections 4.1.1(i) and 4.1.1(ii)** of this Prospectus respectively, both of which are subject to clawback and reallocation provisions as set out in **Section 4.1.4** of this Prospectus.

Details of the underwriting commission are set out in **Section 4.6.2** of this Prospectus while the salient terms of the Underwriting Agreement are as follows:

- (i) the obligation of the Underwriter to underwrite the Underwritten Shares is conditional on, amongst others, the following:
 - (a) all necessary approvals, consents or exemptions required for our IPO and Listing being obtained and remaining in full force and effect and that all conditions to the approvals (except for any which can only be complied with after our IPO has been completed) have been complied with and such approvals have not been withdrawn;
 - (b) the Underwriter being satisfied that we have complied with, and that our IPO is in compliance with the CMSA, policies, guidelines and requirements of Bursa Securities, SC and all other applicable securities laws and regulations, including all revisions, amendments and/or supplements to it;
 - (c) there not having occurred on or prior to the closing date of our IPO ("**Closing Date**") any breach of and / or failure to perform any of our undertakings contained in the Underwriting Agreement;

4. DETAILS OF OUR IPO (CONT'D)

- (d) there not being any investigation, directions or actions by any judicial, governmental or regulatory authority in relation to our Listing or in connection with our Group which is still subsisting or unresolved to the satisfaction of the Underwriter; and
 - (e) there having been, as at the Closing Date, no registration or lodgement of any supplementary or replacement to the Prospectus with the SC or the CCM without the prior written approval of the Underwriter; and
- (ii) notwithstanding anything contained in the Underwriting Agreement, the Underwriter may terminate the Underwriting Agreement and withdraw its underwriting commitment upon the occurrence of any of the following:
- (a) there is any breach by our Company of any of the representations, warranties or undertakings contained in the Underwriting Agreement or which is contained in any certificate, statement or notice under or in connection with the Underwriting Agreement, which is not capable of remedy or, if capable of remedy, is not remedied to the satisfaction of the Underwriter within such number of days as stipulated within the notice after notice of such breach has been given to our Company or by the Closing Date, whichever is earlier;
 - (b) there is failure on the part of our Company to perform any of its obligations contained in the Underwriting Agreement;
 - (c) there is withholding of information from the Underwriter which is required to be disclosed pursuant to the Underwriting Agreement which, in the opinion of the Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group, the success of our IPO, or the distribution or sale of the Shares issued or offered under our IPO, and if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such breach has been given to us;
 - (d) there shall have occurred, or happened any material and adverse change in the business or financial condition of our Group;
 - (e) the closing date of the application of our IPO Shares does not occur within 3 months from the date of the Underwriting Agreement ("**Agreement Date**"), subject to the extension of the Closing Date which is approved by the Underwriter;
 - (f) our Listing does not take place by 5 September 2024 or such other extended date as may be agreed in writing by the Underwriter;
 - (g) the occurrence of any force majeure event including, but not limited to any event or series of events beyond the reasonable control of the Underwriter including (without limitation) acts of government, acts of God (including, without limitation, the occurrence of a tsunami and/or earthquakes), acts of terrorism, strikes, national disorder, declaration of a state of emergency, lock outs, fire, explosion, flooding, landslide, civil commotion, sabotage, acts of war, diseases or accidents which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance with its terms or which prevents the processing of applications and / or payments pursuant to our IPO or pursuant to the underwriting of the Underwritten Shares;

4. DETAILS OF OUR IPO (CONT'D)

- (h) any material adverse change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or currency exchange rates or the occurrence of any combination of any of the foregoing which have or is likely to have a material adverse effect on the value or price of our IPO Shares. For the avoidance of doubt, any material adverse change in financial conditions as stated herein shall include stock market conditions and interest rates. For this purpose, a material adverse change in the stock market condition shall mean the FTSE Bursa Malaysia KLCI ("**Index**") has dropped 15.00% between the Index level on the Agreement Date and the Closing Date (both dates inclusive) at any point in time during the Agreement Date and the Closing Date;
- (i) any new law or change in law, regulation, directive, policy or ruling in any jurisdiction, interpretation or application by the court / authorities which has / likely to have material adverse effect on our Group and / or materially prejudice the business or the operations of our Group, the success of our IPO or the listing of our Company on the ACE Market or the conditions generally or which has or is likely to have the effect of making the Underwriting Agreement incapable of performance in accordance with its terms;
- (j) any imposition of moratorium, suspension or material restriction on the trading of securities on Bursa Securities due to exceptional financial circumstances or otherwise;
- (k) any government requisition or occurrence of any other nature which materially and adversely affect or will materially or adversely affect the business, operations and / or financial position or prospects of our Group or the success of our IPO;
- (l) in the event that our Listing is withdrawn;
- (m) any of the resolutions or approvals for our IPO and Listing is revoked, suspended or ceased to have any effect whatsoever, or is varied or supplemented upon terms that would have or are reasonably likely to have a material adverse effect;
- (n) any commencement of legal proceedings or action against any member of our Group or any of their directors, which in the opinion of the Underwriter, would have or is reasonably likely to have a material adverse effect or make it impracticable to market our IPO or to enforce contracts to allot and / or transfer our Shares;
- (o) any one of the Prospectus and Application Forms (i) having terminated or rescinded in accordance with its terms; (ii) ceased to have any effects whatsoever, or (iii) varies or supplemented upon terms and such variation or supplementation would have or likely to have a material adverse effect; or
- (p) any other event which, in the reasonable opinion of the Underwriter, would have or can reasonably be expected to have, a material adverse effect on, and / or materially prejudice the business or the operations of our Group, the success of our IPO, or the listing of our Company on the ACE Market or market conditions generally or which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoters and substantial shareholders' shareholdings

The details of our Promoters and substantial shareholders, their respective shareholdings in our Company before and after our IPO are as follows:

Name	Nationality / Country of incorporation	Before our IPO				After our IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾
<u>Promoters and substantial shareholders</u>									
Radiant Capital ⁽³⁾	Malaysia	183,600,050	45.90	-	-	178,349,000	36.40	-	-
Salimi Bin Khairuddin	Malaysian	-	-	183,600,050	45.90 ⁽⁴⁾	-	-	178,349,000	36.40 ⁽⁴⁾
Khairul Nazri Bin Kamarudin	Malaysian	-	-	183,600,050	45.90 ⁽⁴⁾	-	-	178,349,000	36.40 ⁽⁴⁾
Dato' Sharman	Malaysian	88,399,950	22.10	40,000,000	10.00 ⁽⁵⁾	48,951,000	9.99	48,951,000	9.99 ⁽⁵⁾
Datin Annie A/P V Sinniah	Malaysian	40,000,000	10.00	88,399,950	22.10 ⁽⁶⁾	48,951,000	9.99	48,951,000	9.99 ⁽⁶⁾

Notes:

- (1) Based on our issued share capital of 400,000,000 Shares before our IPO.
- (2) Based on our enlarged issued share capital of 490,000,000 Shares after our IPO.
- (3) Radiant Capital is held by Salimi Bin Khairuddin and Khairul Nazri Bin Kamarudin with equity interest of 61.00% and 39.00%, respectively.
- (4) Deemed interested by virtue of his direct shareholdings in Radiant Capital pursuant to Section 8 of the Act.
- (5) Deemed interested by virtue of his spouse's shareholdings in our Company pursuant to Section 8 of the Act.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(6) Deemed interested by virtue of her spouse's shareholdings in our Company pursuant to Section 8 of the Act.

Save for our Promoters and substantial shareholders named above, we are not aware of any other persons who are able to, directly or indirectly, jointly or severally, exercise control over our Company.

As at the LPD, the Shares held by our Promoters and substantial shareholders have the same voting rights and there is no arrangement between our Company and our shareholders with third parties, the operation of which may at a subsequent date result in a change of control of our Company.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.1.2 Profiles of Promoters and substantial shareholders

The profiles of our Promoters and substantial shareholders are as follows:

(i) **Radiant Capital**

Promoter and substantial shareholder

Radiant Capital was incorporated in Malaysia on 9 April 2021 under the Act as a private company limited by shares under the name of Radiant Capital Sdn Bhd (Registration No. 202101013134 (1413433-P)).

As at the LPD, the issued share capital of Radiant Capital is RM100 comprising 100 ordinary shares. The principal activity of Radiant Capital is investment holding in shares.

As at the LPD, the directors and shareholders and their respective shareholdings in Radiant Capital are as follows:

Directors and shareholders	Direct interest in Radiant Capital	
	No. of shares	%
Salimi Bin Khairuddin	61	61.00
Khairul Nazri Bin Kamarudin	39	39.00

(ii) **Dato' Sharman**

Promoter, substantial shareholder and Deputy Chairman / Executive Director

Dato' Sharman, a Malaysian aged 45, is our Promoter, substantial shareholder, Deputy Chairman and Executive Director.

He was appointed to our Board on 29 December 2020 and has been a Director of Steel Hawk Engineering since 3 October 2012. He is responsible for the overall strategic management of our Group, developing our business, overseeing and monitoring the progress of our onshore and offshore projects and coordinating with our project managers on project risk management, budget / cost controls and planning. He has approximately 20 years of experience in the O&G industry specifically in supplying oilfield equipment, parts and components as well as providing EPCC, installation and maintenance services for onshore and offshore facilities with knowledge in mechanical engineering, procurement and project management.

He attended St. Michael's Institution, Ipoh, until December 1996 and obtained his Malaysian Education Certificate (SPM). He went on to obtain a Malaysia Higher School Certificate (STPM) in December 1998 thereafter. Subsequently, he graduated from Universiti Sains Malaysia with a Bachelor of Engineering (Honours) (Aerospace Engineering) in August 2002. He was admitted as a Graduate of The Institution of Engineers, Malaysia in the Discipline of Aerospace in March 2017.

He began his career as an engineering lecturer with Prime College (currently known as SEGi College Subang Jaya) in January 2004 until June 2004, where he lectured engineering subjects for undergraduate engineering students.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

In July 2004, he incorporated SS Innovations Sdn Bhd and assumed the role of Managing Director and Chief Executive Officer where he was responsible for the overall strategic, operational and financial management of the company. SS Innovations Sdn Bhd was involved in the trading of automated packaging machinery as well as the supply of 2 types of oilfield equipment (i.e. helicopter refuelling system and carbon dioxide fire suppression systems) and had gradually reduced its business since September 2012 until it became dormant in 2019 and subsequently dissolved in September 2023.

As the business of SS Innovations Sdn Bhd expanded over the years from 2004 to 2012, Dato Sharman noticed that there had been an increasing demand for oilfield equipment in the O&G industry. Accordingly, with his engineering background and knowledge, he had then decided to pursue the O&G business, in particular to provide engineering services (on top of trading activities that SS Innovations Sdn Bhd was involved in) in the O&G industry. Further, Dato' Sharman had desired to undertake the O&G business via an incorporation of a new company (i.e. Steel Hawk Engineering) to focus purely on the O&G industry and carry out the said business in a cleaner structure.

Pursuant thereto, he incorporated Steel Hawk Engineering in October 2012 and assumed the role of Director / Chief Technical Officer, focusing his time and effort on the incorporation and growth of Steel Hawk Engineering. Dato' Sharman together with Salimi Bin Khairuddin and Khairul Nazri Bin Kamarudin have been the driving force for the overall business activities such as strategic planning and business development activities of Steel Hawk Engineering. He was subsequently promoted to Deputy Chairman of our Group in April 2022. The Deputy Chairman has overall responsibility for the development of our Group's business, especially its business strategies, corporate governance and sustainability goals and ensuring the legal requirements of our Board are met, while also reviewing the performance of our Chief Executive Officer and Chief Operating Officer.

He is also a member of the American Society of Mechanical Engineers (ASME), an organisation promoting the art, science and practice of mechanical engineering since 2022.

He is the spouse of Datin Annie A/P V Sinniah. Save as disclosed in **Section 5.2.4(ii)** of this Prospectus, he does not have any involvement in other businesses or corporations outside our Group.

(iii) Salimi Bin Khairuddin

Promoter, substantial shareholder and Executive Director / Chief Executive Officer

Salimi Bin Khairuddin, a Malaysian aged 37, is our Promoter, substantial shareholder, Executive Director and Chief Executive Officer. He was appointed to our Board on 29 December 2020 and is a Director of Steel Hawk Engineering since 25 February 2015. He oversees the overall operations of our Group and onshore engineering division of our Group, monitors and coordinates our onshore projects and manages the engineering design and fabrication of our oilfield equipment. He has approximately 14 years of experience in the O&G industry specified to fabrication, engineering design and quality assurance / quality control of oilfield equipment as well as maintenance and modification services for onshore facilities.

In May 2010, he graduated with the Malaysian Skills Diploma in Welding and Fabrication Technology – Fabrication Management from the National Youth Skills Institute.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

He joined Amalgamated Metal Corporation Sdn Bhd in October 2010, as a Production Coordinator and was involved in establishing safety and quality assurance / quality control programs, reviewing engineering design drawings and coordinating and monitoring projects undertaken by the company. He left Amalgamated Metal Corporation Sdn Bhd in March 2013.

In March 2013, he joined True Features Corporation Sdn Bhd as a Quality Assurance and Quality Control Inspector responsible for performing quality and technical inspections of oilfield equipment as well as coordinating quality assurance and quality control activities.

He left True Features Corporation Sdn Bhd in May 2013 and joined our Group in June 2013 as a Quality Assurance and Quality Control Manager and was responsible for managing the quality assurance and quality control division, as well as coordinating our offshore and onshore projects and engineering works. In February 2015, he was promoted to Chief Operating Officer (Onshore) and was subsequently promoted to Chief Executive Officer of our Group in April 2022 to oversee the overall operations and onshore engineering division of our Group.

Save as disclosed in **Section 5.2.4(iii)** of this Prospectus, he does not have any involvement in other businesses or corporations outside our Group.

(iv) Khairul Nazri Bin Kamarudin

Promoter, substantial shareholder and Chief Operating Officer

Khairul Nazri Bin Kamarudin, a Malaysian aged 35, is our Promoter, substantial shareholder and Chief Operating Officer. He was a member of our Board from 29 December 2020 to 5 October 2023. He has been a Director of Steel Hawk Engineering since 25 February 2015.

He oversees the offshore engineering division of our Group, monitors and coordinates our offshore projects and is responsible for work order scheduling as well as facilitating internal and external communications. He has approximately 10 years of experience in the O&G industry specified to engineering design, installation and commissioning of oilfield equipment.

In 2013, he graduated with a Bachelor of Engineering Technology (Hons) in Mechatronics from Universiti Kuala Lumpur.

After graduation, he joined our Group in February 2014 as a Senior Mechanical Engineer, and was responsible for preparing engineering drawings, coordinating engineering reviews and managing and executing work orders for installation, maintenance and fabrication activities. In February 2015, he was promoted to Chief Operating Officer (Offshore) to oversee the offshore engineering division of our Group. In October 2023, he stepped down from our Board as the Executive Director of our Group and assumed his current position and responsibility as Chief Operating Officer of our Group.

Save as disclosed in **Section 5.4.4(i)** of this Prospectus, he does not have any involvement in other businesses or corporations outside our Group.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(v) Datin Annie A/P V Sinniah

Promoter, substantial shareholder and Human Resource and Administration Director

Datin Annie A/P V Sinniah, a Malaysian aged 63, is our Promoter, substantial shareholder and Human Resource and Administration Director. She was a member of our Board from 29 December 2020 to 5 October 2023.

She is responsible for overseeing the human resource and administration division of our Group including developing and implementing our Group's overall human resource and recruitment strategy, developing our remuneration policies including performance evaluation as well as managing training and counselling programs for our Group's employees. She has approximately 17 years of experience in the management of back-end support functions for companies, covering finance, human resource and administration.

Upon completion of her secondary education, she was employed for various administrative and finance functions until 2007. Subsequently, she obtained an Executive Master in Management from Asia e University in 2016.

In July 2007, she joined SS Innovations Sdn Bhd as a director and Chief Financial Officer and was responsible for overseeing the finance functions of the company, including budgeting, accounting, preparation of payroll, invoices, monthly and annual financial reports as well as establishing financial policies and procedures for the company. SS Innovations Sdn Bhd was involved in the trading of automated packaging machinery as well as the supply of 2 types of oilfield equipment (i.e. helicopter refuelling system and carbon dioxide fire suppression systems) and had gradually reduced its business since September 2012 until it became dormant in 2019 and subsequently dissolved in September 2023.

In October 2012, she joined our Group as a Human Resource Manager where she was responsible for overseeing our human resource functions, including developing and implementing human resource strategies, addressing any management and / or employee issues, managing our recruitment process and organising orientation and training programs.

In March 2016, she was redesignated to Finance Manager and was responsible for overseeing our finance functions, including our budgeting, accounting, taxation reporting, cash flow forecasting, preparation of quarterly management reports, payroll, invoices and monthly and annual financial reports. In July 2019, she was promoted to Human Resource and Administration Director, a position which she presently holds. In October 2023, she stepped down from our Board as the Executive Director of our Group but remained her position and responsibility as Human Resource and Administration Director due to personal commitments and to allow her to better focus on the human resource and administration matters of our Group.

She is the spouse of Dato' Sharman. Save as disclosed in **Section 5.4.4 (ii)** of this Prospectus, she does not have any involvement in other businesses or corporations outside our Group.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.1.3 Changes in our Promoters' and / or substantial shareholders' shareholdings

Save as disclosed below, there are no other changes in the shareholdings of our Promoters and substantial shareholders in our Company since 29 December 2020, being the incorporation date of our Company:

Name	As at incorporation				As at 31 December 2021				As at 31 December 2022			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾
Promoters and substantial shareholders												
Radiant Capital ⁽⁵⁾	-	-	-	-	73,440,020	45.90	-	-	73,440,020	45.90	-	-
Salimi Bin Khairuddin	20	50.00	-	-	-	-	73,440,020 ⁽⁶⁾	45.90	-	-	73,440,020 ⁽⁶⁾	45.90
Khairul Nazri Bin Kamarudin	20	50.00	-	-	-	-	73,440,020 ⁽⁶⁾	45.90	-	-	73,440,020 ⁽⁶⁾	45.90
Dato' Sharman ⁽⁹⁾	-	-	-	-	70,559,980	44.10	-	-	70,559,980	44.10	-	-
Datin Annie A/P V Sinniah	-	-	-	-	-	-	70,559,980 ⁽⁷⁾	44.10	-	-	70,559,980 ⁽⁷⁾	44.10

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name	As at 31 December 2023				Before our IPO				After our IPO			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽³⁾	No. of Shares	% ⁽³⁾	No. of Shares	% ⁽⁴⁾	No. of Shares	% ⁽⁴⁾
<u>Promoters and substantial shareholders</u>												
Radiant Capital ⁽⁵⁾	73,440,020	45.90	-	-	183,600,050	45.90	-	-	178,349,000	36.40	-	-
Salimi Bin Khairuddin	-	-	73,440,020 ⁽⁶⁾	45.90	-	-	183,600,050 ⁽⁶⁾	45.90	-	-	178,349,000 ⁽⁶⁾	36.40
Khairul Nazri Bin Kamarudin	-	-	73,440,020 ⁽⁶⁾	45.90	-	-	183,600,050 ⁽⁶⁾	45.90	-	-	178,349,000 ⁽⁶⁾	36.40
Dato' Sharman ⁽⁹⁾	35,359,980	22.10	16,000,000 ⁽⁸⁾	10.00	88,399,950	22.10	40,000,000 ⁽⁸⁾	10.00	48,951,000	9.99	48,951,000 ⁽⁸⁾	9.99
Datin Annie A/P V Sinniah	16,000,000	10.00	35,359,980 ⁽⁷⁾	22.10	40,000,000	10.00	88,399,950 ⁽⁷⁾	22.10	48,951,000	9.99	48,951,000 ⁽⁷⁾	9.99

Notes:

- (1) Based on our issued share capital of 40 Shares as at incorporation.
- (2) Based on our issued share capital of 160,000,000 Shares after our listing on the LEAP Market.
- (3) Based on our issued share capital of 400,000,000 Shares after the Bonus Issue but before our IPO.
- (4) Based on our enlarged issued share capital of 490,000,000 Shares after our IPO.
- (5) Radiant Capital is held by Salimi Bin Khairuddin and Khairul Nazri Bin Kamarudin with equity interest of 61.00% and 39.00%, respectively.
- (6) Deemed interested by virtue of his direct shareholdings in Radiant Capital pursuant to Section 8 of the Act.
- (7) Deemed interested by virtue of her spouse's shareholdings in our Company pursuant to Section 8 of the Act.
- (8) Deemed interested by virtue of his spouse's shareholdings in our Company pursuant to Section 8 of the Act.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(9) The movement in Dato' Sharman's shareholding in our Company since the incorporation of our Company are illustrated as follows:

Date	Details of transaction	Number of Shares transacted
9 June 2021	Consideration shares received for the Acquisition of Steel Hawk Engineering	70,559,980
Number of Shares as at 31 December 2021 and 31 December 2022		70,559,980
26 June 2023	Disposal of Shares via open market transaction	(35,200,000)
6 July 2023	Acquisition of Shares via open market transaction	16,000,000
20 September 2023	Transfer of Shares to Datin Annie A/P V Sinniah	(16,000,000)
Number of Shares as at 31 December 2023		35,359,980
8 March 2024	Bonus Shares received pursuant to the Bonus Issue	53,039,970
Number of Shares before our IPO		88,399,950
Upon our Listing	Offer for Sale	(39,448,950)
Number of Shares after our IPO		48,951,000

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.1.4 Promoters and / or substantial shareholders' remuneration and benefits

Save for the dividends declared and paid as set out below, and the aggregate remuneration and benefits paid or proposed to be paid to our Promoters and / or substantial shareholders as set out below, there are no other amount or benefits paid and intended to be paid to our Promoters and / or substantial shareholders within the 2 years preceding the date of this Prospectus.

(i) Dividends declared and paid

	Dividend declared		Dividend paid	
	Radiant Capital ⁽¹⁾	Dato' Sharman	Radiant Capital ⁽¹⁾	Dato' Sharman
	RM'000	RM'000	RM'000	RM'000
FYE 2022	286	275	-	-
FYE 2023	-	-	286	275
FPE 2024	-	-	-	-
1 April 2024 up to the LPD	-	-	-	-

Note:

- (1) Radiant Capital is held by Salimi Bin Khairuddin and Khairul Nazri Bin Kamarudin with equity interest of 61.00% and 39.00%, respectively.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(ii) **Aggregate remuneration and benefits paid or proposed to be paid**

FYE 2023	Director's fees	Salaries	Bonuses	Allowances	Statutory Contributions (EPF, SOCSO and EIS)	Benefits-in-kind	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Promoters and substantial shareholders</u>							
Radiant Capital	-	-	-	-	-	-	-
Salimi Bin Khairuddin	39	60	-	3	9	10	121
Khairul Nazri Bin Kamarudin	27	45	-	2	7	7	88
Dato' Sharman	75	435	-	3	57	-	570
Datin Annie A/P V Sinniah	27	134	-	2	5	-	168

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(Proposed) FYE 2024	Director's fees	Salaries	Bonuses	Allowances	Statutory Contributions (EPF, SOCSO and EIS)	Benefits-in-kind	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Promoters and substantial shareholders</u>							
Radiant Capital	-	-	-	-	-	-	-
Salimi Bin Khairuddin	48	60	-	3	8	10	129
Khairul Nazri Bin Kamarudin	-	120	-	-	16	7	143
Dato' Sharman	120	480	-	3	53	10	666
Datin Annie A/P V Sinniah	-	144	-	-	6	-	150

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.2 DIRECTORS

5.2.1 Composition of our Board

Our Board comprises the following members:

Name	Age	Gender	Nationality	Date of appointment	Designation
Tan Sri Acryl Sani Bin Abdullah Sani	63	Male	Malaysian	5 October 2023	Independent Non-Executive Chairman
Dato' Sharman	45	Male	Malaysian	29 December 2020	Deputy Chairman / Executive Director
Salimi Bin Khairuddin	37	Male	Malaysian	29 December 2020	Executive Director / Chief Executive Officer
Haslinda Binti Hussein	46	Female	Malaysian	1 May 2021	Independent Non-Executive Director
Y.M. Tengku Saifan Rafhan Bin Tengku Putra	43	Male	Malaysian	5 October 2023	Independent Non-Executive Director
Zariner Binti Ismail	56	Female	Malaysian	5 October 2023	Independent Non-Executive Director

None of our Directors represent any corporate shareholder on our Board. Please refer to **Section 5.6** of this Prospectus for details on the family relationship and / or association between our Promoter, substantial shareholders, Directors and Key Senior Management.

5.2.2 Profiles of Directors

The profiles of our Directors are as follows:

(i) Tan Sri Acryl Sani Bin Abdullah Sani
Independent Non-Executive Chairman

Tan Sri Acryl Sani Bin Abdullah Sani, a Malaysian aged 63, is our Chairman and Independent Non-Executive Director. He was appointed to our Board on 5 October 2023.

He obtained his Bachelor of Civil Engineering with Honours from Universiti Teknologi Malaysia in 1985. Subsequently, in January 2000, he took a brief career break to pursue his Diploma in Management Science with the National Institute of Public Administration (Institut Tadbiran Awam Negara). Upon completion of the Diploma in November 2000, he subsequently went on to obtain his Master of Science in Management from the Universiti Utara Malaysia in September 2002.

He has accumulated approximately 37 years of experience in the Polis Diraja Malaysia (PDRM). He joined the PDRM in February 1986 as a Cadet Assistant Superintendent. He has held various positions within the PDRM before working his way up through the ranks.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

He held various leadership positions in the PDRM from 2002 to 2018, including Commandant of Kuala Kubu Bharu Police College and Deputy Director for the Criminal Investigation Department Unit. He has served as Police Commissioner of Sarawak and Chief Police Officer of Terengganu and Perak, and was also the Director of several police departments including the Crime Prevention and Community Policing, Commercial Crime Investigation and Internal Security and Public Order departments. In August 2020, he took on the role of Deputy Inspector-General and was later promoted to the Inspector-General of Police of Malaysia in May 2021. He retired from the PDRM in June 2023.

Having retired from the PDRM in June 2023, he now serves as the Independent and Non-Executive Deputy Chairman of Dagang NeXchange Berhad, Independent Non-Executive Chairman of Cheetah Holdings Berhad and the Chairman of Perbadanan Usahawan Nasional Berhad, having been appointed on 1 August 2023, 31 January 2024 and 1 September 2023 respectively.

Save as disclosed in **Section 5.2.4(i)**, he does not have any involvement in other businesses or corporations outside our Group.

- (ii) **Dato' Sharman**
Deputy Chairman / Executive Director

Please refer to **Section 5.1.2(ii)** of this Prospectus for his profile.

- (iii) **Salimi Bin Khairuddin**
Executive Director / Chief Executive Officer

Please refer to **Section 5.1.2(iii)** of this Prospectus for his profile.

- (iv) **Haslinda Binti Hussein**
Independent Non-Executive Director

Haslinda Binti Hussein, a Malaysian aged 46, is our Independent Non-Executive Director. She was appointed to our Board on 1 May 2021 as our Chairperson. Subsequently, she was re-designated to Independent Non-Executive Director on 5 October 2023. She has 23 years of experience in finance related functions, involving accounting, tax, budget planning, financial modelling, corporate exercise managements, investment and fund management.

In December 1999, she graduated with a Degree in Commerce majoring in Accounting from Adelaide University, Australia. She has been a Chartered Accountant of the Chartered Accountant Australia and New Zealand since March 2003 and a Chartered Accountant of the Malaysian Institute of Accountants ("**MIA**") since November 2018.

She began her career in January 2000 as an auditor at Arthur Andersen and later joined Ernst & Young, Malaysia in June 2002. In June 2003, she joined PETRONAS Dagangan Berhad and was transferred to PETRONAS in 2010. She remained employed with PETRONAS until July 2016 with her last position being Head of Portfolio Management for PETRONAS group. During her 13 years of tenure in PETRONAS group, she also held other senior positions including Senior Manager of Group Planning & Performance and Senior Manager of Executive Vice President & Group CFO Office where she assisted in the initial public offering of KLCC stapled REIT in 2013 and PETRONAS' corporate bond issuance of Sukuk and Global Medium Term Note program in 2015. Her experience in PETRONAS also includes tax, budgeting, financial modelling, financial accounting as well as financial reporting and management.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

In September 2016, she joined her family business, Zain Azahari Holdings Sdn Bhd and has since assumed the role of Finance Director. Zain Azahari Holdings Sdn Bhd is an investment holding company principally involved in holding public equity, bonds and investment properties as well as operating a private art gallery in Malaysia. As a Finance Director, she is primarily responsible for strategising and implementing investment decisions with minimal involvement in day-to-day operations of this company.

In November 2018, she was appointed as an Independent Non-Executive Director of Privasia Technology Berhad, a company listed on the ACE Market. Subsequently, she resigned as an Independent Non-Executive Director of Privasia Technology Berhad in November 2022 due to personal commitments. She was appointed as an Independent Non-Executive Director of Dagang NeXchange Berhad on 1 July 2024.

Save as disclosed in **Section 5.2.4(iv)**, she does not have any involvement in other businesses or corporations outside our Group.

(v) **Y.M. Tengku Saifan Raffhan Bin Tengku Putra**
Independent Non-Executive Director

Tengku Saifan Raffhan Bin Tengku Putra, a Malaysian aged 43, is an Independent Non-Executive Director appointed to our Group on 5 October 2023.

He graduated with Honours in a Bachelor of Arts degree in the field of Politics with Economics from Goldsmiths College, University of London in 2002. In 2008, he decided to pursue higher achievements in academia and obtained an International Masters in Small and Medium Enterprises at the Asia Europe Institute of the University of Malaya in 2010.

In October 2004, he started his career with Teltalk (Malaysia) Sdn Bhd (a company involved in information and communication technologies (ICT) development and services, computer and computer accessories trading) as a director until 2006. Subsequently, in March 2006, he then joined Wota Sdn Bhd (a company involved in the provision of consultancy and software development services) as a director and subsequently left in September 2016. He was also employed by Mercury Securities Sdn Bhd (a company involved in stockbroking and corporate finance advisory) as a Dealer's Representative in December 2011, where he worked in the brokerage house and executed trades for clients. He resigned in November 2012 and joined GM Integrated Systems Sdn Bhd (a company involved in the provision of electronic and general engineering consultancy and services as well as general trading) as a director in August 2013. He left the company in February 2019 to join Kasturi Media Sdn Bhd (a company engaged as a signboard and advertising contractor and agent providing custom media solutions to outdoor advertising agencies and direct clients throughout Malaysia) as a director. He helped the company secure billboard locations in key areas within the Klang Valley and has been serving as a director until the present.

He was also a holder of a valid Capital Markets Services Representative's License since 16 December 2011 until 8 October 2023. He was previously acting as an agent in M&A Securities Sdn Bhd (a company involved in the provision of corporate finance services dealing in securities and acting as stock and share broker) where he was responsible for handling private high net worth individuals and corporate clients and subsequently left in October 2023.

He was awarded the Darjah Kebesaran Ahli Mahkota Selangor on 11 December 2019 by the Duli Yang Maha Mulia Sultan of Selangor. On 1 August 2023, he was appointed as Orang Besar Istana bearing the title of Tengku Maha Kurnia Bijaya Diraja with the Watikah Perlantikan given on 29 August 2023 by the Duli Yang Maha Mulia Sultan of Selangor.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Please refer to **Section 5.2.4(v)** in relation to his involvement in other businesses or corporations outside our Group.

(vi) Zariner Binti Ismail
Independent Non-Executive Director

Zariner Binti Ismail, Malaysian aged 56, was appointed as an Independent Non-Executive Director of our Group on 5 October 2023.

She graduated from De Monfort University (formerly known as Leicester Polytechnic in the United Kingdom) with a Bachelor of Science (Honours) in Combined Studies (Accounting with Law) in July 1991. In January 1992, she pursued her Association of Chartered Certified Accountants qualification ("**ACCA**") at Emile Woolf Colleges. She obtained her ACCA Professional Degree from Taylor's University College, Lakeside Campus in 2010. She also holds a Master of Science in Professional Accountancy from University of London, United Kingdom (2020). She has been a Chartered Accountant and a member of MIA since July 2019. In March 2024, she was admitted as a Fellow member of ACCA.

She is a seasoned professional with a career spanning over 30 years in various accounting and financial management positions. She began her career in 1993 as a Junior Tax Associate in Deloitte Tax Services Sdn Bhd (formerly Kassim & Chan Tax Services Sdn Bhd) before moving to Sutra Air Charter (M) Sdn Bhd (a logistic company involved in aircraft charter and cargo services) as a junior accountant in September 1994. She was subsequently promoted to Group Financial Controller cum Administrator in 1997, whereupon she left in December 1998.

From December 1998 to February 1999, she had a brief stint with Swasta Setia Holdings Sdn Bhd. She joined Business Technology Resources Sdn Bhd ("**BTR**") in February 1999 as Accountant and was seconded to BTR Capital Partners Sdn Bhd as an Account Manager from January 2000 to April 2001. She then returned to BTR in May 2001 and was employed as an Accountant until June 2002. She moved to OSK Securities Berhad in September 2002 as a Business Development Executive before joining Mardi Corporation Sdn Bhd (formerly known as Marditech Corporation Sdn Bhd) (an agency under Malaysia's Ministry of Agriculture and Industry that promotes inventions and technological innovations to cater for the needs of the agriculture industry) in January 2003 as Senior Accountant and Administration Executive.

In January 2004, she joined Integrated Petroleum Services Sdn Bhd (a PETRONAS vendor company dealing in deepwater oil rigs and barge services) as Office Manager. She left in June 2006 to join CyberSecurity Malaysia (a national cyber security specialist agency under the purview of Malaysia's Ministry of Communications and Digitals with the objective of providing a broad range of cybersecurity innovation-led services, programmes, and initiatives to reduce the vulnerability of digital systems, and at the same time strengthen Malaysia's self-reliance in cyberspace), serving as the Head of Finance & Admin. In October 2007, she resigned from her previous employment and joined Idaman Unggul Berhad (provider of insurance services and timber concession business) in November 2007 as the Head of Finance and Admin. She left in October 2009 and joined Shoraka Advisers Sdn Bhd (formerly a licensed boutique corporate finance firm) in November 2009 as the Head of Finance & Admin. She left in October 2011 and in November 2011, she served as the Group Accountant at Seloga Holdings Berhad and was promoted to Chief Financial Officer in 2013. Later in October of the same year, she joined Rakyat Holdings Sdn Bhd (a non-banking subsidiary of Bank Kerjasama Rakyat Malaysia Berhad) as their Chief Financial Officer. In August 2018, she left the firm to concentrate on her business venture in AnNedjma Capital Sdn Bhd (an investment holding / private entity company) where she then served as Director / Partner.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

At present, she is also a member of the board of Trustee of Yayasan Inovasi Malaysia, a foundation established under the Ministry of Science, Technology and Innovation (MOSTI), having been appointed in April 2021. In addition, she serves as a director in ECA Integrated Solution Berhad, having been appointed in March 2022.

Please refer to **Section 5.2.4(vi)** in relation to her involvement in other businesses or corporations outside our Group.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**5.2.3 Directors' shareholdings**

The shareholdings of our Directors in our Company before and after our IPO are as follows:

Name	Designation	Nationality	Before our IPO				After our IPO			
			Direct		Indirect		Direct		Indirect	
			No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾
Tan Sri Acryl Sani Bin Abdullah Sani	Independent Non-Executive Chairman	Malaysian	-	-	-	-	1,000,000	0.20 ⁽²⁾	-	-
Dato' Sharman	Deputy Chairman / Executive Director	Malaysian	88,399,950	22.10	40,000,000	10.00 ⁽³⁾	48,951,000	9.99	48,951,000	9.99 ⁽³⁾
Salimi Bin Khairuddin	Executive Director / Chief Executive Officer	Malaysian	-	-	183,600,050	45.90 ⁽⁴⁾	-	-	178,349,000	36.40 ⁽⁴⁾
Haslinda Binti Hussein	Independent Non-Executive Director	Malaysian	-	-	-	-	300,000	0.06 ⁽²⁾	-	-
Y.M. Tengku Saifan Rafhan Bin Tengku Putra	Independent Non-Executive Director	Malaysian	-	-	-	-	300,000	0.06 ⁽²⁾	-	-

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Name	Designation	Nationality	Before our IPO				After our IPO			
			Direct		Indirect		Direct		Indirect	
			No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾
Zariner Binti Ismail	Independent Non-Executive Director	Malaysian	-	-	-	-	300,000	0.06 ⁽²⁾	-	-

Notes:

- (1) Based on our issued share capital of 400,000,000 Shares before our IPO.
- (2) Based on our enlarged issued share capital of 490,000,000 Shares after our IPO and assuming full subscription by our Independent Non-Executive Chairman and Independent Non-Executive Directors of their respective entitlement under the pink form allocation as referred to in **Section 4.1.1(ii)**.
- (3) Deemed interested by virtue of his spouse's shareholdings in our Company pursuant to Section 8 of the Act.
- (4) Deemed interested by virtue of his direct shareholdings in Radiant Capital pursuant to Section 8 of the Act.

Our Directors may subscribe for Issue Shares under the public balloting portion as set out in **Section 4.1.1(i)** of this Prospectus. None of our Directors represents any corporate shareholder on our Board.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.2.4 Principal directorships and principal business activities outside our Company

Save as disclosed below, none of our Directors have any directorship or principal business activities performed outside our Group for the past 5 years up to the LPD:

(i) Tan Sri Acryl Sani Bin Abdullah Sani

Company	Position held	Date appointed as Director	Date resigned as Director	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
Present involvement						
Dagang NeXchange Berhad	Deputy Chairman	1 August 2023	-	Negligible	-	Investment holding, whilst its subsidiaries are involved in technology in respect of the semiconductor foundry, energy in respect of upstream O&G exploration and production as well as equipment supply and maintenance services, and information technology in the provisioning of e-services for trade facilitation, technology consulting and system integration, as well as subsea telecommunications services
Dagang Net Technologies Sdn Bhd	Director	1 September 2023	-	-	-	Development, management and provision of business to government (B2G) e-commerce services and computerised transaction facilitation services
Perbadanan Usahawan Nasional Berhad	Chairman	1 September 2023	-	-	-	Providing venture capital, financing and management expertise to small sized and medium sized bumiputera businesses
Marksman Sports World Arms & Ammunition Sdn Bhd	Shareholder	-	-	30.00	-	To import, supply, sell and repair arms and ammunitions

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Position held	Date appointed as Director	Date resigned as Director	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
Pro Elite Sdn Bhd	Director and shareholder	23 August 2023	-	30.00	-	General cleaning of buildings; security systems service activities; private security activities
DNeX Semiconductor Sdn Bhd	Director	10 November 2023	-	-	-	Investment holding in the manufacturing of semiconductor wafers and suppliers multinational fabless and integrated device manufacturer
Cheetah Holdings Berhad	Chairman	31 January 2024	-	-	-	Investment holding, whilst its subsidiaries are involved in product designing, product development, marketing and dealers of garments, apparels and ancillary products and electronic commerce
Marksman Sports World Shooting Range Sdn Bhd	Shareholder	-	-	30.00	-	Organisation and operation of outdoor or indoor sports events for professionals or amateurs by organisations with own facilities; football, hockey, cricket, baseball, badminton, futsal, paintball
Past involvement						
Kop Mantap Berhad	Director	2 January 2018	1 October 2019	-	-	Investment holdings, whilst its subsidiaries are involved in: <ul style="list-style-type: none"> a. civil & infrastructure, geotechnical, water & waste water, marine & port infrastructure, power plant, mechanical & electrical, facility management; b. sales and purchase (trade) as well as the supply of technology and IT based goods; c. conducting academic programmes related to policing and crime; d. provide trained personnel for body guard services, cash-in-transit services, static & armed guards, and security training courses; e. providing logistics, distribution and transportation services;

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Position held	Date appointed as Director	Date resigned as Director	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
						f. involved in the aviation, drone and marine industry, providing services such of Aviation & Marine (Maintenance Repair and Overhaul (MRO), supplier, training and consultancy; and g. providing travel agency services, namely Inbound Tours, Outbound Tours and Ticketing
Kop Travel & Tours Sdn Bhd	Director	1 August 2018	1 October 2019	-	-	Dry / wet food and raw materials, food and beverage (cans, bottles and packages), cooked food (Islamic), food / supplementary drinks (food supplement); arts, entertainment and tourism, photography, performing art stages / exhibitions, amusement parks and carnivals / parties, professional artists and entertainers; rental and management, vehicles / machinery, recreational vehicles, P.A musical systems and instruments, hotels, guest houses and training centers, homestay
Kop Tradtech Sdn Bhd	Director	1 August 2018	31 August 2020	-	-	Publication / printing / supply / maintenance of all types of computer hardware including PC / notebook / printer / document scanner / machinery / product from paper / tarpaulin, canvas materials, stationery, clothing and equipment, textiles, printing services, publishing, broadcasting, furniture, laboratory furniture
PBLT Sdn Bhd	Director	28 January 2022	12 July 2023	-	-	Construction of government buildings and leasing of these buildings

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(ii) **Dato' Sharman**

Company	Position held	Date appointed as Director	Date resigned / ceased as Director	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
<u>Present involvement</u>						
-	-	-	-	-	-	-
<u>Past involvement</u>						
SS Innovations Sdn Bhd	Director and shareholder	22 May 2021	21 September 2023	-	-	Involved in trading and supplying of oilfield equipment, trading and supplying of engineering equipment and spare parts, food and beverages franchise (Dissolved on 21 September 2023)
SKM Capital Sdn Bhd	Director and shareholder	24 May 2019	20 December 2022	-	-	Involved in the provision of engineering consultancy services for O&G pipeline cleaning and maintenance using pig trap system (Wound up on 31 May 2021 and dissolved on 20 December 2022 ⁽¹⁾)

Note:

- (1) SKM Capital Sdn Bhd was initially incorporated by Dato' Sharman in 2019 with the intention of including it as part of Steel Hawk Group for its listing on the LEAP Market in 2021. However, the Promoters have subsequently decided to dissolve SKM Capital Sdn Bhd and consolidate its business into Steel Hawk Group after taking into the overlapped scope of services with Steel Hawk Engineering (i.e. engineering services for O&G pipeline cleaning and maintenance using pig trap system) and its impact to the cost structure of our enlarged Group.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**(iii) Salimi Bin Khairuddin**

Company	Position held	Date appointed as Director	Date resigned as Director	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
<u>Present involvement</u>						
Radiant Capital ⁽¹⁾	Director and shareholder	9 April 2021	-	61.00	-	Investment holding in shares
<u>Past involvement</u>						
-	-	-	-	-	-	-

Note:

(1) Radiant Capital is the Promoter and substantial shareholder of our Company.

(iv) Haslinda Binti Hussein

Company	Position held	Date appointed as Director	Date resigned as Director	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
<u>Present involvement</u>						
Dagang NeXchange Berhad	Independent Non-Executive Director	1 July 2024	-	-	-	Investment holding, whilst its subsidiaries are involved in technology in respect of the semiconductor foundry, energy in respect of upstream O&G exploration and production as well as equipment supply and maintenance services, and information technology in the provisioning of e-services for trade facilitation, technology consulting and system integration, as well as subsea telecommunications services

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Position held	Date appointed as Director	Date resigned as Director	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
Cipela Mansion Sdn Bhd	Director	19 February 2024	-	-	-	Export and import of a variety of goods without any particular specialisation; provision of consultancy services in public relation and communications and retail sale of any kind of product over the internet
<u>Past involvement</u>						
Privasia Technology Berhad	Independent Non-Executive Director	12 November 2018	30 November 2022	-	-	Investment holding company listed on the ACE Market of Bursa Securities and through its subsidiaries is mainly involved in outsourcing, consultation, e-procurement, provision of total wireless and communication solutions, and provision of high-speed internet broadband access (satellite services)
Strategos Central Bakehouse Sdn Bhd	Director	15 February 2021	17 September 2021	-	-	To carry on the business in all kinds of bakery products and to operate as central kitchen and its related activities

(v) **Y.M. Tengku Saifan Rafhan Bin Tengku Putra**

Company	Position held	Date appointed as Director	Date resigned as Director	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
<u>Present involvement</u>						
Kasturi Media Sdn Bhd	Director	25 February 2019	-	-	-	Engaged as signboard, advertising contractors and agents

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Position held	Date appointed as Director	Date resigned as Director	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
Past involvement						
-	-	-	-	-	-	-

(vi) **Zariner Binti Ismail**

Company	Position held	Date appointed as Director	Date resigned as Director	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
Present involvement						
ECA Integrated Solution Berhad	Director and shareholder	31 March 2022	-	Negligible	-	Investment holdings whilst its subsidiary is involved in automated manufacturing solutions and is involved in the provision of integrated production systems and standalone automated equipment
Yayasan Inovasi Malaysia	Director	19 April 2021	-	-	-	To develop and promote creative skills in the fields of science and technology; to nurture and support scientific innovation; to conduct educational and awareness programmes
AnNedjma Capital Sdn Bhd	Director and shareholder	26 February 2021	-	2.18	-	Investment holding company, focusing on investment opportunities in both public and private entities, mainly focusing on companies principally involved in the provision of IT services and energy services
Arcadia Acres Sdn Bhd	Director	21 March 2022	-	-	-	Investment holding in equities, focusing on investment opportunities in both public and private entities mainly focusing on companies principally involved in the provision of IT services and energy services

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Position held	Date appointed as Director	Date resigned as Director	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
Titanium Parade (MM2H) Sdn Bhd (formerly known as Titanium Parade Sdn Bhd)	Director	8 April 2019	-	-	-	Activities of holding companies; export and import of a variety of goods without any particular specialisation; property investment
HG Mekar Sdn Bhd	Director and shareholder	3 April 2019	-	40.00	-	General trading; share trading and investment; property development; food and beverages
Pembinaan Berjaya	Partner	-	-	-	-	Construction and supply of building materials, electrical and electronic goods, electrical components and wiring accessories, street and area cleaning services; and provision on supply of clothing and uniform
Sprintgate Holdings Berhad	Independent Non-Executive Director	20 June 2024	-	-	-	Investment holding in shares
Past involvement						
AKM Ekuiti Sdn Bhd	Shareholder	-	-	-	-	Activities of holding companies (Dissolved on 30 March 2020)

The involvement of our Directors in those business activities outside our Group does not give rise to any conflict of interest situation with our business. The involvement of our Executive Directors in other directorships or businesses does not preclude them from allocating or committing their time and effort to our Group as they are not involved in the management and day-to-day operations of these businesses, other than attending meetings of the board of directors on which they serve.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Further, the involvement of our Independent Non-Executive Directors in other directorships or businesses will not and would not be expected to affect their commitment and responsibilities to our Group as the Independent Non-Executive Directors' involvement in our Group are to the extent of attending meetings and discharging their roles and responsibilities as our independent directors.

5.2.5 Directors' remuneration and material benefits-in-kind

The aggregate remuneration and material benefits in-kind paid and proposed to be paid to our Directors for services rendered to our Group in all capacities for FYE 2023 and proposed FYE 2024 are as follows:

FYE 2023	Director's fees	Salaries	Bonuses	Allowances	Statutory Contributions (EPF, SOCSO and EIS)	Benefits-in-kind	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Tan Sri Acryl Sani Bin Abdullah Sani	36	-	-	2	-	-	38
Dato' Sharman	75	435	-	3	57	-	570
Salimi Bin Khairuddin	39	60	-	3	9	10	121
Haslinda Binti Hussein	60	-	-	1	-	-	61
Y.M. Tengku Saifan Rafhan Bin Tengku Putra	12	-	-	1	-	-	13
Zariner Binti Ismail	12	-	-	1	-	-	13

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(Proposed) FYE 2024	Director's fees	Salaries	Bonuses	Allowances	Statutory Contributions (EPF, SOCSO and EIS)	Benefits-in-kind	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Tan Sri Acryl Sani Bin Abdullah Sani	144	-	-	6	-	-	150
Dato' Sharman	120	480	-	3	53	10	666
Salimi Bin Khairuddin	48	60	-	3	8	10	129
Haslinda Binti Hussein	60	-	-	4	-	-	64
Y.M. Tengku Saifan Rafhan Bin Tengku Putra	48	-	-	3	-	-	51
Zariner Binti Ismail	48	-	-	3	-	-	51

The remuneration of our Directors, which includes Director's fees, salaries, bonuses and allowances as well as other benefits, must be considered and recommended by our Remuneration Committee and subsequently be approved by our Board, subject to the provisions of our Constitution. Our Directors' fees must be further approved or endorsed by our shareholders in a general meeting.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.3 BOARD PRACTICES

5.3.1 Directorship

The details of the date of expiration of the current term of office for each of the Directors and the period for which the Directors have served in office are as follows:

Name	Designation	Date of appointment	Date of expiration of the current term in office	No. of year(s) in office
Tan Sri Acryl Sani Bin Abdullah Sani	Independent Non-Executive Chairman	5 October 2023	At the AGM in 2027	Less than 1 year
Dato' Sharman	Deputy Chairman / Executive Director	29 December 2020	At the next AGM in 2025	Less than 4 years
Salimi Bin Khairuddin	Executive Director / Chief Executive Officer	29 December 2020	At the next AGM in 2025	Less than 4 years
Haslinda Binti Hussein	Independent Non-Executive Director	1 May 2021	At the AGM in 2026	Less than 4 years
Y.M. Tengku Saifan Rafhan Bin Tengku Putra	Independent Non-Executive Director	5 October 2023	At the AGM in 2026	Less than 1 year
Zariner Binti Ismail	Independent Non-Executive Director	5 October 2023	At the AGM in 2027	Less than 1 year

In accordance with our Constitution, all our Directors shall retire from office at the first annual general meeting and an election of our Directors shall take place each year at the annual general meeting in every subsequent year where 1/3 of our Directors for the time being or if their number is not 3 or a multiple of 3, then the number nearest to 1/3 shall retire by and be eligible for re-election. Accordingly, all our Directors shall retire from office at least once every three (3) years but shall be eligible for re-election. A Director who is retiring at a meeting shall retain office until the close of the meeting.

Our Board acknowledges and takes cognisance of the MCCG which came into effect on 28 April 2021, contains best practices and guidance for listed companies to improve upon or to enhance their corporate governance as it forms an integral part of their business operations and culture. The latest recommendations of the MCCG, which include amongst others, that the Chairman of the board should not be a member of the Audit and Risk Management Committee, Nomination Committee, or Remuneration Committee. Tan Sri Acryl Sani Bin Abdullah Sani, our Independent Non-Executive Chairman, is not a member of the Audit and Risk Management Committee, Nomination Committee or Remuneration Committee. In this regard, our Group is in compliance with the MCCG as at the LPD.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.3.2 Audit and Risk Management Committee

Our Audit and Risk Management Committee was established on 27 February 2024 and its members were appointed by our Board. Our Audit and Risk Management Committee comprises the following members:

Name	Designation	Directorship
Zariner Binti Ismail	Chairperson	Independent Non-Executive Director
Haslinda Binti Hussein	Member	Independent Non-Executive Director
Y.M. Tengku Saifan Rafhan Bin Tengku Putra	Member	Independent Non-Executive Director

The primary function of the Audit and Risk Management Committee is to assist our Board in the discharge of its responsibilities in relation to the accounting and financial reporting practices of our Group as well as assist our Board in identifying, assessing, managing, monitoring and controlling the risks in areas that are applicable to our Group to ensure that the risk management process is in place and functioning.

The Audit and Risk Management Committee undertakes, amongst others, the following functions:

I. Financial Reporting

- (i) Review the quarterly results and the year-end financial statements of our Group, and recommending to our Board for approval, focusing particularly on:
 - (a) changes in or implementation of major accounting policy changes;
 - (b) significant matters highlighted including financial reporting issues, significant judgements made by management, significant and unusual events or transactions and how these matters are addressed;
 - (c) significant adjustment arising from the audit;
 - (d) major judgemental areas;
 - (e) the going concern assumption; and
 - (f) compliance with accounting standards, regulatory and other legal requirements.
- (ii) Review and provide advice on whether the financial statements taken as a whole provide a true and fair view of our Company's financial position and performance;
- (iii) Ask probing questions to ascertain whether the financial statements are consistent with operational and other information known, where there are significant matters requiring judgement;

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

II. External Auditors

- (i) Consider and recommend to our Board the appointment or re-appointment of external auditors and to fix their fees (audit and non-audit), after assessing their independence and capabilities as well as the effectiveness of the external audit process;
- (ii) Review the following and report the same to our Board:
 - (a) letter of resignation from the external auditors or suggestions for their dismissal, including a copy of any written representations or statement of circumstances in relation to the resignation made by the external auditors, if applicable; and
 - (b) whether there is reason (supported by grounds) to believe that the external auditor is not suitable for re-appointment.
- (iii) Assess the suitability, objectivity and independence of the external auditors on an annual basis based on the policies and procedures that have been established and the annual performance evaluation of the external auditors undertaken by the committee. The policies and procedures must include amongst others considerations on:
 - (a) the criteria to guide decisions on the appointment and re-appointment of the external auditor. The criteria should include an assessment of the competence, audit quality and resource capacity of the external auditor in relation to the audit. The assessment should also consider information presented in the Annual Transparency Report of the audit firm. If the Annual Transparency Report is not available, the Committee may engage the audit firm on matters typically covered in an Annual Transparency Report including the audit firm's governance and leadership structure as well as measures undertaken by the firm to uphold audit quality and manage risks;
 - (b) the appropriateness of audit fees to support a quality audit;
 - (c) requirement for non-audit services to be approved by the Committee before they are rendered by the external auditor and its affiliates while taking into account the nature of the non-audit services and the appropriateness of the level of fees;
 - (d) requirement to obtain written assurance from the external auditor confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements; and
 - (e) the conduct of an annual evaluation on the performance of the external auditor and undertaking follow-up measures, where required.
- (iv) Review the following with the external auditors and report the same to our Board:
 - (a) audit plan, its scope and nature;
 - (b) audit report;
 - (c) evaluation of the system of internal controls;

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (d) the assistance given by the employees to the external auditors, including any difficulties or disputes with management encountered during the audit; and
- (e) external auditors' management letter and management's response thereto.

III. Internal Audit

In relation to the internal audit function, the responsibilities of the committee are to:

- (a) review the adequacy of the scope, competency and resources of the internal audit function, and that it has the necessary authority to carry out its work;
- (b) review the internal audit plan, programme, processes, and the reporting structure;
- (c) review the findings of the internal auditor's reports, investigations undertaken and whether or not appropriate actions are taken by the management, based on the recommendations of the internal auditors;
- (d) review the appraisal or assessment of the performance of the internal audit function on an annual basis; and
- (e) review any special audit which the Committee deems necessary.

IV. Related Party Transactions ("RPT") and Recurrent RPT ("RRPT") and Conflict of Interest Situation ("COI")

Monitor, review and report to our Board any RPT, RRPT and COI that may arise within our Company or Group, including any transaction, procedures or course of conduct that raises questions on management integrity.

V. Risk Management

- (i) Ensure that an appropriate risk reporting structure is established to facilitate reporting of risks to management and our Board;
- (ii) Oversee our Group's overall risk management framework and policies;
- (iii) Review the risk management framework, policies and processes, which include identifying, managing, monitoring, treating and mitigating significant risks of our Group, and recommend for approval by our Board;
- (iv) Review and assess the risk appetite and risk tolerance of our Group;
- (v) Review the regulatory and clinical compliance reports and any other reports within the purview of the Committee;
- (vi) Review the significant risks identified and assess the mitigating actions put in place to manage these risks;
- (vii) Ensure that the key risks are effectively managed in accordance with our Group's risk management policies and strategies;
- (viii) Review the adequacy of resources in managing the risk management framework;

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (ix) Review and deliberate reports on non-compliance findings by regulatory agencies;
- (x) Review the Statement on Risk Management and Internal Control for inclusion in our Company's Annual Report, and recommend to our Board for approval; and
- (xi) Carry out other responsibilities, functions or assignments as may be defined by our Board from time to time.

VI. Others

- (i) Review all financial-related reports / statements as required by the Listing Requirements, for inclusion in the Annual Report;
- (ii) Verify allocation of units or options issued pursuant to the various incentive or retention schemes implemented by our Group (if any);
- (iii) Obtain regular updates from the management regarding compliance matters;
- (iv) Review findings, queries or investigations by the regulatory agencies (if any);
- (v) Review the adequacy and appropriateness of the Anti-Bribery and Corruption Policy, and Whistleblowing Policy, when necessary; and
- (vi) Carry out any other functions that may be mutually agreed upon by the Committee and our Board.

5.3.3 Nomination Committee

Our Nomination Committee was established on 27 February 2024 and its members were appointed by our Board. Our Nomination Committee comprises the following members:

Name	Designation	Directorship
Haslinda Binti Hussein	Chairperson	Independent Non-Executive Director
Y.M. Tengku Saifan Rafhan Bin Tengku Putra	Member	Independent Non-Executive Director
Zariner Binti Ismail	Member	Independent Non-Executive Director

Our Nomination Committee is set up to recommend candidates to our Board. The final decision on the appointment of any of the Directors shall be made by our Board.

Our Nomination Committee undertakes, amongst others, the following functions:

- (i) Assess and review the size, composition, mix of skills and experience, and diversity (including gender diversity) of our Board and Board Committees, and recommend to our Board for approval;
- (ii) Identify, consider and recommend to our Board suitable candidates for appointment of Directors. The Committee shall not solely rely on recommendations from existing board members, management or major shareholders, but will also utilise independent sources to identify suitably qualified candidates. In making the recommendations, the Committee shall:

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (a) assess the candidates' skills, expertise, experience, professionalism, commitment, integrity, character and competence;
 - (b) consider board diversity including age and gender diversity; and
 - (c) in the case of candidates for the position of Independent Non-Executive Directors, evaluate the candidates' ability to discharge such responsibilities / functions as are expected from Independent Non-Executive Directors.
- (iii) If the selection of candidates was solely based on recommendations made by our existing Board, management or major shareholders, the Committee should explain why other sources were not used;
- (iv) Recommend to our Board on the appointment of members of each Board Committee;
- (v) Recommend to our Board the appointment, cessation, suspension, dismissal and / or any senior management movement including re-designation, re-deployment, transfer or secondment of senior management of our Group;
- (vi) Assess annually the effectiveness of our Board as a whole, Board Committees, and the contribution of each individual Director and Chief Executive Officer including his / her character, competence, experience and time commitment. All assessments and evaluations carried out by the Committee in the discharge of its duties shall be disclosed in the Annual Report;
- (vii) Review the tenure of each director and ensure that the annual re-election of a director is subject to the satisfactory evaluation of the director's performance and contribution to our Board;
- (viii) Review and assess the independence of Independent Directors on an annual basis;
- (ix) Recommend to our Board with reasons on the re-election of Directors who retired by rotation pursuant to our Company's Constitution and re-appointment of Directors who retired pursuant to relevant sections of the Act;
- (x) Ensure all appointments and re-election of directors are evaluated through a transparent process, including meeting the criteria of the Fit and Proper Policy;
- (xi) Evaluate and review the performance of our Board and senior management including, taking into consideration our Company's performance in managing material sustainability risks and opportunities;
- (xii) Review Board and senior management succession plans and oversees the development of a diverse pipeline for Board and management succession, including the future Chairman, Executive Directors and Chief Executive Officer;
- (xiii) Facilitate Board induction programme for newly appointed Directors;
- (xiv) Identify suitable educational and training programmes for the continuous development of our Directors to ensure our Directors keep abreast with developments in the industry, regulatory changes and board business trends;
- (xv) Review and recommend to our Board, the development and implementation of the relevant policies and procedures on nomination related matters concerning our Group;

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (xvi) Review annually the term of office, effectiveness and performance of the Audit and Risk Management Committee and each of its members to determine whether the Audit and Risk Management Committee and its members have carried out their duties in accordance with their terms of reference;
- (xvii) Consider and examine such matters as the Committee considers appropriate; and
- (xviii) Carry out such other duties or functions as may be delegated by our Board from time to time or required by the regulatory authority.

5.3.4 Remuneration Committee

Our Remuneration Committee was established on 27 February 2024 and its members were appointed by our Board. Our Remuneration Committee comprises the following members:

Name	Designation	Directorship
Y.M. Tengku Saifan Rafhan Bin Tengku Putra	Chairman	Independent Non-Executive Director
Haslinda Binti Hussein	Member	Independent Non-Executive Director
Zariner Binti Ismail	Member	Independent Non-Executive Director

Remuneration Committee also provides recommendations to our Board on the remuneration of the Executive Directors and Key Senior Management of our Company and our Group in all its forms such that the component parts of remuneration are structured to link rewards to corporate and individual performance.

Our Remuneration Committee undertakes, amongst others, the following functions:

- (i) Review the Group's policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of Directors and senior management and recommend to our Board for approval;
- (ii) In determining the remuneration packages of Directors and senior management, the Committee should take into consideration the following:
 - (a) technical competency, skills, expertise and experience;
 - (b) qualification and professionalism;
 - (c) integrity;
 - (d) roles and responsibilities;
 - (e) company's performance in managing material sustainability risks and opportunities; and
 - (f) aligned with the business and risk strategies, and long-term objectives of our Group.
- (iii) Review remuneration packages of Directors, senior management and key consultants, having regard to our Group's operating results, individual performance and comparable market statistics and recommend to our Board for approval;

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (iv) Review the compensation policy of our Directors and senior management, and ensure the compensations offered are in line with market practice;
- (v) Ensure fees and benefits payable to Directors, and any compensation for loss of employment of Executive Directors are approved by shareholders at General Meetings;
- (vi) Oversee any major changes in employee remuneration and benefit structures throughout our Group;
- (vii) Recommend to our Board any performance related pay schemes for our Company or Group;
- (viii) Recommend to our Board the appointment of experts or consultants, where necessary to fulfil its responsibilities; and
- (ix) To carry out other responsibilities, functions or assignments as may be agreed by our Board from time to time.

5.4 KEY SENIOR MANAGEMENT

5.4.1 Composition of our Key Senior Management

Our Key Senior Management comprises the following:

Name	Age	Gender	Nationality	Designation
Dato' Sharman	45	Male	Malaysian	Deputy Chairman / Executive Director
Salimi Bin Khairuddin	37	Male	Malaysian	Executive Director / Chief Executive Officer
Khairul Nazri Bin Kamarudin	35	Male	Malaysian	Chief Operating Officer
Datin Annie A/P V Sinniah	63	Female	Malaysian	Human Resource and Administration Director
Vintra A/P Vijayakumar	34	Female	Malaysian	Chief Financial Officer

5.4.2 Profiles of Key Senior Management

The profiles of our other Key Senior Management are as follows:

- (i) **Dato' Sharman**
Promoter, substantial shareholder and Deputy Chairman / Executive Director

Please refer to **Section 5.1.2(ii)** of this Prospectus for his profile.
- (ii) **Salimi Bin Khairuddin**
Promoter, substantial shareholder and Executive Director / Chief Executive Officer

Please refer to **Section 5.1.2(iii)** of this Prospectus for his profile.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(iii) Khairul Nazri Bin Kamarudin

Promoter, substantial shareholder and Chief Operating Officer

Please refer to **Section 5.1.2(iv)** of this Prospectus for his profile.

(iv) Datin Annie A/P V Sinniah

Promoter, substantial shareholder and Human Resource and Administration Director

Please refer to **Section 5.1.2(v)** of this Prospectus for her profile.

(v) Vinthra A/P Vijayakumar

Chief Financial Officer

Vinthra A/P Vijayakumar, a Malaysian aged 34, is our Chief Financial Officer. She is responsible for overseeing all aspects of financial, accounting and compliance functions of our Group, including financial planning, asset management, financial reporting, taxation and budgeting.

She obtained her Bachelor of Accounting from Universiti Tenaga Nasional in November 2013. She has been a member of the MIA as a Chartered Accountant since 2016.

She began her career with Emkay Tang & Co as an Audit Assistant in October 2012, where she was responsible for audit, accounts, taxation and secretarial assignments. She left Emkay Tang & Co in January 2018.

Thereafter, she joined Multi-Purpose Capital Holdings Berhad (now known as Multiple-Purpose Capital Holdings Sdn Bhd) as Senior Accounts Executive in January 2018. She was responsible for handling the full set of accounts, financial reports and other financial matters. She left Multi-Purpose Capital Holdings Berhad in July 2022.

In August 2022, she joined Steel Hawk Defence as Finance Manager where she was responsible for preparing financial reports and information. She was subsequently appointed as Chief Financial Officer of our Group in December 2022 to lead the Finance Department. She brings with her approximately 12 years of experience in the accounting and finance industry.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**5.4.3 Key Senior Management's shareholdings**

The details of our Key Senior Management and their direct and indirect shareholdings before and after our IPO are as follows:

Name	Nationality	Designation	Before our IPO				After our IPO ⁽³⁾			
			Direct		Indirect		Direct		Indirect	
			No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾
Dato' Sharman	Malaysian	Deputy Chairman / Executive Director	88,399,950	22.10	40,000,000 ⁽⁵⁾	10.00	48,951,000	9.99	48,951,000 ⁽⁵⁾	9.99
Salimi Bin Khairuddin	Malaysian	Executive Director / Chief Executive Officer	-	-	183,600,050 ⁽⁴⁾	45.90	-	-	178,349,000 ⁽⁴⁾	36.40
Khairul Nazri Bin Kamarudin	Malaysian	Chief Operating Officer	-	-	183,600,050 ⁽⁴⁾	45.90	-	-	178,349,000 ⁽⁴⁾	36.40
Datin Annie A/P V Sinniah	Malaysian	Human Resource and Administration Director	40,000,000	10.00	88,399,950 ⁽⁶⁾	22.10	48,951,000	9.99	48,951,000 ⁽⁶⁾	9.99
Vintra A/P Vijayakumar	Malaysian	Chief Financial Officer	-	-	-	-	100,000	0.02	-	-

Notes:

- (1) Based on our issued share capital of 400,000,000 Shares before our IPO.
- (2) Based on our enlarged issued share capital of 490,000,000 Shares after our IPO.
- (3) Assuming our Key Senior Management fully subscribed for their respective allocations under the Pink Form Allocation.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (4) Deemed interested by virtue of his direct shareholdings in Radiant Capital pursuant to Section 8 of the Act.
- (5) Deemed interested by virtue of his spouse's shareholdings in our Company pursuant to Section 8 of the Act.
- (6) Deemed interested by virtue of her spouse's shareholdings in our Company pursuant to Section 8 of the Act.

5.4.4 Involvement of Key Senior Management in other businesses or corporations

Save as disclosed in **Section 5.2.4** above and this **Section 5.4.4**, none of our Key Senior Management has any directorship or principal business activities performed outside our Group for the past 5 years up to the LPD:

(i) **Khairul Nazri Bin Kamarudin**

Company	Position held	Date appointed as Director	Date resigned as Director	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
<u>Present involvement</u>						
Radiant Capital ⁽¹⁾	Director and shareholder	9 April 2021	-	39.00	-	Investment holding in shares
<u>Past involvement</u>						
-	-	-	-	-	-	-

Note:

- (1) Radiant Capital is the Promoter and substantial shareholder of our Company.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(ii) **Datin Annie A/P V Sinniah**

Company	Position held	Date appointed as Director	Date resigned / ceased as Director	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
<u>Present involvement</u>						
-	-	-	-	-	-	-
<u>Past involvement</u>						
SS Innovations Sdn Bhd	Director and shareholder	22 May 2021	21 September 2023	-	-	Involved in trading and supplying of oilfield equipment, trading and supplying of engineering equipment and spare parts, food and beverages franchise. (Dissolved on 21 September 2023)

The involvement of our Key Senior Management in the business activities outside our Group as stated above:

- (i) does not give rise to any conflict of interest situation with our business; and
- (ii) does not preclude them from allocating or committing their time and effort to our Group as they are not involved in the management and day-to-day operations of these businesses. Such businesses do not require their involvement on a daily basis as these businesses are managed by their respective management.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.4.5 Key Senior Management's remuneration and material benefits-in-kind

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our Key Senior Management for services rendered to our Group in all capacities for the FYE 2023 and proposed FYE 2024 are as follows:

Key Senior Management	Remuneration Band	
	FYE 2023	Proposed for FYE 2024
	RM'000	RM'000
Dato' Sharman	550 - 600	650 - 700
Salimi Bin Khairuddin	100 - 150	100 - 150
Khairul Nazri Bin Kamarudin	50 - 100	100 - 150
Datin Annie A/P V Sinniah	150 - 200	100 - 150
Vintra A/P Vijayakumar	50 - 100	50 - 100

Note:

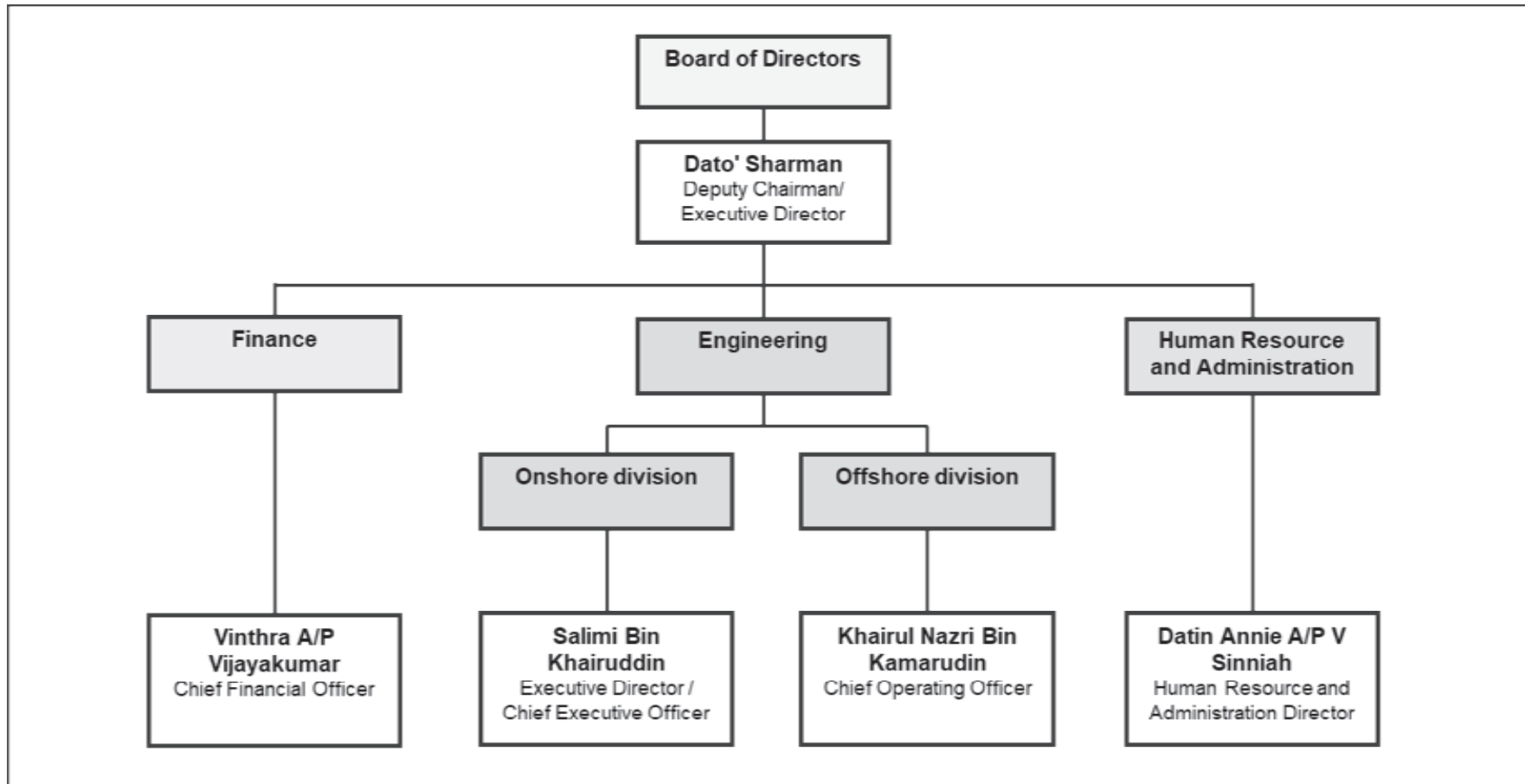
The above remuneration comprises salaries, bonuses, fees and allowances.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.4.6 Management reporting structure

The management reporting structure of our Group is as follows:



5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.5 DECLARATIONS FROM OUR PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

None of our Promoters, Directors and Key Senior Management is or was involved in any of the following events, whether within or outside Malaysia:

- (i) in the last 10 years, a petition under any bankruptcy or insolvency laws was filed (and not struck out) against such person or any partnership in which he / she was a partner or any corporation of which he / she was a director or member of key senior management;
- (ii) disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;
- (iii) in the last 10 years, such person was charged or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding. If convicted, the date must be calculated from the date of conviction or if sentenced to imprisonment, from the date of release from prison;
- (iv) in the last 10 years, any judgment was entered against such person, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on his part, involving a breach of any law or regulatory requirement that relates to the capital market;
- (v) in the last 10 years, such person was the subject of any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on his / her part that relates to the capital market;
- (vi) the subject of any order, judgment or ruling of any court, government or regulatory authority or body, temporarily enjoining him / her from engaging in any type of business practice or activity;
- (vii) in the last 10 years, such person has been reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body or government agency; and
- (viii) any unsatisfied judgment against any of them.

5.6 FAMILY RELATIONSHIPS AND ASSOCIATIONS

Save as disclosed below, there is no family relationship and / or association between any of our Promoters, substantial shareholders, Directors and / or Key Senior Management as at the LPD:

Name	Designation	Relationship
Dato' Sharman	Deputy Chairman / Executive Director	Spouse of Datin Annie A/P V Sinniah
Datin Annie A/P V Sinniah	Human Resource and Administration Director	Spouse of Dato' Sharman

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.7 SERVICE AGREEMENTS

As at the LPD, save as disclosed below, none of our Directors and / or Key Senior Management has any existing or proposed service agreement with our Group:

- (i) Service Agreement dated 1 March 2024 entered into between Steel Hawk and Dato' Sharman, for the appointment of Dato' Sharman as our Deputy Chairman / Executive Director for 5 years commencing from 7 April 2022 at a monthly salary of RM50,000. Either party shall have the option to extend this Service Agreement for a further period of 5 years thereafter on the terms and conditions to be mutually agreed upon. At the conclusion of the 10 year period, our Company and Dato' Sharman shall negotiate a revised Service Agreement. In the event no further Service Agreement is drawn-up and / or executed, our Company and Dato' Sharman agree that the terms listed herein shall serve to regulate Dato' Sharman's terms of service.

The salient terms of the abovementioned Service Agreement, which are subject to the review of our Remuneration Committee, are as follows:

- (a) the base salary shall increase at an annual rate of 10.00% of the base salary in effect for the year immediately preceding such increase;
- (b) Dato' Sharman will be eligible to receive bonuses on a discretionary basis to which the bonuses are to be determined and approved by the Board; and
- (c) in the event the Service Agreement is terminated prematurely by either party prior to the expiry of the contract period, payment of a liquidated sum equivalent to 2 months of basic salary plus (3 months x number of years in service).

5.8 MANAGEMENT SUCCESSION PLAN

Our Board believes that the success of our Group depends on the ability to retain our Key Senior Management. We have implemented a management succession plan, where we have put in place a process to groom new management staff to gradually assume the responsibilities of senior management. Our Group's strategy for management continuity is driven by our top management who is responsible for identifying key competencies and requirements of candidates. If the need arises, we will recruit qualified personnel with knowledge and expertise of our business to enhance our operations.

Our Group's management succession plan consists of, amongst others, the following:

- (i) recruitment and selection – identifying key competencies and requirements for managerial and key senior positions for succession planning, and identifying potential successor's readiness to facilitate skills transfer so as to ensure smooth running and continuity of our Group's operations;
- (ii) competitive remuneration and employee benefits – our Group provides competitive remuneration and employee benefits to our employees in our effort to retain our employees;
- (iii) structured career planning and development – our senior management trains the lower and middle management employees to gradually assume more responsibilities; and
- (iv) continuous training and education – our middle management actively participates in discussions and decision-making in the operation of our Group. Such active participation will ensure a better understanding of our Group's operations and enable the personnel to equip themselves with the necessary knowledge and skills to succeed in senior management roles.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Additionally, our Key Senior Management has clearly defined leadership roles and responsibilities within the departments of our Group respectively, which is supported by the lower and middle management staff.

Our Group's management support plan for our Executive Directors consists of, amongst others, the following:

- (i) clearly defined the roles and responsibilities of our Key Senior Management to facilitate monitoring of the daily operations of our Group;
- (ii) hierarchical organisation structure that sets out the reporting relationships, level of authority and responsibilities of each department to facilitate efficient reporting flow of information from upwards, downwards and across different departments;
- (iii) second delegate or deputies to managerial personnel; and
- (iv) Key Senior Management are responsible to oversee its respective functions and report directly to our Executive Directors.

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6. INFORMATION ON OUR GROUP

6.1 INFORMATION ON OUR GROUP

6.1.1 Our Company

We were incorporated in Malaysia under the Act on 29 December 2020 as a private limited company under the name of Steel Hawk Sdn Bhd. On 8 July 2021, we were converted into a public limited company and were listed on the LEAP Market of Bursa Securities on 29 October 2021.

Our Company is currently an investment holding company and through our Subsidiaries, we are principally involved in the provision of onshore and offshore support services for the O&G industry. Our business is segmented into the following core principal activities:

- (i) EPCC services for chemical injection skids and facilities improvement / maintenance of topside O&G facilities⁽¹⁾;
- (ii) installation and maintenance of oilfield equipment⁽²⁾; and
- (iii) supply of oilfield equipment.

Notes:

- (1) The maintenance of topside O&G facilities relates to the maintenance of any structures and fittings as well as defective pipes, tubing and electrical cables identified within the topside O&G facilities.
- (2) The maintenance of oilfield equipment relates to the maintenance of the specific oilfield equipment (e.g. pig trap systems, fire rated doors, oil spill recovery equipment, etc.). For the avoidance of doubt, our Group's maintenance of oilfield equipment is conducted expressly on an "as-needed" basis.

Further details on our Group's history and business activities are set out in **Sections 7.1 and 7.2** of this Prospectus.

6.1.2 Share capital and changes in share capital

As at the LPD / after the Bonus Issue, our issued share capital is RM7,808,001 comprising 400,000,000 Shares.

Details of the changes in our issued share capital since incorporation and up to the LPD / after the Bonus Issue are as follows:

Date of allotment	No. of Shares allotted	Nature of transaction	Consideration	Cumulative issued share capital	
				No. of Shares	RM
29 December 2020	40	Subscription of Shares	Cash	40	2
9 June 2021	143,999,960	Acquisition of Steel Hawk Engineering	Issued as consideration shares for the Acquisition of Steel Hawk Engineering	144,000,000	4,608,001

6. INFORMATION ON OUR GROUP (CONT'D)

Date of allotment	No. of Shares allotted	Nature of transaction	Consideration	Cumulative issued share capital	
				No. of Shares	RM
25 October 2021	16,000,000 ⁽¹⁾	Allotment of shares	Cash	160,000,000	7,808,001
8 March 2024	240,000,000 ⁽²⁾	Bonus Issue	N/A	400,000,000	7,808,001

Notes:

- (1) 16,000,000 new Shares issued at the issue price of RM0.20 per Share, amounting to RM3.20 million by way of private placement to selected sophisticated investors, pursuant to our Group's listing on the LEAP Market on 29 October 2021.
- (2) Number of Bonus Shares issued pursuant to the Bonus Issue which was completed on 11 March 2024. Further details of the Bonus Issue are set out in **Section 6.1.3** of this Prospectus.

There were no discounts, special terms or instalment payment terms given in consideration of the above allotment. As at the LPD, we do not have any outstanding warrants, options, convertible securities and uncalled capital.

Upon completion of our Listing, our issued share capital will increase to RM21,308,001 comprising 490,000,000 Shares.

6.1.3 Bonus Issue

In conjunction with, and as an integral part of our Listing, Steel Hawk had undertaken a pre-listing reorganisation exercise involving a bonus issue of 240,000,000 Bonus Shares on the basis of 3 Bonus Shares for every 2 existing Shares held in Steel Hawk. The Bonus Issue had been completed following the listing of and quotation for 240,000,000 Bonus Shares on the LEAP Market on 11 March 2024. Following the completion of the Bonus Issue, our issued share capital had increased to RM7,808,001 comprising 400,000,000 Shares.

6.1.4 Details of our Transfer

Subsequent to the completion of the Bonus Issue, our Company will undertake the Transfer, comprising our Withdrawal and our Listing. On 22 January 2024, an Extraordinary General Meeting of our Company was held in relation to the Transfer. At the Extraordinary General Meeting, the shareholders of our Company had voted in favour of the Transfer, comprising our Withdrawal and our Listing.

(i) Our Withdrawal

- **Requirements for the Withdrawal pursuant to the LEAP Market Listing Requirements of Bursa Securities ("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.

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 unless:

6. INFORMATION ON OUR GROUP (CONT'D)

- (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 our Minority Shareholders pursuant to our Withdrawal and appoint an independent adviser for our Withdrawal. Accordingly, our 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 of the Exemption, all our shareholders have provided their written undertakings ("**Undertaking Letters**") whereby they irrevocably and unconditionally undertake the following:

- (i) will vote in favour of our Withdrawal at our Company's extraordinary general meeting convened;
- (ii) will continue to hold and will not dispose of, transfer or reduce their shares in our Company until the completion of our Withdrawal and our 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) The Offerors had provided their written undertakings that they will continue to hold and will not dispose of, transfer or reduce their shares in our Company until the completion of our Withdrawal and Listing, save for the Offer Shares pursuant to the Offer for Sale which will be undertaken in conjunction with our Listing.

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

6. INFORMATION ON OUR GROUP (CONT'D)**(ii) Our Listing**

Our Listing entails the listing of and quotation for the enlarged issued share capital of our Company on the ACE Market. As highlighted in **Section 6.1.3** of this Prospectus, upon completion of our Bonus Issue and prior to our Listing, our issued share capital has increased from 160,000,000 Shares to 400,000,000 Shares.

Our Listing will involve, amongst others, the listing of and quotation for 90,000,000 Issue Shares to be issued under our Public Issue. Accordingly, upon completion of our Listing, our issued share capital will increase from 400,000,000 Shares to 490,000,000 Shares.

- **Requirements for our Listing pursuant to Rules 3A.02(1) and 3A.02(2) of the Listing Requirements**

Our Listing entails our admission to the Official List and the listing of and quotation for our entire enlarged issued share capital on the ACE Market to Rules 3A.02(1) and 3A.02(2) of the Listing Requirements.

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

Listing Requirements	Status of compliance
(a) have been listed for at least 2 years on the LEAP Market at the time of application for transfer of listing;	Complied. As at the date of this Prospectus, we have been listed on the LEAP Market 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 Listing Requirements;	Complied. UOBKH being the Sponsor for our Transfer has assessed our suitability for our Listing pursuant to Rule 4.07 of the Listing Requirements.
(c) comply with Chapters 3 and 3A of the Listing Requirements, as the case may be, subject to the additional requirements, modifications or exceptions set out in Chapter 3A of the 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. Our Public Issue and the Offer for Sale will be undertaken in conjunction with our Listing.
(e) comply with the relevant admission procedures and requirements as may be prescribed by Bursa Securities.	Noted and to be complied.

6. INFORMATION ON OUR GROUP (CONT'D)

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

Listing Requirements	Status of compliance
(a) a Sponsor; or	Complied. Our Board has appointed UOBKH as our Sponsor for our 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 our 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 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.

- **Public Issue**

Our Public Issue of 90,000,000 Issue Shares, representing approximately 18.37% of our enlarged issued share capital upon the completion of our Listing.

Please refer to **Section 4.1.1** of this Prospectus for further details on our Public Issue.

- **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 our Listing, which will be made available by way of private placement to selected investors.

Please refer to **Section 4.1.2** of this Prospectus for further details on the Offer for Sale.

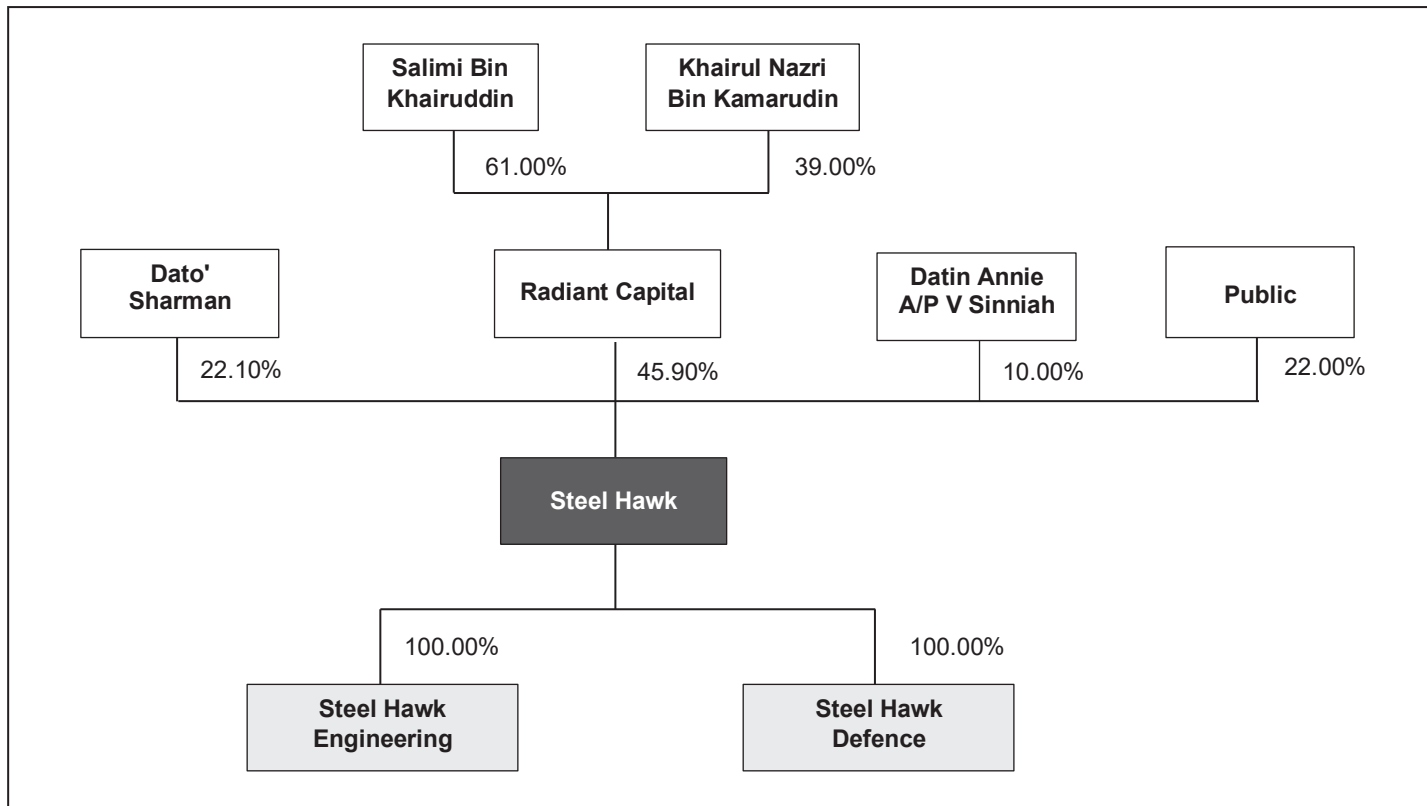
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6. INFORMATION ON OUR GROUP (CONT'D)

6.1.5 Group structure

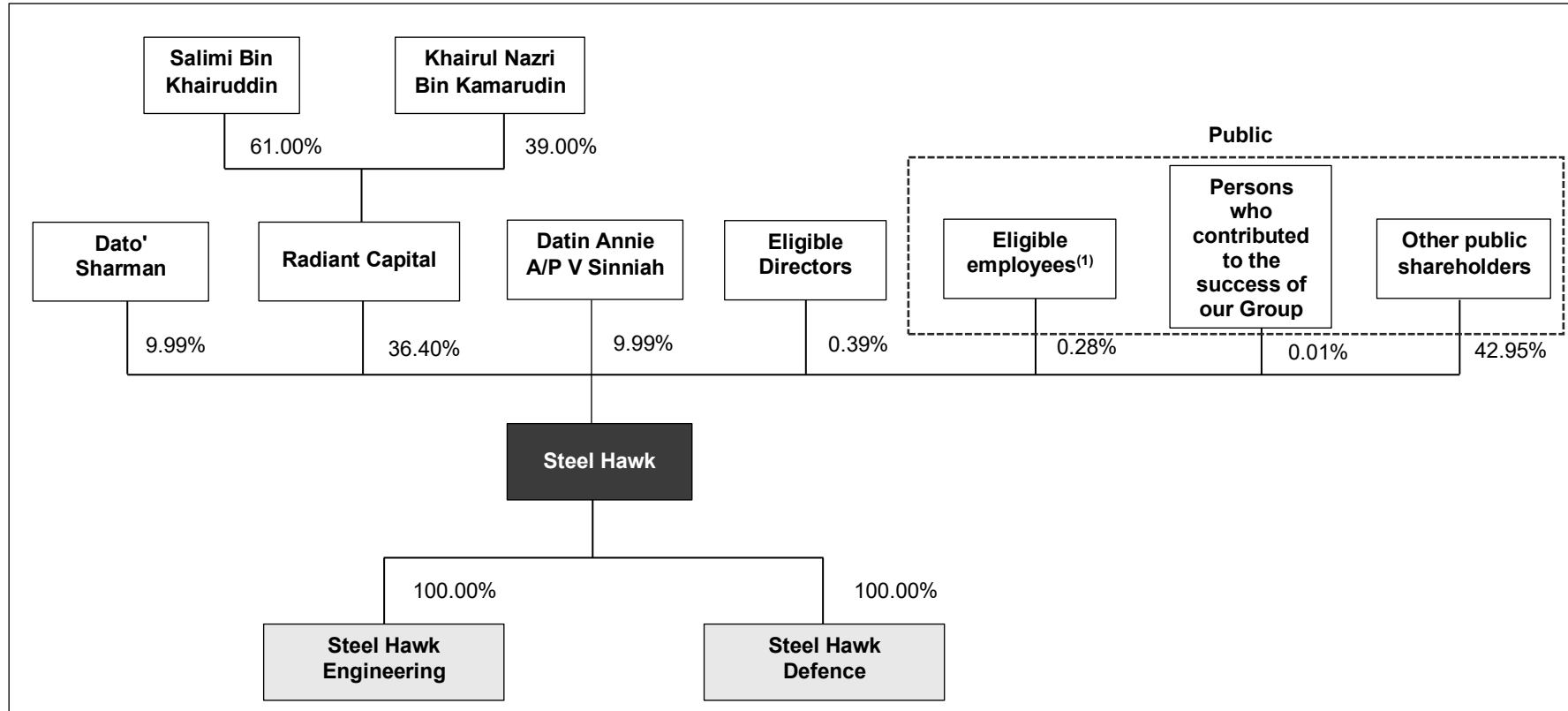
Our Group structure before and after our IPO are as set out below:

Before our IPO



6. INFORMATION ON OUR GROUP (CONT'D)

After our IPO



Note:

(1) Excluding 8,951,000 Pink Form Shares allocated to Datin Annie A/P V Sinniah.

6. INFORMATION ON OUR GROUP (CONT'D)**6.2 INFORMATION ON OUR SUBSIDIARIES**

The details of our Subsidiaries as at the LPD are set out below:

Name and Registration No.	Date / Place of incorporation	Principal place of business	Issued share capital	Effective equity interest	Principal activities
			RM	%	
Steel Hawk Engineering (Registration No. 2012010348 56 (1019338-X))	3 October 2012 / Malaysia	Malaysia	1,500,000	100.00	Provision of EPCC services and facilities improvement / maintenance, installation and maintenance of oilfield equipment and supply of oilfield equipment
Steel Hawk Defence (Registration No. 2022010141 04 (1459801-M))	18 April 2022 / Malaysia	Malaysia	100,000	100.00	Provision of manpower, materials and equipment support services

As at the LPD, we do not have any associate company or joint venture.

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6. INFORMATION ON OUR GROUP (CONT'D)**6.2.1 Steel Hawk Engineering****(i) Background and history**

Steel Hawk Engineering was incorporated in Malaysia on 3 October 2012 as a private company limited by shares and is registered under the Act under its present name.

It is principally involved in the provision of EPCC services and facilities improvement / maintenance, installation and maintenance of oilfield equipment and supply of oilfield equipment.

(ii) Share capital

As at the LPD, the issued share capital of Steel Hawk Engineering is RM1,500,000 comprising 1,500,000 ordinary shares.

Save as disclosed below, there are no changes in the issued share capital of Steel Hawk Engineering since incorporation up to the LPD:

Date of allotment	No. of shares allotted	Consideration	Cumulative issued share capital	
			No. of shares	RM
3 October 2012	100,000 (subscribers' shares)	Cash	100,000	100,000
30 May 2015	400,000	Cash	500,000	500,000
29 July 2016	300,000	Otherwise than cash	800,000	800,000
19 April 2017	500,000	Otherwise than cash	1,300,000	1,300,000
28 March 2018	200,000	Cash	1,500,000	1,500,000

There were no discounts, special terms or installment payment terms given in consideration of the above allotment.

As at the LPD, Steel Hawk Engineering does not have any outstanding warrants, options, convertible securities and uncalled capital.

(iii) Substantial shareholder and directors

As at the LPD, Steel Hawk Engineering is our wholly-owned subsidiary.

As at the LPD, the directors of Steel Hawk Engineering are Dato' Sharman, Salimi Bin Khairuddin and Khairul Nazri Bin Kamarudin.

(iv) Subsidiary, associate company and joint venture

As at the LPD, Steel Hawk Engineering does not have any subsidiary, associate company or joint venture.

6. INFORMATION ON OUR GROUP (CONT'D)**6.2.2 Steel Hawk Defence****(i) Background and history**

Steel Hawk Defence was incorporated in Malaysia on 18 April 2022 as a private company limited by shares and is registered under the Act under its present name.

It is principally involved in the provision of manpower, materials and equipment support services. Steel Hawk Defence was only incorporated on 18 April 2022 with the intention to supply manpower, materials and equipment as support services to customers who operate in the O&G services and equipment industry.

(ii) Share capital

As at the LPD, the issued share capital of Steel Hawk Defence is RM100,000 comprising 100,000 ordinary shares.

Save as disclosed below, there are no changes in the issued share capital of Steel Hawk Defence since incorporation up to the LPD:

Date of allotment	No. of shares allotted	Consideration	Cumulative issued share capital	
			No. of shares	RM
18 April 2022	100,000 (subscriber's shares)	Cash	100,000	100,000

There were no discounts, special terms or installment payment terms given in consideration of the above allotment.

As at the LPD, Steel Hawk Defence does not have any outstanding warrants, options, convertible securities and uncalled capital.

(iii) Substantial shareholder and directors

As at the LPD, Steel Hawk Defence is our wholly-owned subsidiary.

As at the LPD, the directors of Steel Hawk Defence are Dato' Sharman and Datin Annie A/P V Sinniah.

(iv) Subsidiary, associate company and joint venture

As at the LPD, Steel Hawk Defence does not have any subsidiary, associate company or joint venture.

6. INFORMATION ON OUR GROUP (CONT'D)**6.3 LOCATION OF OPERATIONS**

As at the LPD, our Group operates from the following locations:

Main functions / owned or rented	Location
Headquarter office / owned by Steel Hawk Engineering	23-2 & 25-2, Block H Jalan PJU 1/37, Dataran Prima 47301 Petaling Jaya Selangor Darul Ehsan
Office, warehouse and yard facility / owned by Steel Hawk Engineering	Lot 3695, Jalan MIEL TK 3 Kawasan Perindustrian MIEL 24000 Chukai Terengganu
Office and warehouse / rented from Sinarland Indah Sdn Bhd	Survey Lot 1269 of Parent Lot 980, Block 1, Miri Concession Land District Jalan Lutong-Kuala Baram 98000 Miri Sarawak

Please refer to **Section 7.19** of this Prospectus for further information of our Group's material lands and buildings.

6.4 MATERIAL INVESTMENTS AND DIVESTITURES**(i) Material investments**

Our material investment for the Financial Years / Period Under Review and up to the LPD are summarised as follows:

Investment costs	FYE 2021	FYE 2022	FYE 2023	FPE 2024	1 April 2024 up to the LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Freehold buildings ⁽¹⁾	1,300	-	-	-	-
Leasehold land ⁽²⁾	-	-	1,409	-	-
Leasehold buildings	-	-	2,480	-	-
Computer and software	86	110	128	246	90
Motor vehicle	340	188	936	498	-
Plant and machinery	32	425	244	11	-
Others ⁽³⁾	50	108	123	52	11
Total	1,808	831	5,320	807	101

Notes:

- (1) Acquisition of the PJ Office from SS Innovations Sdn Bhd, comprising the purchase consideration of RM1.30 million.

6. INFORMATION ON OUR GROUP (CONT'D)

- (2) Leasing of part of the Teluk Kalung Land pursuant to the lease agreement dated 1 October 2023 entered into between our Group and PMINT for the construction of the Proposed Teluk Kalung Facility 2.
- (3) Relates to capital expenditure of furniture, fittings, office equipment, renovation and signboard.

Our capital expenditures were mainly driven by our business expansion. The above capital expenditures were primarily financed by a combination of internally generated funds and / or bank borrowings.

(ii) Material divestitures

Our material divestitures for the Financial Years / Period Under Review and up to the LPD are summarised as follows:

Divestitures proceeds	FYE 2021	FYE 2022	FYE 2023	FPE 2024	1 April 2024 up to the LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Motor vehicle	34	286	644	144	-
Plant and machinery	1	-	-	-	-
Furniture and fittings	2	-	-	-	-
Total	37	286	644	144	-

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6. INFORMATION ON OUR GROUP (CONT'D)**6.5 DETAILS AND STATUS OF UTILISATION OF PROCEEDS RAISED BY OUR GROUP DURING OUR LISTING ON THE LEAP MARKET**

Pursuant to our Group's listing on the LEAP Market on 29 October 2021, our Group had successfully raised 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 ("**LEAP Placement**") and the proceeds raised have been fully utilised in the following manner:

Details of utilisation	Proposed utilisation of the LEAP Placement Proceeds ⁽¹⁾	Variation to the utilisation of the LEAP Placement Proceeds ⁽²⁾	Revised utilisation of the LEAP Placement Proceeds ⁽²⁾	Utilisation of the LEAP Placement Proceeds as at the LPD	Balance LEAP Placement Proceeds unutilised
	RM'000	RM'000	RM'000	RM'000	RM'000
Setting up 2 fire rated door assembly lines	413	-	413	413	-
Construction of a mud cooler system	730	(730) ⁽³⁾	-	-	-
Working capital	757	730 ⁽³⁾	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 our Group's Information Memorandum, our 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 our 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 the working capital of our 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 our Group's listing expenses in relation to our listing on the LEAP Market which includes professional fees, placement fees, regulatory fees and other miscellaneous expenses.

6. INFORMATION ON OUR GROUP (CONT'D)

- (2) On 5 October 2022, our Company had announced that our 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 our Group's EMAS Project. As highlighted in our Company's announcement dated 20 June 2022, Steel Hawk Engineering had on 20 June 2022 accepted the letter of award dated 17 June 2022 awarded by Sigma Water Engineering (M) Sdn Bhd with a contract value of RM2.00 million, 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, our Group had issued invoices to Sigma Water Engineering (M) Sdn Bhd for the total amount of RM2.00 million, of which RM0.60 million or 30.00% of these said invoices remains outstanding and is expected to be collected by the fourth quarter of 2024. For clarification purposes, our Board is of the opinion that the remaining outstanding trade receivables from this said customer are recoverable and we will monitor closely the recoverability of the said receivables on a regular basis.
- (3) For clarification purposes, our 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 (for the provision of drilling fluids and associated services for petroleum arrangement contractors which required mud cooler system) 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 at that point in time, given that save for the umbrella contract with PETRONAS Carigali, our Group's existing projects and tender book do not involve any installation and supply of a mud cooler system. Accordingly, our Group had decided to put on hold the plan to construct the mud cooler system where the proceeds could be more optimally utilised for the then newly secured EMAS Project.

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6. INFORMATION ON OUR GROUP (CONT'D)

6.6 DETAILS AND STATUS OF THE BUSINESS FUTURE PLANS AS DISCLOSED IN OUR INFORMATION MEMORANDUM

Section	Disclosures in the Information Memorandum	Current status
<p><u>Section 4.11(i)</u></p> <p>We plan to set up 2 fire rated door accessories assembly lines to improve the efficiency of our deliverables for our contract in relation to the provision of fire rated doors</p>	<p>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.</p> <p>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 an 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 when securing more contracts from PETRONAS. We plan to set up the assembly lines by the 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.</p>	<p>Subsequent to the listing of our Company on the LEAP Market of Bursa Securities and as highlighted above, we had utilised RM0.43 million of the LEAP Placement Proceeds raised to set up the 2 fire rated door accessories assembly lines at our Group's workshop facility in the Existing Teluk Kalung Facility 1. Our Group completed the setup and commenced full operations for the 2 fire rated door accessories assembly lines in April 2022, which had allowed our Group to improve our lead time between the placement of orders by our 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, our Group has supplied fire rated doors to PETRONAS Carigali and 1 other customer that is principally involved in the O&G sector in Malaysia.</p> <p>The VDP Programme that is established by PETRONAS is aimed to enhance the capabilities, competitiveness and sustainability of local vendors by providing them with opportunities, support, and resources to grow their businesses and meet industry standards.</p> <p>Once a vendor achieves VDP status, they become eligible to be awarded contracts by PETRONAS that require them to supply certain product(s) or service(s) that are typically developed or patented by the vendor for a specific contract duration. Our eligibility in obtaining the VDP status will also be evaluated based on various factors, including our technological innovations, technical capabilities, track record, financial stability, as well as compliance with industry standards.</p>

6. INFORMATION ON OUR GROUP (CONT'D)

Section	Disclosures in the Information Memorandum	Current status
		<p>As part of our efforts in obtaining the VDP status from PETRONAS, we have identified an injection module for space optimisation which has the potential to meet the needs and demands of PETRONAS and potentially resulting in PETRONAS according us the VDP status.</p> <p>Notwithstanding the above, the VDP Programme is an invitation-only programme by PETRONAS and there is no specific timeline on when we will be able to attain the VDP status. Nevertheless, our Company remains committed to our existing strategy of obtaining the VDP status by actively engaging in promoting and advertising our products and services as an ongoing effort to achieve recognition from PETRONAS.</p>

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6. INFORMATION ON OUR GROUP (CONT'D)

Section	Disclosures in the Information Memorandum	Current status
<p><u>Section 4.11(ii)</u></p> <p>We plan to construct and own a mud cooler system to capitalise on the umbrella contract with PETRONAS Carigali</p>	<p>We have secured an umbrella contract in May 2018 from PETRONAS Carigali, 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 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.</p> <p>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.</p> <p>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.</p>	<p>Our Group had on 20 June 2022 accepted the letter of award dated 17 June 2022 from Sigma Water Engineering (M) Sdn Bhd 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 the working capital requirements of the EMAS Project. As at the LPD, our Group had completed the 9 chemical injection skids.</p> <p>Our 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 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, our Group's existing projects and tender book do not involve any installation and supply of a mud cooler system. Accordingly, our Group had decided to put on hold our plan to construct the mud cooler system where the proceeds could be more optimally utilised for the then newly secured EMAS Project.</p>

6. INFORMATION ON OUR GROUP (CONT'D)

Section	Disclosures in the Information Memorandum	Current status										
<p><u>Section 4.11(iii)</u></p> <p>We plan to grow our customer base by acquiring other customers in the energy sector</p>	<p>We are currently dependent on PETRONAS group as our major customer. We face the risk of contract terminations despite securing call out contracts and Master Price Agreements with tenures of 3 to 5 years from PETRONAS group.</p> <p>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.</p> <p>As at the LPD, we have 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:-</p> <table border="1" data-bbox="600 1050 1223 1337"> <thead> <tr> <th>Potential customers</th> <th>Validity period</th> </tr> </thead> <tbody> <tr> <td>Federal Land Development Authority</td> <td>12 March 2021 – 14 March 2024⁽¹⁾</td> </tr> <tr> <td>Tenaga Nasional Berhad</td> <td>25 March 2021 – 14 February 2024⁽¹⁾</td> </tr> <tr> <td>Sime Darby Plantation Berhad</td> <td>20 January 2021 – 20 January 2023⁽¹⁾</td> </tr> <tr> <td>Suruhanjaya Perkhidmatan Air Negara</td> <td>22 May 2021 – 21 May 2024⁽¹⁾</td> </tr> </tbody> </table>	Potential customers	Validity period	Federal Land Development Authority	12 March 2021 – 14 March 2024 ⁽¹⁾	Tenaga Nasional Berhad	25 March 2021 – 14 February 2024 ⁽¹⁾	Sime Darby Plantation Berhad	20 January 2021 – 20 January 2023 ⁽¹⁾	Suruhanjaya Perkhidmatan Air Negara	22 May 2021 – 21 May 2024 ⁽¹⁾	<p>Subsequent to the listing of our Company on the LEAP Market, our Group managed to expand our customer base by securing 9 new customers in the FYE 2022. Pursuant to the securing of these new customers, the revenue contribution by PETRONAS group had decreased to 54.47%, 45.64% and 61.39% of our Group's total revenue in the FYE 2022, FYE 2023 and FPE 2024, respectively (FYE 2021: 85.84%). Our Group intends to continue with our current strategy by fostering collaboration and strengthening relationships with our existing customers, and at the same time expanding our customer base by participating in tender activities to secure new customers.</p> <p>As at the LPD, our Group's tender activities are mainly still focus on the O&G sector due to the various tender opportunities within the O&G sector, albeit we have been diversifying away from tenders launched by PETRONAS group. In view of the foregoing, our 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.</p> <p>Even though our Group has yet to secure any of these tenders as at the LPD, our Group shall maintain efforts to bid and secure non-O&G related projects within the energy sector as an initiative to further diversify our customer base and reduce the impact of relying on a single customer like PETRONAS group.</p>
Potential customers	Validity period											
Federal Land Development Authority	12 March 2021 – 14 March 2024 ⁽¹⁾											
Tenaga Nasional Berhad	25 March 2021 – 14 February 2024 ⁽¹⁾											
Sime Darby Plantation Berhad	20 January 2021 – 20 January 2023 ⁽¹⁾											
Suruhanjaya Perkhidmatan Air Negara	22 May 2021 – 21 May 2024 ⁽¹⁾											

6. INFORMATION ON OUR GROUP (CONT'D)

Section	Disclosures in the Information Memorandum	Current status
	<p>Note:-</p> <p>(1) Expired and was not subsequently renewed.</p> <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>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. 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>	<p>As at the LPD, our Group has not been able to secure any suitable distributors / suppliers for the procurement of oilfield equipment to expand our reach to the O&G industry in Brunei and Indonesia. In addition, our Group has not secured any significant contracts or purchase orders from international customers. Notwithstanding this, our Group endeavours to continue our efforts to identify and negotiate with customers in Brunei and Indonesia as well as countries in the Middle East and Asia region to supply our oilfield equipment to the O&G industry overseas. Furthermore, our Group intends to participate in forums and conventions, and to leverage these platforms to broaden our network and establish connections with prospective international clients.</p> <p>For clarification purposes, we had originally intended to expand our presence in the overseas market to mainly reduce our reliance on local key players in the O&G industry with the main intention to further expand our customer base.</p>

6. INFORMATION ON OUR GROUP (CONT'D)

Section	Disclosures in the Information Memorandum	Current status
		<p>In undertaking such expansion plan to foreign markets, we had successfully acquired our first overseas client (whom our management had met via an Oil and Gas Asia exhibition), where we were awarded a one-off supply contract to provide oilfield equipment (i.e., welding safety habitat – a protective structure or enclosure used in welding and other hot work operations to ensure safety of workers and the surrounding environment) to SAHID Sendirian Berhad, a company based in Brunei Darussalam which is involved in the provision of engineering, construction and maintenance services for the O&G industry.</p> <p>Our Group had successfully completed the project within the timeframe stipulated and collected the full payment of RM0.43 million from SAHID Sendirian Berhad. However, in the course of executing the supply contract, we encountered the following key challenges:</p> <ul style="list-style-type: none"> (i) Time taken to travel to our customer's office and project site throughout the duration of the supply contract; and (ii) Additional resources and costs incurred for the travelling, logistics and accommodation of our engineers. <p>Taking into consideration the above, our Board had decided to be selective on its overseas market expansion given that such initiative requires us to allocate more resources and time to access new foreign customers as compared to focusing on expanding our footprint in the local O&G industry or energy sector. As such, while we still endeavour to continue our efforts to supply our oilfield equipment to the O&G industry overseas, we intend to carry out such an expansion plan on a very selective basis.</p>

7. BUSINESS OVERVIEW

7.1 BACKGROUND AND HISTORY

Incorporation of our Group

We were incorporated in Malaysia on 29 December 2020 as a private limited company under the name of Steel Hawk Sdn Bhd. On 8 July 2021, we were converted into a public limited company and were listed on the LEAP Market of Bursa Securities on 29 October 2021.

Our Company is currently an investment holding company and through our Subsidiaries, we are principally involved in the provision of onshore and offshore support services for the O&G industry. Our business is segmented into the following core principal activities:

- (i) EPCC services for chemical injection skids and facilities improvement / maintenance of topside O&G facilities⁽¹⁾;
- (ii) installation and maintenance of oilfield equipment⁽²⁾; and
- (iii) supply of oilfield equipment.

Notes:

- (1) The maintenance of topside O&G facilities relates to the maintenance of any structures and fittings as well as defective pipes, tubing and electrical cables identified within the topside O&G facilities.
- (2) The maintenance of oilfield equipment relates to the maintenance of the specific oilfield equipment (e.g. pig trap systems, fire rated doors, oil spill recovery equipment, etc.). For the avoidance of doubt, our Group's maintenance of oilfield equipment is conducted expressly on an "as-needed" basis.

Topside O&G facilities are parts of an offshore drilling platform that are above the waterline such as drilling rigs, living accommodations and processing facilities. Please refer to **Sections 7.2 and 7.5** of this Prospectus for further details on our business activities and their respective revenue contributions to our Group.

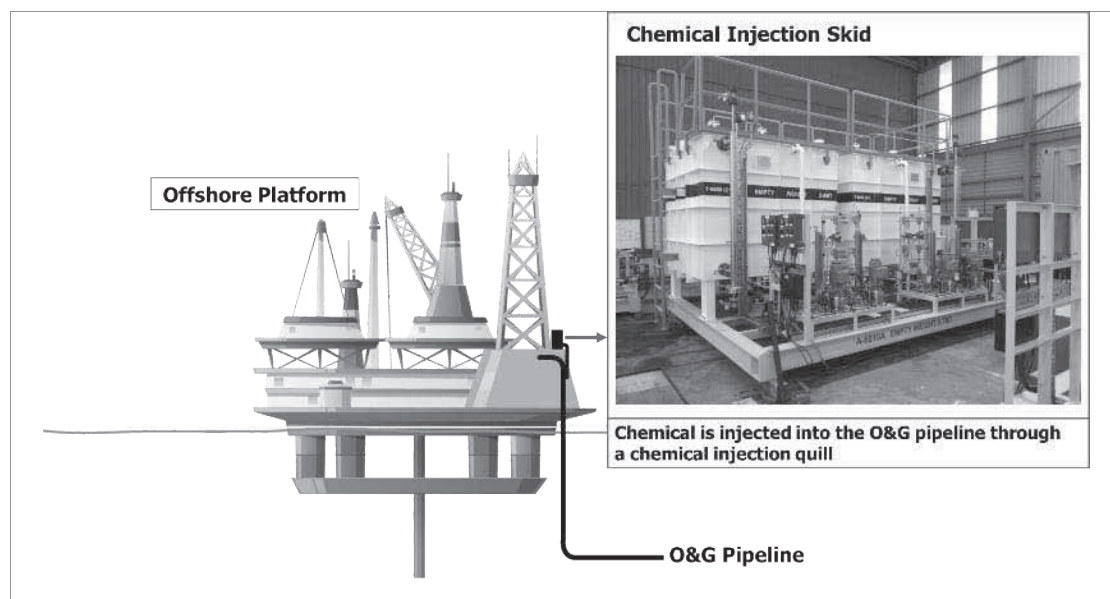
Evolution of our business over the years

Commencement of our business – EPCC services for chemical injection skids

Our Group's history can be traced back to the incorporation of Steel Hawk Engineering on 3 October 2012 by our Promoter, Deputy Chairman / Executive Director, namely Dato' Sharman and 2 other shareholders (who subsequently disposed their shareholdings to Siti Aishah Binti Amdan and Mohamad Fairus Bin Amdan in 2013 who in turn, disposed their shareholdings to Mhd Nasir Bin Omar and Azli Bin Mohd Nor within the same year to pursue their personal interest). Following the incorporation of Steel Hawk Engineering in October 2012, we commenced our initial business activity which was solely focused on the provision of EPCC services for chemical injection skids at offshore exploration and production platforms in the O&G industry.

7. BUSINESS OVERVIEW (CONT'D)

A brief illustration of the chemical injection skid at an offshore exploration and production platform, which is found at the platform's topside, is set out below:



A chemical injection skid is a type of equipment installed at onshore or offshore exploration and production facilities (e.g. platforms, rigs or terminals) to inject chemicals into pipelines and O&G wells for the purpose of well cleaning, improving pipeline flow and preventing internal corrosion of pipelines, which is crucial to ensure a smoother and more efficient flow of O&G as well as to mitigate environment risks such as leaks or spills in the pipelines of the O&G facilities. Our supply of chemical injection skids covers the full range of EPCC services which includes, amongst others, engineering works, development and preparation of drawings, procurement, fabrication, delivery to the customers' site, installation, testing and commissioning of the chemical injection skids as well as related parts and components. Save for specialised services that are outsourced to third party subcontractors such as the fabrication of large structures exceeding 6 metres (e.g. I-beam and metal plates) and blasting and painting of chemical tanks and skid bases, our Group undertakes the majority of EPCC services for chemical injection skids in-house (as elaborated in **Section 7.2(i)** of this Prospectus).

In October 2012, we set up our first office in Petaling Jaya, Selangor, which remains our head office until today, and currently houses our engineering, procurement, business development, finance and human resources departments. In December 2012, we obtained our first PETRONAS license which enables us to supply products and services to the upstream, midstream and downstream segments of the O&G industry in Malaysia. This was followed by securing our first fixed contract in May 2013 from PETRONAS Carigali to provide EPCC services for 9 chemical injection skids at 3 offshore platforms located within PETRONAS Carigali's Sarawak Operations (SKO), with a contract duration of 3 years.

In June 2014, we registered with the CIDB as a Grade G5 contractor, allowing us to bid for and carry out building, civil, mechanical and electrical engineering projects not exceeding RM5 million in value for onshore projects. We subsequently upgraded our registration with CIDB to a G7 contractor in May 2021, which allows us to bid for and carry out building, civil, mechanical and electrical engineering projects without any limit in value. We are required to register with the CIDB pursuant to the CIDB Act as it is a mandatory requirement for all contractors who carry out or complete any civil engineering construction and / or mechanical and electrical construction works to hold a valid certificate of registration issued by CIDB.

7. BUSINESS OVERVIEW (CONT'D)

In February 2015, 2 of our Promoters, namely Salimi Bin Khairuddin and Khairul Nazri Bin Kamarudin, acquired 31.00% and 20.00% equity interest in Steel Hawk Engineering from Mhd Nasir Bin Omar and Azli Bin Mohd Nor, respectively. They have since maintained their equity interest in Steel Hawk Engineering over the past 9 years and up to the LPD. For the avoidance of doubt, the remaining 49.00% equity interest in Steel Hawk Engineering has been held by Dato' Sharman since its incorporation. Salimi Bin Khairuddin joined our Group in June 2013 as our Quality Assurance and Quality Control Manager to which he was appointed as the Chief Operating Officer (Onshore) in February 2015 and had subsequently on 7 April 2022, assumed the role of Chief Executive Officer and Executive Director of our Group while Khairul Nazri Bin Kamarudin joined our Group in February 2014 as the our Senior Mechanical Engineer, to which he was appointed as the Chief Operating Officer (Offshore) in February 2015 and had subsequently stepped down from our Board as the Executive Director of our Group on 5 October 2023 and assumed the role of Chief Operating Officer of our Group. Both Salimi Bin Khairuddin and Khairul Nazri Bin Kamarudin continue to hold their respective positions in our Group as at the LPD.

In February 2015, we secured 3 additional contracts with contract duration ranging from 6 months to 2 years, from PETRONAS group to provide EPCC services for chemical injection skids at offshore platforms located within PETRONAS Carigali's Sarawak Operations (SKO). Subsequently, in December 2015, we secured our first Price Agreement (call out contract) (which does not have a fixed contract value and as such, our Group is engaged through work orders to provide specified services for the duration of the contract, as and when such services are required) from PETRONAS Carigali to provide EPCC services for chemical injection skids to 124 offshore platforms across its Peninsular Malaysia Operations (PMO), Sarawak Operations (SKO) and Sabah Operations (SBO). It was our first contract that involved PETRONAS Carigali's Peninsular Malaysia Operations (PMO) and Sabah Operations (SBO) as well as one of our longest duration contracts at the time (valid for 3 years, including a 1-year extension option which was awarded). The Price Agreement (call out contract) differed from our other contracts at the time, as it defined all aspects of pricing for our provision of EPCC services for chemical injection skids. As a result of securing the contract, we expanded our operations into Sabah and Sarawak where we established an operations office in Kota Kinabalu, Sabah (subsequently ceased in 2019 upon the completion of the Price Agreement (call out contract) in Sabah) and an operations office in Miri, Sarawak. For the avoidance of doubt, in the event that our Group manages to secure new contracts in Sabah, we intend to set up and operate from a new office in Sabah. Additionally, Steel Hawk Engineering is a registered vendor of Petroleum Sarawak (PETROS) and will continue to participate in tenders in Sarawak. As such, our Group intends to maintain our operations office in Sarawak regardless of the status of our contracts in Sarawak.

We continued to expand our operations in the following years where in April 2017, we established an operations office in Kemaman, Terengganu. This was followed by establishing another operations office in Kerteh, Terengganu in April 2019 which was later moved to Teluk Kalung, Terengganu in April 2021.

Expansion of our business activities – supply, installation and maintenance of oilfield equipment

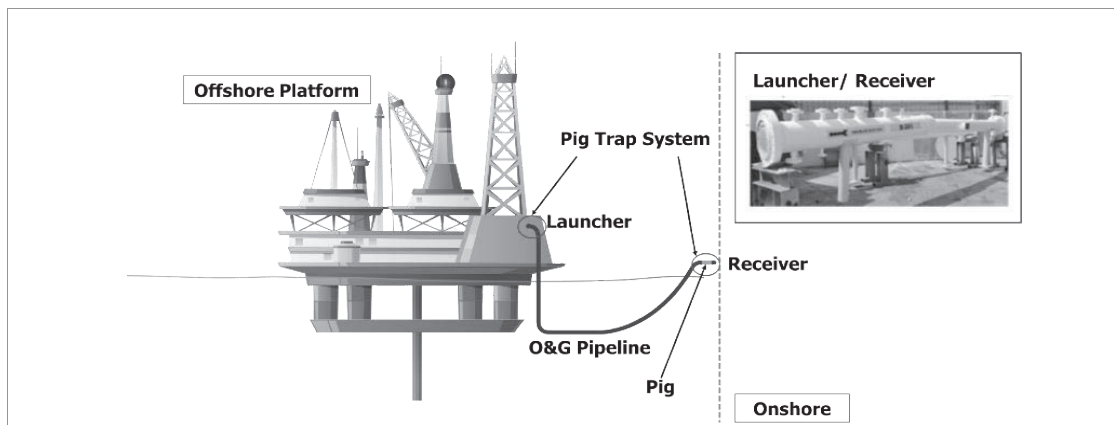
Over the years, we gradually expanded our services from our expertise in the improvement / maintenance of pipelines to include installation and maintenance of oilfield equipment as well as supply of oilfield equipment for topside O&G platforms, this includes maintenance services such as blasting and painting, modification of pig trap barrels (launcher and receiver) and replacement of existing fire rated doors as well as supply of oilfield equipment such as fire rated door accessories (i.e., hinges, door handle, panic bar, sight glass and perimeter gasket), pig trap accessories (i.e., pig signaller, door seals and quick opening closures) and oil spill consumables (i.e., oil absorbent and skimmer pumps), as part of our initiatives to provide additional value to our customers.

7. BUSINESS OVERVIEW (CONT'D)

In July 2017, we secured our first Price Agreement (call out contract) from PETRONAS Carigali for the supply, delivery, installation, and maintenance of fire rated doors for its onshore and offshore O&G facilities in its Peninsular Malaysia Operations (PMO) and Sarawak Operations (SKO) for a duration of 3 years. This contract marks the expansion of our services into the supply, installation, and maintenance of oilfield equipment.

In July 2018, we secured our first Price Agreement (call out contract) from PETRONAS Carigali which involved the provision of fabrication, installation, commissioning, inspection and maintenance works of pig trap system at onshore and offshore O&G facilities across PETRONAS Carigali's Peninsular Malaysia Operations (PMO), Sarawak Operations (SKO) and Sarawak Gas Operation (SKG) with a contract duration of 4 years, further establishing our Group's footprint in pipeline cleaning and maintenance services within the O&G industry. In view of this, we further expanded the range of our supply of oilfield equipment as well as installation and maintenance of oilfield equipment to include pig trap systems (i.e., static equipment through which the pigging tools such as pig launchers and receivers are introduced into a pipeline and received from the pipeline).

A brief illustration of the pig trap system covering the onshore and offshore pipeline system is as set out below:



Pigging activity – a pipeline maintenance service involving the use of pipeline inspection gauges or 'pigs', which are pushed along the pipeline from the launcher enclosure door until it reaches the receiver enclosure door, cleaning the pipeline along the way.

Expansion of our business activities – facilities improvement / maintenance services

In December 2018, we were awarded a Price Agreement (call out contract) by PETRONAS Carigali to provide maintenance, construction, and modification services for their onshore facilities at Kerteh, Terengganu (i.e., Onshore Gas Terminal and Onshore Slug Catcher). The works performed under this contract fall within our EPCC services and facilities improvement / maintenance, encompassing improvements and / or modifications to existing facilities, replacement of corroded or damaged structural members, handrails, gratings and piping spools, cleaning and painting of structures as well as removal, installation or modification of piping, tubing, fittings and component parts of structures. The contract is currently ongoing and valid for a period of 5 years (including 2 years extension) until December 2023. The contract was further extended until December 2024. Our involvement in this contract was a major milestone in enabling us to solidify and establish ourselves as a service provider for onshore facilities improvement / maintenance services, offering a complete range of necessary maintenance, modifications, construction and fabrication services for such facilities. Additionally, the aforementioned contract allowed our Group to gain the skills applicable to conduct the abovementioned services on offshore facilities as well.

In October 2020, we secured a 5-year Price Agreement (call-out contract) from PETRONAS Carigali for the provision of maintenance of fire rated doors for living quarters and modularised offshore buildings for its Peninsular Malaysia Assets, Sarawak Oil Assets and Sarawak Gas Assets.

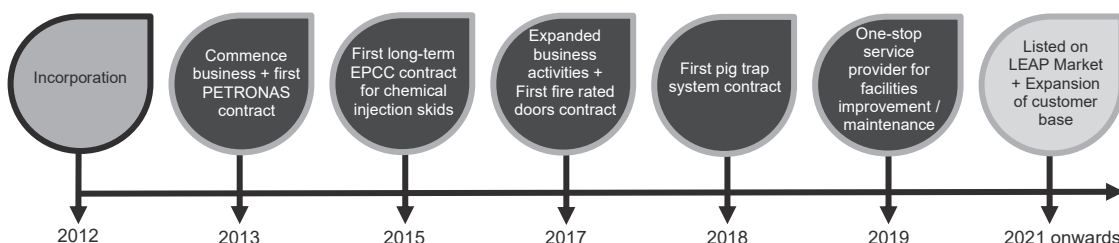
7. BUSINESS OVERVIEW (CONT'D)

In February 2021, we acquired our first overseas client (who we met via an Oil and Gas Asia exhibition, in which they had visited our booth), when we were awarded a one-off supply contract to provide oilfield equipment (i.e., welding safety habitat – a protective structure or enclosure used in welding and other hot work operations to ensure safety of workers and the surrounding environment) to SAHID Sendirian Berhad, a company based in Brunei Darussalam which is involved in the provision of engineering, construction and maintenance services for the O&G industry. In the same year, we also secured a 3-year Price Agreement (call out contract) from PETRONAS Carigali to provide oil spill recovery equipment maintenance for its Peninsular Malaysia Assets. The contract involved the supply of oilfield equipment such as oil booms, oil filters, hydraulic hoses, rubber seals, and recoil starters as well as the installation and maintenance of such equipment, whereby it was carried out on a scheduled and ad-hoc basis. Our involvement in this contract shows our Group's continued efforts in expanding our services within the O&G industry and enabled us to grow our revenue.

In October 2021, our Group was listed on the LEAP Market of Bursa Securities. Since 2021, up to the LPD, we have expanded our customer base to include companies such as Customer A (2021), PBH Engineering Sdn Bhd (2022), Sigma Water Engineering (M) Sdn Bhd (2022), and Customer F (i.e., a subsidiary of a public company listed on the Main Market of Bursa Securities) (2023).

In addition to our PETRONAS license, we are required to meet SWEC requirements for the services that we provide to our customers in Malaysia. As at the LPD, we have 172 SWEC under our PETRONAS license, with each SWEC allowing our Group to bid for and supply specific registered services and products to the O&G industry in Malaysia. Further, as at the LPD, we have 10 ongoing contracts with PETRONAS group with an expiration date of up to August 2026. Please refer to **Sections 7.2.1 and 7.2.2** of this Prospectus for further details on our secured contracts and SWEC, respectively. We have obtained other licenses and certifications over the years, including, amongst others, our ISO certifications in 2013 from NQA, our Suruhanjaya Tenaga (ST) license in 2016, the transition from ISO 9001:2008 to ISO 9001:2015 compliant in 2018, as well as ISO 45001:2018 in 2022.

A brief illustration of the key events in the history and development of our Group is depicted in the following diagram:



In summary, we have been involved in the O&G industry in Malaysia for approximately 12 years. Over the years, we have gradually expanded the scope of our business from a pipeline cleaning and maintenance specialist that provides EPCC services for chemical injection skids within the O&G industry to a broader range of O&G services covering installation and maintenance of oilfield equipment, supply of oilfield equipment and subsequently establishing itself as a one-stop service provider for improvement / maintenance of topside O&G facilities.

A summary of our Group's key events and milestones is set out below:

Year	Key achievements and milestones
2012	<ul style="list-style-type: none"> Incorporation of Steel Hawk Engineering. Obtained PETRONAS license.
2013	<ul style="list-style-type: none"> Secured first contract from PETRONAS Carigali involving the provision of EPCC services for chemical injection skids at offshore platforms located within PETRONAS Carigali's Sarawak Operations (SKO). Certified as an ISO 9001:2008 company by NQA.

7. BUSINESS OVERVIEW (CONT'D)

Year	Key achievements and milestones
2014	<ul style="list-style-type: none"> Registered with CIDB as a Grade G5 contractor. Received 'Zero Lost Time injury' Certificate from PETRONAS.
2015	<ul style="list-style-type: none"> Secured multiple contracts from PETRONAS group within the scope of EPCC services for chemical injection skids. Awarded first long-term Price Agreement (call out contract) from PETRONAS Carigali to provide EPCC services for chemical injection skids to 124 offshore platforms across PETRONAS Carigali's Peninsular Malaysia Operations (PMO), Sarawak Operations (SKO) and Sabah Operations (SBO).
2017	<ul style="list-style-type: none"> Secured first contract from PETRONAS Carigali for the provision of supply, delivery, installation, maintenance and services of fire rated doors (involved supply of oilfield equipment as well as installation and maintenance of oilfield equipment). Secured first contract from PETRONAS Carigali involving oil spill recovery equipment maintenance for Peninsular Malaysia Assets (involved supply of oilfield equipment as well as installation and maintenance of oilfield equipment).
2018	<ul style="list-style-type: none"> Awarded first contract from PETRONAS Carigali involving the provision of onshore facilities maintenance, construction and modification services (involved EPCC services and facilities improvement / maintenance). Awarded first contract from PETRONAS Carigali involving, amongst others, the provision of fabrication, installation, commissioning, inspection and maintenance works of pig trap system (involved supply of oilfield equipment as well as installation and maintenance of oilfield equipment). Implemented transition from ISO 9001:2008 to ISO 9001:2015 by NQA.
2020	<ul style="list-style-type: none"> Secured a 5-year contract from PETRONAS Carigali for the provision of living quarters and modularised offshore buildings maintenance and fire rated doors for Peninsular Malaysia Assets, Sarawak Oil Assets and Sarawak Gas Assets (involved supply of oilfield equipment as well as installation and maintenance of oilfield equipment). Inked a memorandum of understanding with PETRONAS for the implementation of Vendor Development Program as an anchor contractor based on past performance.
2021	<ul style="list-style-type: none"> Awarded a one-off supply contract by SAHID Sendirian Berhad of Brunei Darussalam which is our first contract from the overseas market. Upgraded our registration with CIDB as a Grade G7 contractor. Secured a 3-year contract from PETRONAS Carigali involving oil spill recovery equipment maintenance for Peninsular Malaysia Assets (involved supply of oilfield equipment as well as installation and maintenance of oilfield equipment).
2022	<ul style="list-style-type: none"> Secured a one-off contract from Sigma Water Engineering (M) Sdn Bhd for the provision of the design, supply, manufacture and delivery of chemical injection skid for Effluent Management At Source (EMAS) Project. Secured a one-off contract from PBH Engineering Sdn Bhd for the provision of detailed engineering design work involving procurement, construction, installation and commissioning of storage and handling facilities for Propylene Oxide and Ethylene Oxide operations in Kerteh, Terengganu. Received 'best contractor HSSE performance for Quarter 1 2022' certificate from Pengerang Refining Company Sdn Bhd and Pengerang Petrochemical Company Sdn Bhd (collectively referred to as PRefChem, a joint venture between PETRONAS and Saudi Aramco) for the provision of emergency spill response services (i.e. onsite repairs of any spills or leakages) and emergency spill preventive equipment maintenance (i.e. maintenance of equipment such as skimmer pumps) under our installation and maintenance segment. Our Group was awarded the certificate based on our competency and performance during the duration of the aforesaid project (i.e. from August 2021 to August 2023). This certification serves as a validation to our competency and past performance for the aforesaid project, which may possibly lead to other working opportunities with PRefChem in future. Certified as an ISO 45001:2008 company by Intertek Certification Limited.

7. BUSINESS OVERVIEW (CONT'D)

Year	Key achievements and milestones
2023	<ul style="list-style-type: none"> Secured a contract from PETRONAS Carigali for the provision of pig trap system maintenance. Secured a contract from PETRONAS Chemical LPDE Sdn Bhd for the provision of manpower, equipment, tools, services and consumables for bagging machines maintenance services. Secured a contract from PETRONAS Refinery and Petrochemical Corporation Sdn Bhd for the provision of rental of industrial hygiene equipment. Secured 2 contracts from a company involved in the provision of civil and structural engineering works for the provision of EPCC services.

7.2 OUR PRINCIPAL ACTIVITIES AND BUSINESS MODEL

We are principally involved in the provision of onshore and offshore support services for the O&G industry. Our Group's business activities are as follows:

Business activities	EPCC services and facilities improvement / maintenance		Installation and maintenance of oilfield equipment	Supply of oilfield equipment ⁽¹⁾
Description	<p><u>EPCC services for chemical injection skids</u> Provision of EPCC services for chemical injection skids installed at onshore or offshore exploration and production facilities (e.g. platforms, rigs or terminals)</p>	<p><u>Facilities improvement / maintenance</u> Overall improvement and maintenance of O&G facilities (i.e. oil rig platform, onshore and offshore) - upgrade and/ or replacement of corroded or damaged structures as well as removal, installation or modification of component parts of structures</p>	Supply of the oilfield equipment to be installed and maintained (i.e. repair, refurbishment, and replacement) at customers' sites	Supply and delivery of specific oilfield equipment and / or parts and components to embarkation points
Product and Services	<ul style="list-style-type: none"> Site survey and inspection Design and 3D modelling Development of engineering drawings Procurement of supplies Fabrication and construction⁽²⁾ Erection and installation Pre-testing, pre-commissioning, testing and commissioning Preservation of existing chemical injection skids 	<ul style="list-style-type: none"> Inspection Development of shop drawings, fabrication drawings and as-built drawings Procurement of supplies Fabrication and construction⁽²⁾ Erection and replacement of structures, fittings, pipes, tubing and electrical cables Pre-testing, pre-commissioning, testing and commissioning Rigging and scaffolding Civil, electrical and instrumental works 	<ul style="list-style-type: none"> Oilfield equipment survey Repair and refurbishment Procurement of oilfield equipment as well as parts and components Replacement of parts, components and oilfield equipment 	<ul style="list-style-type: none"> Pig trap system Fire rated doors Oil spill recovery equipment, etc.

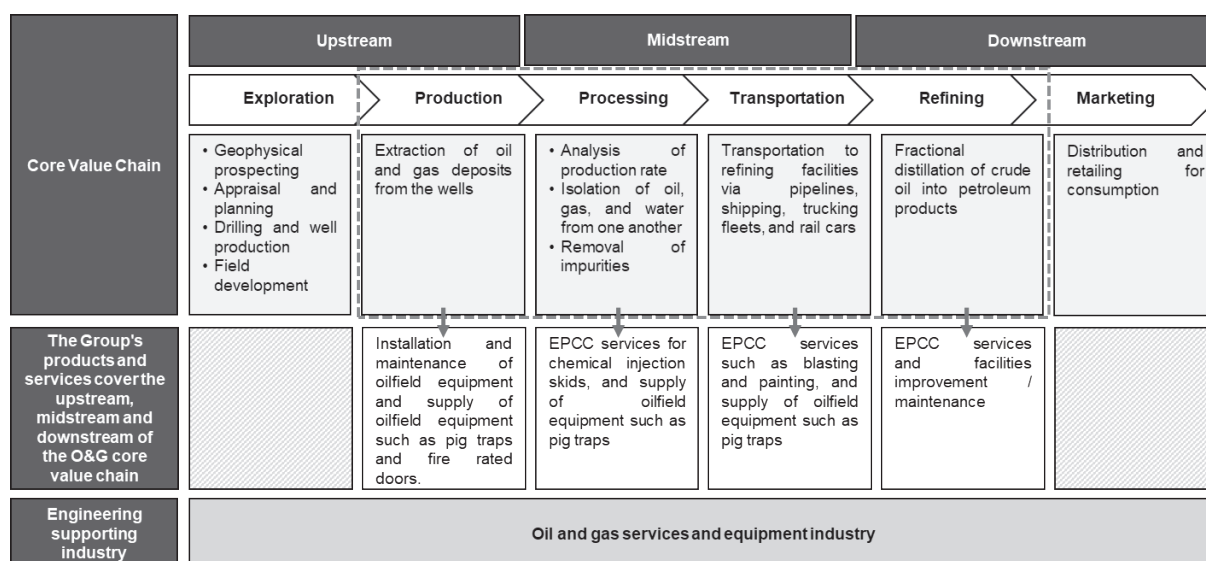
Notes:

- (1) Our Group's supply of oilfield equipment only involves the delivery of specific oilfield equipment and/ or parts and components to embarkation points such as supply bases or ports designated by its customers, without any installation or maintenance provided at its customers' facilities.
- (2) Our Group's fabrication of large structures exceeding 6 metres (e.g. I-beam and metal plates) is currently outsourced to subcontractors due to space constraints in our Group's Existing Teluk Kalung Facility 1. Additionally, blasting and painting of materials (i.e. structures, pipes, tubing, and fittings) are also outsourced to subcontractors. However, with the construction of the Proposed Teluk Kalung Facility 2, the aforementioned services will be conducted in-house.

7. BUSINESS OVERVIEW (CONT'D)

Our Group operates in the O&G services and equipment industry where our business activities are to support the upstream, midstream, and downstream segments of the O&G industry. We are primarily focused on the maintenance and upkeep of pipelines and topside facilities to ensure the efficiency of crude oil and gas production, and the functionality and safety of the topside facilities. As such, our services are considered essential to our customers' ongoing operations as our customers require periodic planned maintenances (and shutdown) to upkeep their facilities, hence providing us a certain degree of insulation from fluctuation in crude oil and gas prices. For the avoidance of doubt, our Group's EPCC services and facilities improvement/maintenance segment is still affected by market conditions of the O&G industry. For example, during periods of high crude oil prices, customers are more inclined to conduct expansion and upgrading of facilities and vice versa.

The value chain of the O&G industry is depicted as follows:



Note:

--- Denotes the segments of the O&G industry value chain which our Group supports. For the avoidance of doubt, our Group provides support services (i.e., maintenance of existing facilities, supply of oilfield equipment and improvement of facilities) to customers who operate within these sub-sectors of the supply chain.

(i) EPCC services and facilities improvement / maintenance

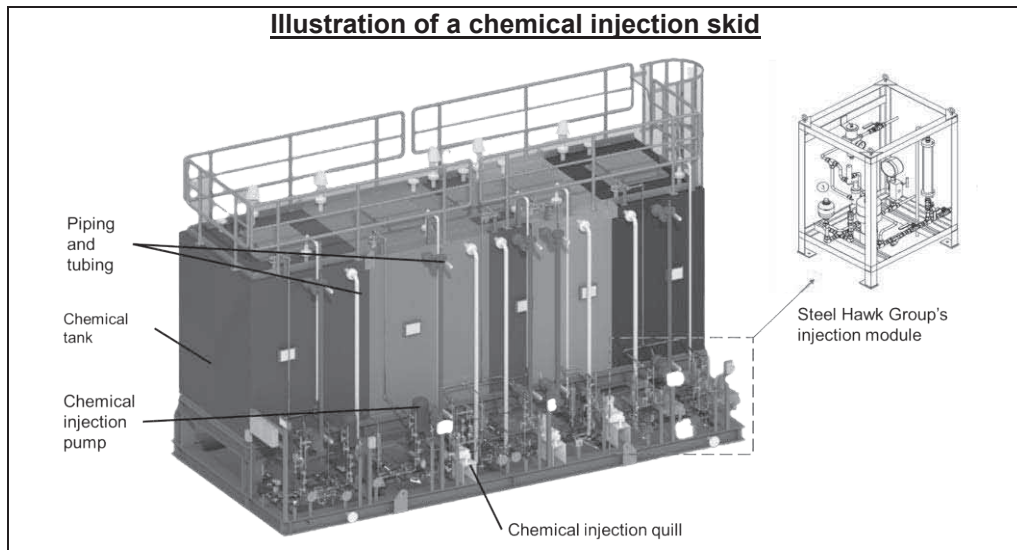
The services provided by our Group under this segment are categorised into EPCC services for chemical injection skids and facilities improvement / maintenance of topside O&G facilities which are described as follows:

EPCC services for chemical injection skids

A chemical injection skid is an equipment installed at onshore or offshore exploration and production facilities. It consists of multiple components, such as a chemical tank, valves, piping and tubing, chemical injection pump, injection rate gauge, pressure gauge, and chemical injection quill. It is designed to inject various chemicals, usually as dilute solutions at precise amounts and pressure into piping and O&G wells for the purpose of well cleaning, improving pipeline flow and preventing internal corrosion of pipelines.

7. BUSINESS OVERVIEW (CONT'D)

An illustration of the chemical injection skid within the O&G exploration and production facilities is as follows:



Our EPCC services for chemical injection skids mainly cater to offshore O&G exploration and production facilities. We leverage on our engineering capabilities, as well as our network of suppliers and subcontractors. Save for specialised services that are outsourced to third party subcontractors such as the fabrication of large structures exceeding 6 metres (e.g. I-beam and metal plates) and blasting and painting of chemical tanks and skid bases, we undertake the majority of EPCC services for chemical injection skids to in-house (as elaborated below).

The scope of our EPCC services for chemical injection skids offered are as follows:

EPCC services	Description
Site survey and inspection	We conduct site surveys where we assess the current condition of chemical injection skids at customers' sites. We make recommendations on the maintenance or replacement of chemical injection skids, as well as their parts and components. This applies to both maintenance of existing chemical injection skids and / or the need to install new chemical injection skids at customers' facilities.
Design	We design and engineer customised chemical injection skids with consideration of the condition of O&G exploration and production facilities and technical specifications provided by our customers, amongst others, in order to optimise the chemical injection process.
Development of engineering drawings	We develop engineering drawings such as general arrangement drawing for equipment, piping isometric drawing and installation layout drawing, based on the technical specifications provided by our customers prior to the commencement of procurement, fabrication and construction, as well as as-built drawings upon commissioning.
Procurement of supplies	We procure the necessary parts and components from our list of pre-approved suppliers.

7. BUSINESS OVERVIEW (CONT'D)

EPCC services	Description
Fabrication and construction	The fabrication of large structures exceeding 6 metres (e.g. I-beam and metal plates) and blasting and painting of chemical tanks and skid bases are outsourced to our subcontractors, under our management and supervision. The assembling of chemical injection skids is conducted in-house by our employees upon completion of fabrication and blasting and painting works by our subcontractors.
Erection and installation	We remove existing chemical injection skids and install new chemical injection skids at our customers' sites.
Pre-testing, pre-commissioning, testing, and commissioning	We conduct pre-testing and pre-commissioning activities of chemical injection skids prior to installation. Upon installation, we conduct testing and commissioning activities with representatives of our customers at our customers' sites.
Preservation of existing chemical injection skid	We also conduct preservation of existing chemical injection skids which includes flushing of residue chemicals inside the skid, nitrogen purging and line isolation on the existing chemical skid.

Facilities improvement / maintenance of topside O&G facilities

Our facilities improvement / maintenance of topside O&G facilities includes, amongst others, the periodical (with periodic intervals ranging between 1 month to 6 months depending on our customers' maintenance schedule and written requests) or ad-hoc replacement of corroded or damaged structural members, handrails, gratings and piping spools; cleaning and painting of structures; as well as removal, installation or modification of piping, tubing, fittings and component parts of structures conducted onsite at the customers' facilities.

Our Group was awarded the first project involving facilities improvement / maintenance in December 2018 from PETRONAS Carigali to provide maintenance, construction and modification services for their onshore facilities at Kerteh, Terengganu (i.e. Onshore Gas Terminal and Onshore Slug Catcher). Pursuant to the said contract, the first work order issued to our Group was in March 2019 to carry out improvement/ modification works to the Onshore Gas Terminal of PETRONAS Carigali during its shutdown period, which involved, amongst others, the rerouting of pipelines. The rerouting of pipelines involves consideration of technical feasibility, environmental impact and requires engineering design and planning. As such, the work order issued to Steel Hawk under the said contract involved the provision of EPCC services and facilities improvement / maintenance.

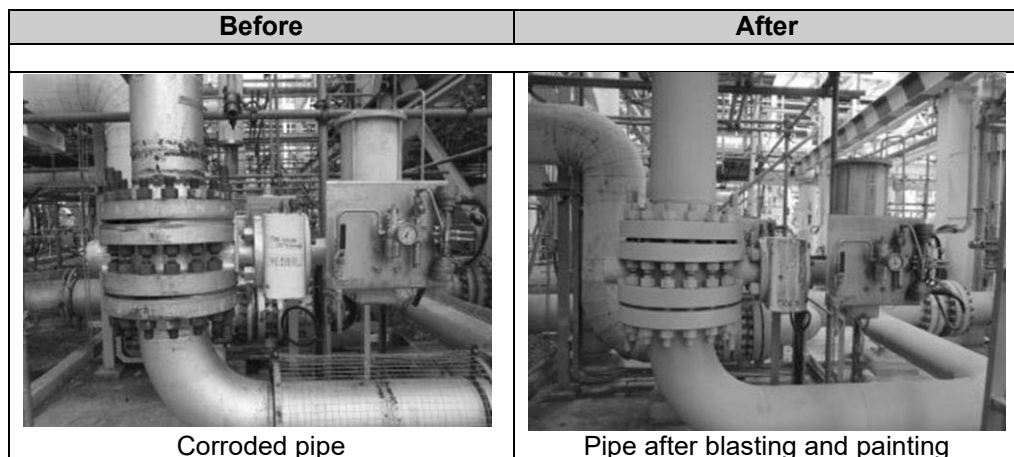
The scope of our facilities improvement / maintenance of topside O&G facilities is as follows:

Facilities improvement / maintenance	Description
Inspection	We conduct periodical or ad-hoc inspections where we identify damaged or corroded structures and fittings as well as defective pipes, tubing and electrical cables.

7. BUSINESS OVERVIEW (CONT'D)

Facilities improvement / maintenance	Description
Development of shop drawings, fabrication drawings and as-built drawings	We develop shop drawings and fabrication drawings based on the approved for construction drawings and technical specifications provided by our customers prior to the commencement of procurement, fabrication and construction, as well as as-built drawings upon commissioning.
Procurement of supplies	We procure the necessary parts and components from our list of pre-approved suppliers.
Fabrication and construction	The fabrication of large structures exceeding 6 metres, blasting and painting of materials (i.e. structures, pipes, tubing and fittings) are outsourced to our subcontractors, while we manage and supervise all aspects of the fabrication, blasting and painting.
Erection and replacement of structures, fittings, pipes, tubing and electrical cables	We remove the damaged structures and fittings as well as defective pipes, tubing and electrical cables and install the newly fabricated structures, fittings, pipes, tubing and electrical cables at our customers' sites on an ad-hoc basis, and during major shutdowns and turnarounds.
Pre-testing, pre-commissioning, testing, and commissioning	We conduct pre-testing and pre-commissioning activities prior to installation. Upon installation, we conduct testing and commissioning activities with representatives of our customers at our customers' sites.
Rigging and scaffolding	We provide rigging and scaffoldings, which are temporary structures built to allow access for replacement, testing and commissioning activities.
Civil, electrical and instrumentation works	We provide civil, electrical and instrumentation works, as and when required by our customers.

The illustrations below are samples of parts on topside O&G facilities before and after we undertake facilities improvement / maintenance activities:



7. BUSINESS OVERVIEW (CONT'D)**(ii) Installation and maintenance of oilfield equipment**

We provide installation and maintenance services (i.e., repair, refurbishment, and replacement) of specified oilfield equipment such as fire rated doors, pig trap systems, and oil spill recovery equipment in topside O&G facilities. Please refer to **Section 7.2 (iii)** of this Prospectus for the details of the specified oilfield equipment. Unlike our Group's facilities maintenance of topside O&G facilities, where such services generally involve the periodical maintenance of any structures and fittings as well as defective pipes, tubing and electrical cables identified within the topside O&G facilities, the installation and maintenance services of specified oilfield equipment provided by our Group are based on ad-hoc basis, as and when needed or requested by our customers.









Our installation and maintenance of oilfield equipment includes the supply of the oilfield equipment (such as fire rated doors, panic bar and perimeter gasket), pig trap accessories (such as pig signaller, door seals and quick opening closures) to be installed and maintained at customers' sites.

We leverage on our engineering capabilities, specific industry knowledge of regulations and requirements / criteria as well as our network of suppliers to offer installation and maintenance of oilfield equipment to our customers. The scope of our installation and maintenance of oilfield equipment services are as follows:

Installation and maintenance of oilfield equipment	Descriptions
Oilfield equipment survey	We conduct ad-hoc surveys (upon request from customers) of existing oilfield equipment at our customers' sites where we identify damaged parts and components as well as defective oilfield equipment.
Repair and refurbishment	We repair and refurbish oilfield equipment if the damages are able to be repaired or refurbished. These include equipment such as fire rated doors, hinges, door handle, panic bar and perimeter gaskets.
Procurement of oilfield equipment as well as parts and components	If the oilfield equipment can be repaired or refurbished, we procure the necessary parts and components from our list of pre-approved suppliers for repair or refurbishment. If the oilfield equipment is unable to be repaired or refurbished, we source and procure replacement oilfield equipment, either as complete assembled or as separate parts and components for in-house assembly, from our suppliers, based on the required technical specifications, to be installed at our customers' sites.
Replacement of parts, components and oilfield equipment	We remove the damaged parts, components and oilfield equipment, and install with the repaired / refurbished / new parts, components, and oilfield equipment.

7. BUSINESS OVERVIEW (CONT'D)

The illustrations below are samples of pig trap system and fire rated doors before and after we undertake installation and maintenance services:

Before	After
Pig Trap System	
 <p data-bbox="491 651 788 678">Corroded pig trap receiver door</p>	 <p data-bbox="1034 651 1257 678">Replaced receiver door</p>
 <p data-bbox="480 943 799 969">Damaged pig trap launcher barrel</p>	 <p data-bbox="959 943 1337 969">Replaced entire pig trap launcher barrel</p>
Fire Rated Doors	
 <p data-bbox="544 1323 735 1350">Malfunctioning door</p>	 <p data-bbox="1002 1323 1289 1350">Upgraded new door with frame</p>
 <p data-bbox="496 1767 783 1794">Door with damaged panic bar</p>	 <p data-bbox="1034 1767 1262 1794">Door with new panic bar</p>

7. BUSINESS OVERVIEW (CONT'D)

(iii) Supply of oilfield equipment

We are involved in the standalone supply of oilfield equipment services to our customer which we undertake through purchase orders on an ad-hoc basis. For clarification, unlike our installation and maintenance of oilfield equipment, the supply of oilfield equipment only involves the delivery of specific oilfield equipment and / or parts and components to embarkation points such as supply bases or ports designated by our customers, without any installation or maintenance provided at our customers' facilities. The oilfield equipment and their parts and components are procured for our list of pre-approved suppliers as complete assembled oilfield equipment, or as separate parts and components for in-house assembly prior to delivery.

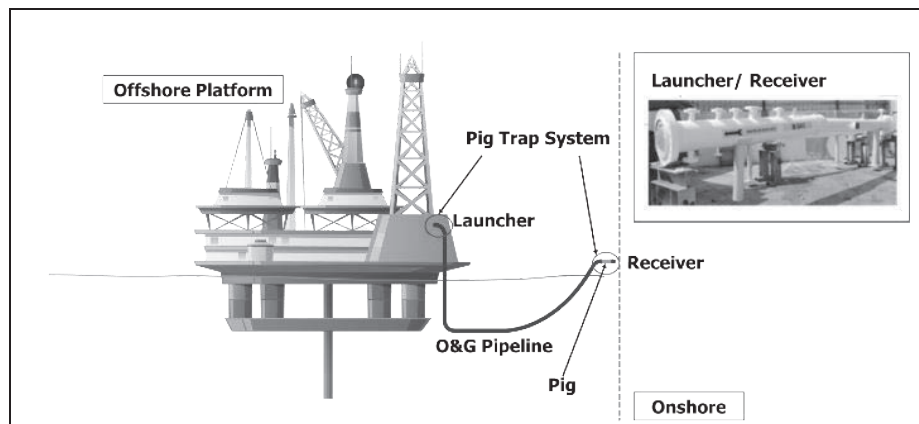
The types of oilfield equipment that we offer include the following:

(a) Pig trap system

A pig trap system is used in the maintenance of pipelines and comprises a launcher and receiver enclosure door with associated equipment. It is typically installed at onshore or offshore facilities and connected to pipelines to enable the execution of pigging activity, which is an essential pipeline maintenance activity that serves to maximise production flow and mitigate internal corrosion of pipelines without interrupting production flow.

The pig trap system comprises launcher and receiver enclosure doors, major barrel, reducer, minor barrel and its associated equipment such as isolation valves, drain line piping, vent line piping, kicker plate / bypass line piping, equalizer, pig signaller, pressure gauge, double block and bleed system and temperature gauge.



The pig trap system is assembled by our Group's engineers at our customers' facility, where the barrels are fabricated by our subcontractors while the other parts and components are sourced from our suppliers.



Pigging activity – a pipeline maintenance service involving the use of pipeline inspection gauges or 'pigs', which are pushed along down the pipeline from the launcher enclosure door until it reaches the receiver enclosure door, cleaning the pipeline along the way.

7. BUSINESS OVERVIEW (CONT'D)

The illustrations below are types of pig signaller (part of the pig trap system equipment) that we offer:

Non-intrusive pig signaller	Non-intrusive pig signaller
	
<p>Used on pipes measuring above 18 inches in diameter</p>	<p>Used on pipes measuring 18 inches and below in diameter</p>



(b) Fire rated doors

Fire rated doors are fittings that provide protection by slowing the transfer of heat and flames when in contact with fire.

We offer single leaf, double leaf, sliding and customised onshore fire rated doors with 15 minute, 1-hour and 2-hour fire ratings, as well as offshore fire rated doors with 2-hour fire rating. All our fire rated doors are in compliance with the requirements by the Standards and Industrial Research Institute of Malaysia (SIRIM) and Fire and Rescue Department of Malaysia (BOMBA), Universal Building By-Law 1984, International Maritime Organisation and Safety of Lift at Sea (SOLAS) & PETRONAS Technical Standard (PTS) 11.22.04: Design of Offshore Living Quarters.

We procure complete assembled fire rated doors as well as their parts and components from our suppliers, which are then assembled at our yard and subsequently to be installed at our customers' sites.

The illustrations below are the fire rated doors or parts and components of fire rated doors that we offer:



Single leaf door	Double leaf door
	

7. BUSINESS OVERVIEW (CONT'D)

(c) Oil spill recovery equipment

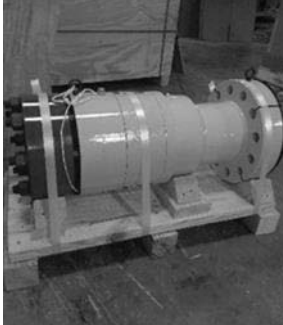

The oil spill recovery equipment provided by our Group includes oil booms, skimmers and absorbents that are used to clean up and control ocean oil spills. We procure complete assembled oil spill recovery equipment, as well as parts and components from our suppliers to be installed and/ or replaced at our customers' sites.

The illustrations below are types of oil spill recovery equipment that we offer:

Oil skimmers	Oil booms
	
<p>An oil skimmer is a device used to recover spilled oil from the water's surface.</p>	<p>An oil boom is a temporary floating barrier used to contain oil spills on water.</p>

(d) Other oilfield equipment

We also offer other oilfield equipment such as subsea mechanical connectors and welding safety habitats as illustrated below:

Subsea mechanical connectors	Welding safety habitat
	
<p>Specialised devices used in underwater applications in joining various components and equipment together</p>	<p>A protective structure or enclosure used in welding and other hot work operations to ensure the safety of workers</p>

7. BUSINESS OVERVIEW (CONT'D)

7.2.1 Our Contracts

Price Agreements (call out contracts)

We provide our abovementioned O&G support services to customers through Price Agreements (call out contracts) with tenures ranging from 1 to 5 years, which include options for extension of up to 2 years. Notwithstanding the foregoing, the parties may agree to further extensions, where applicable. The renewals / extensions of our Price Agreement (call out contracts) are subject to amongst others, the level of satisfaction of our customers on our services as well as taking into consideration our experience and knowledge of the specifications and requirements of our customers. Under a Price Agreement (call out contract) (which does not have a fixed contract value), we are engaged by our customer through work orders to provide specified services for the duration of the contract, as and when such services are required. As at the LPD, our ongoing Price Agreements (call out contracts) are as follows:

Description of contracts	Business activities involved ⁽¹⁾	Customer(s)	Contract validity period
Provision of onshore facilities maintenance, construction, and modification services (Package B – Peninsular Malaysia Asset, Terengganu Gas Terminal and Onshore Slug Catcher)	(i)	PETRONAS Carigali	12 December 2018 – 31 December 2024 ⁽²⁾
Provision of living quarters and modularised offshore buildings maintenance and fire rated doors (Package B1 – Peninsular Malaysia Asset)	(ii), (iii)	PETRONAS Carigali	28 October 2020 – 27 October 2025
Provision of living quarters and modularised offshore buildings maintenance and fire rated doors (Package B3 – Sarawak Oil)	(ii), (iii)	PETRONAS Carigali	28 October 2020 – 27 October 2025
Provision of living quarters and modularised offshore buildings maintenance and fire rated doors (Package B4 – Sarawak Gas)	(ii), (iii)	PETRONAS Carigali	28 October 2020 – 27 October 2025
Provision of scaffolding services	(ii)	Customer E	8 February 2022 – 9 February 2025 ⁽³⁾
Provision of rental of gas detector, walkie talkie and leak detection equipment at Petronas NGV stations	(iii)	PETRONAS NGV Sdn Bhd	1 December 2022 – 30 November 2025
Provision of pig trap system maintenance (Package A – Sarawak Asset)	(ii), (iii)	PETRONAS Carigali	27 February 2023 – 26 February 2025 ⁽⁴⁾
Provision of pig trap system maintenance (Package C – Peninsular Malaysia Asset)	(ii), (iii)	PETRONAS Carigali	27 February 2023 – 26 February 2025 ⁽⁴⁾
Provision of manpower, equipment, tools, services and consumables for bagging machines maintenance services	(ii), (iii)	PETRONAS Chemical LDPE Sdn Bhd	18 June 2023 – 17 June 2025

7. BUSINESS OVERVIEW (CONT'D)

Description of contracts	Business activities involved⁽¹⁾	Customer(s)	Contract validity period
Provision of rental of industrial hygiene equipment	(ii), (iii)	PETRONAS Refinery and Petrochemical Corporation Sdn Bhd	8 August 2023 – 7 August 2026
Provision of engineering, procurement, fabrication, construction, and delivery of integrated chemical injection skid for all Dulang platforms	(i)	PETRONAS Carigali	26 December 2023 – 2 December 2024

Notes:

- (1) (i) refers to EPCC services and facilities improvement / maintenance; (ii) refers to installation and maintenance of oilfield equipment; and (iii) refers to supply of oilfield equipment.
- (2) The initial contract period was 3 years including a 2-year extension which was exercised by PETRONAS Carigali. Subsequently on 5 December 2023, PETRONAS Carigali has granted a further extension of 1 year and 20 days from 12 December 2023.
- (3) The initial contract period is for 2 years and has a 1-year extension option subsequent to completion of the initial contract period.
- (4) The initial contract period is for 1 year and has a 1-year extension option subsequent to completion of the initial contract period.

Based on the table above, as at the LPD, our Group has 10 ongoing Price Agreements (call out contracts) with PETRONAS group with an expiration date of up to August 2026.

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7. BUSINESS OVERVIEW (CONT'D)**Fixed contract**

We provide our abovementioned O&G support services to customers through one-off fixed contracts with a fixed contract value with milestone payments, to be delivered within the stipulated delivery date. As at the LPD, our ongoing fixed contracts are as follows:

Description of contracts	Business activities involved ⁽¹⁾	Contract value RM'000	Customer(s)	Contract date / delivery date
EPC of NC1 fire water piping replacement	(i)	4,250	Customer A	5 June 2021 / 27 July 2024 ⁽²⁾
Supply, fabrication, installation and testing of new propylene oxide ("PO") storage tank, PO piping including of PO (jetty & feeding), vapor return, nitrogen, plant air, chilled water and service water line and provision of engineering, supply, non-destructive testing ("NDT"), factory acceptance test (FAT), installation and testing of equipment (mechanical), blasting and painting and installation of civil and structural work, equipment and electrical work, equipment and instrumentation work, fire fighting system and instrumentation signal cable	(i)	54,978	PBH Engineering Sdn Bhd	30 May 2022 / 31 December 2024 ⁽³⁾

Notes:

- (1) (i) refers to EPCC services and facilities improvement / maintenance; (ii) refers to installation and maintenance of oilfield equipment; and (iii) refers to supply of oilfield equipment.
- (2) Based on the extended delivery date acknowledged by Customer A on 4 July 2024.
- (3) Based on the extended delivery date acknowledged by PBH Engineering Sdn Bhd on 19 June 2024.

7. BUSINESS OVERVIEW (CONT'D)

7.2.2 Our SWEC

We are required to register SWEC with PETRONAS in order to participate in tender activities and supply the registered services and products to the O&G industry in Malaysia. As at the LPD, we have 172 SWEC under our PETRONAS licence.

7.2.3 Warranty

Our contracts generally stipulate a warranty period of between 12 to 36 months to cover any defects, and if our customers report defects, our technical personnel will investigate and rectify the defects.

The parts and components that we source from our suppliers are provided with a warranty period of typically 12 months from our suppliers. Thus, we practice back-to-back warranty where we obtain warranty claims from our suppliers if there are defects in any of the parts and components in the oilfield equipment installed at our customer's site.

During the Financial Years / Period Under Review, save for during the FYE 2021 where we have encountered warranty claims amounting to RM5,771 in relation to the replacement of a panic bar for fire rated doors, which accounted for 0.02% of our total revenue, we have not incurred any warranty claims for defects in our deliverance nor recorded any provisions for such claims.

7.3 COMPETITIVE STRENGTHS**7.3.1 We have an established track record through our achievements in our quality management systems and various HSE requirements**

Our Group places emphasis on the establishment of policies and procedures on quality assurance and quality control, as well as HSE to ensure compliance with the relevant regulations which our customers emphasise. As a testament to the conformity of our quality management system to international standards, Steel Hawk Engineering has been certified with ISO 9001: 2015 and ISO 45001: 2018 compliant by Intertek Certification Limited. Please refer to **Section 7.9** of this Prospectus for information on our ISO 9001: 2015 and ISO 45001: 2018 certificates.

Over the years of our business operations, we received several certifications and focus recognitions from PETRONAS which attest to our performance and HSE management, as follows:

- Recorded zero lost time injury for the supply and delivery of chemical injection packages and sump and drain packages for pipeline replacement projects in 2014 and 2015.
- Awarded with Outstanding Vendor Award in 2015 and 2016.
- Recorded an overall supplier tracking assessment rating (STAR) of 4 rating (i.e., excellent) for our contracts between 2017 and 2020, which indicates that our overall performance is above acceptable standards.
- Received 8 focus recognitions from PETRONAS in 2018 and 2019 for our contribution towards zero HSE incidents and safe man-hours.

7. BUSINESS OVERVIEW (CONT'D)

The abovementioned certifications and focus recognitions are exclusive and specific to our Group and have been issued by PETRONAS under their system evaluation of a contractor's performance. As such, these certifications and focus recognitions provide us with an additional advantage as they further act to validate our Group's performance and commitment to HSE. While the abovementioned certifications and focus recognitions are not a requirement by customers, such certifications and focus recognitions provide our customers with a certain degree of comfort and serve to validate our Group's past services and track record.

Our track record and recognitions we received from PETRONAS add value to our evaluation criterion when we participate in tender activities for future contracts under PETRONAS group and enable us to secure contract extensions or renewals from PETRONAS group. Our track record till date has enabled us to be awarded with extension and renewal of the following contracts with PETRONAS:

Contracts	Initial contract period	Extended contract period
Provision to supply and maintenance of chemical injection skid	15 December 2015 – 14 December 2017	15 December 2017 – 14 December 2018
Provision of manpower, equipment and material supply for vessel receiving and bunkering operations	14 July 2016 – 13 July 2018	14 July 2018 – 13 July 2019
Provision of pig supply and refurbishment services	2 April 2017 – 1 April 2018	2 April 2018 – 1 April 2019
Provision of supply, delivery, installation maintenance and services of fire rated doors (Package A – Sarawak Operations)	24 July 2017 – 23 July 2019	24 July 2019 – 23 July 2020
Provision of supply, delivery, installation maintenance and services of fire rated doors (Package C – Peninsular Malaysia Operations)	24 July 2017 – 23 July 2019	24 July 2019 – 23 July 2020
Provision of oil spill response equipment maintenance	11 December 2017 – 10 December 2019	11 December 2019 – 10 December 2020
Provision of onshore facilities maintenance, construction and modification services (Package B – Peninsular Malaysia Asset, Terengganu Gas Terminal and Onshore Slug Catcher Terminal)	12 December 2018 – 11 December 2021	12 December 2021 – 11 December 2023
Provision of engineering, procurement, fabrication, installation, commissioning, inspection and maintenance works of pig trap system (Package A – Sarawak Oil Assets)	23 July 2018 – 22 July 2021	23 July 2021 – 22 July 2022
Provision of engineering, procurement, fabrication, installation, commissioning, inspection and maintenance works of pig trap system (Package B – Sarawak Gas Assets)	23 July 2018 – 22 July 2021	23 July 2021 – 22 July 2022
Provision of engineering, procurement, fabrication, installation, commissioning, inspection and maintenance works of pig trap system (Package D – Peninsular Malaysia Assets)	23 July 2018 – 22 July 2021	23 July 2021 – 22 July 2022

7. BUSINESS OVERVIEW (CONT'D)

Contracts	Initial contract period	Extended contract period
Provision of pig trap system maintenance (Package A - Sarawak Asset)	27 February 2023 – 26 February 2024	27 February 2024 – 26 February 2025
Provision of pig trap system maintenance (Package C - Peninsular Malaysia Asset)	27 February 2023 – 26 February 2024	27 February 2024 – 26 February 2025

Since the commencement of our business operations in 2013 up to the LPD, we have secured a total of 44 contracts (comprising fixed / Price Agreements (call out contracts)) with PETRONAS group (out of which we have successfully been able to secure renewals for 12 contracts). The aforementioned 44 contracts consist of contracts which have a fix contract period (i.e. contracts with specific scope of work and duration, in which upon completion of our scope of work the contracts would be deemed completed without extension) and contracts with extension options (i.e. contracts which generally include maintenance services, thus requiring renewal / extension clauses for the extended maintenance services). Our Group has successfully secured renewal / extension for all contracts containing a renewal / extension clause (i.e. amounting to 12 contracts). Additionally, our Group has not experienced any health, safety and environment incidents and / or claims from our employees during the Financial Years / Period Under Review.

7.3.2 Our team of in-house engineers is equipped with the relevant technical expertise in the O&G industry

Since the commencement of our business, we have been providing engineering solutions to suit the specific requirements of our customers. Our Group operates in a specialised industry where technical expertise in the O&G industry is a requirement for our Group to carry out our business operations.

This is mainly due to the stringent requirements imposed by our customers as well as governing bodies that may vary from customer to jurisdiction. In view of this, our Group requires individuals who have the requisite experience in their respective fields as well as experience in navigating the regulatory conditions to ensure that our engineering solutions are able to satisfy our customers' requirements.

In view of the above, our Group retains a team of engineers in-house who have technical backgrounds covering mechanical, mechatronics, civil, electric and electronics and instrumentation engineering, quality assurance and quality control, HSE and project management to carry out engineering works in both onshore and offshore. Our Group also retains a team who are based onshore to carry out technical works.

7. BUSINESS OVERVIEW (CONT'D)

As at the LPD, we have 50 technical personnel, which accounted for 70.42% of our total 71 employees. Further details of our Group's technical personnel categorised by department/ division and working experience are as follows:

Department/ Division	Number of employees	Years of experience		
		0-5	5-10	>10
Mechanical, Mechatronics and Civil	27	9	10	8
Electric and electronics and instrumentation engineering	5	3	-	2
Onshore- welders, construction superintendents, fitter foremen and riggers	18	1	5	12
Total	50	13	15	22

By leveraging on the combined knowledge and experience of our technical staff, we have been able to develop customised engineering solutions to satisfy our customers' requirements and specifications. The adaptability and resilience of our engineering and technical abilities have been fundamental to the growth of our business and will continue to ensure that we remain sustainable over the long term.

Please refer to **Section 7.19** of this Prospectus for information on our employees.

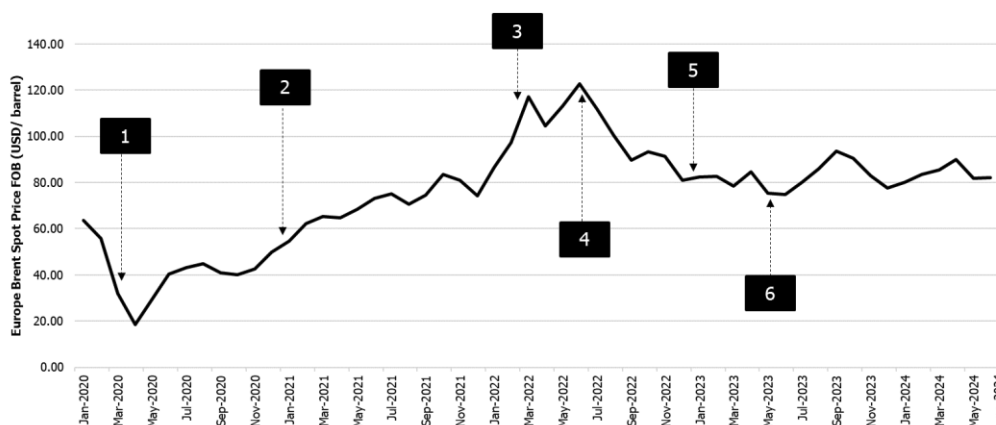
7.3.3 The nature of our business, where our business operations are not materially affected by crude oil and gas production and price fluctuations, coupled with our long-term contracts, enable us to generate sustainable revenue

The onshore and offshore support services which we provide to our customers are to upkeep pipelines and topside facilities. Our customers in the O&G industry require periodic maintenance and upkeep of their pipelines and topside facilities to ensure the efficiency of crude oil and gas production, and the functionality and safety of said facilities.

As such, our services are required by our customers despite fluctuating crude oil and gas prices, which provides our Group a certain degree of insulation from the fluctuating crude oil and gas prices.

Nevertheless, our Group's EPCC services and facilities improvement / maintenance segment may still be affected by the capital expenditure of our customers in the O&G industry as their capital expenditure is based on market conditions of the O&G industry. For example, during periods of high crude oil prices, our O&G customers are more inclined to conduct expansion and upgrading of facilities and vice versa.

Notwithstanding the above, the insulation derived for mandatory upkeep and maintenance enables us to generate sustainable revenue streams throughout the duration of our contracts. The following diagram provides the historical crude oil prices since 2020 up to June 2024:

7. BUSINESS OVERVIEW (CONT'D)**Notes:**

- (1) On 11 March 2020, the WHO declared COVID-19 as a global pandemic.
- (2) In December 2020, WHO rolled-out the COVID-19 vaccination. Global economic activities continue to pick up.
- (3) On 24 February 2022, Russia invaded parts of Ukraine, prompting the Russia-Ukraine war.
- (4) Fears of global recession as inflation soared in major economies particularly in the US coupled with China economic slowdown.
- (5) In December 2022, China began to its zero-COVID policy, prompting revitalisation in the global supply chain.
- (6) Tightening of oil supply as the Organisation of the Petroleum Exporting Countries members plus other oil-producing countries known as the nations announced an extension of oil output cuts.

A summary of our Group's revenue by business activities for the Financial Years / Period Under Review is as follows:

Revenue	Audited			
	FYE 2021	FYE 2022	FYE 2023	FPE 2024
	RM'000	RM'000	RM'000	RM'000
EPCC services and facilities improvement / maintenance	18,240	57,788	64,927	15,890
Installation and maintenance of oilfield equipment	5,235	7,310	5,782	2,389
Supply of oilfield equipment	1,370	1,228	1,828	1,457
Total	24,845	66,326	72,537	19,736

Our Group had experienced steady growth in our EPCC services and facilities improvement / maintenance segment from RM18.24 million in the FYE 2021 to RM64.93 million in the FYE 2023. This growth can be seen to be in tandem with increases in crude oil prices. However, in May 2022, oil prices began to drop as shown in the graph above. Notwithstanding this, our Group continued to experience growth in the FYE 2023 as we recorded revenue of RM64.93 million for our EPCC services and facilities improvement / maintenance segment as compared to RM57.79 million in the FYE 2022.

7. BUSINESS OVERVIEW (CONT'D)

Nevertheless, the business of our Group is subject to PETRONAS group's expenditure cycle and yearly pre-planned maintenance programs such as preventive maintenances, periodic maintenance, turnarounds and / or shutdown maintenances. Further, the duration of contracts we secured ranges from 1 to 5 years including options for extension of up to 3 years. Notwithstanding the foregoing, the parties may agree to further extensions, where applicable. As at the LPD, we have 10 ongoing contracts with PETRONAS group with expiration dates of up to August 2026. We have also signed Price Agreements (call out contracts) which allow us to charge our customers for our services and products at fixed rates as stipulated in the Price Agreements (call out contracts).

7.3.4 We have an experienced and technically strong key management team

Our Group has an experienced and technically strong key management team, led by our Executive Director and Deputy Chairman, Dato' Sharman, who has 20 years of experience in the O&G industry. He is responsible for the overall strategic management of our Group and plays a vital role in growing the business of our Group. Our Group's key management team is as follows:

Name	Designation	Years of relevant working experience
Dato' Sharman	Deputy Chairman / Executive Director	20
Salimi Bin Khairuddin	Executive Director / Chief Executive Officer	14
Khairul Nazri Bin Kamarudin	Chief Operating Officer	10
Datin Annie A/P V Sinniah	Human Resource and Administration Director	17
Vintra A/P Vijayakumar	Chief Financial Officer	12

Our Key Senior Management has strong industry and functional expertise as a result of years of experience in their respective fields. The combination of knowledge and relevant working experience across a broad spectrum of business activities has enabled our Key Senior Management to take an active, hands-on role in spearheading their respective departments to support the growth of our Group. Their hands-on involvement in our Group enables the transference of skills and knowledge to employees at all levels, which thereby demonstrates their strong commitment to our growth as we continue to expand. Please refer to **Section 5.4.2** of this Prospectus for the profiles of our Key Senior Management.

7. BUSINESS OVERVIEW (CONT'D)

7.4 BUSINESS STRATEGIES AND FUTURE PLANS

7.4.1 We plan to establish our own fabrication yard at Teluk Kalung, Kemaman, Terengganu

As at the LPD, our business operations are mainly carried out at the Existing Teluk Kalung Facility 1 located at Teluk Kalung, Kemaman, Terengganu, which has a total land area and gross built-up area of approximately 23,508 sq. ft. and 7,609 sq. ft., respectively. The works undertaken at the Existing Teluk Kalung Facility 1 include the fabrication of chemical injection skids (save for the large structures exceeding 6 metres, e.g. I-beam and metal plates), pipes, tubing and fittings in-house to support our main business segment, namely the EPCC services and facilities improvement / maintenance operations. We also undertake the assembly of fire rated doors at the Existing Teluk Kalung Facility 1 which are then installed at our customers' sites.

We anticipate that our fabrication activities will further increase in tandem with the anticipated increase in spending on EPCC services in the O&G industry as highlighted in **Section 8** of this Prospectus. Accordingly, our Group intends to construct the Proposed Teluk Kalung Facility 2 on part of the Teluk Kalung Land (approximately 0.5 kilometres from the Existing Teluk Kalung Facility 1) in order to expand our fabrication capacity to approximately 65MT per month or equivalent to 5 times of the fabrication capacity of the Existing Teluk Kalung Facility 1 (i.e. currently 13MT per month), to cater for the expected increase in demand of our products and services, which require a larger production space and office space for future increase in work force.

Our Group had on 1 October 2023 entered into a leasing agreement with 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. Pursuant to the Lease Agreement, our Group shall pay to PMINT a total lease payment of RM1.53 million, of which RM0.31 million deposit payment (i.e., 20% of the total lease payment) has been paid by our Group on 11 October 2023, and the balance lease payment of RM1.22 million (i.e., 80% of the total lease payment) shall be paid by our 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. Our Group has subsequently on 30 April 2024 paid the first instalment of RM407,560.35 to PMINT.

For the avoidance of doubt, we will only be able to register the lease upon making full payment of the balance lease payment of RM1.22 million. As such, there can be no assurance that the aforementioned lease can be registered in favour of our Group or can be registered in a timely manner pursuant to the Lease Agreement due to reasons beyond the control of our Group. Notwithstanding the foregoing, our Board will endeavour to complete the payment of the balance lease consideration to facilitate the registration of the lease in favour of our Group thereafter.

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, an 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 our EPCC services and facilities improvement/ maintenance operations whereas the office space will be used for the new headquarters of Steel Hawk Engineering as well as to accommodate any future increases in workforce. The warehouse will be used to store raw materials, machinery and equipment.

The larger space of the Proposed Teluk Kalung Facility 2 will enable us to carry out more steelwork fabrication as well as undertake blasting and painting activities internally as opposed to 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 our EPCC services while minimising the possible delays caused by external subcontractors' delivery schedules. In addition, undertaking an active role in blasting and painting activities allows us to precisely meet our customer's requirement as we 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.

7. BUSINESS OVERVIEW (CONT'D)

The total estimated cost for the construction of the Proposed Teluk Kalung Facility 2 is approximately RM13.64 million, which will be funded via a combination of internally generated funds and proceeds raised from our Public Issue. The construction of the Proposed Teluk Kalung Facility 2 is expected to be completed by the first quarter of 2026 and fully operational by the third quarter of 2026. Further details on the cost and construction timeline are highlighted in **Section 4.5.1** of this Prospectus. For the avoidance of doubt, we intend to continue to utilise the Existing Teluk Kalung Facility 1 as our project material transit warehouse, being a facility used by our Group to temporarily store project related materials before they are transported to the project site. It serves as a central hub for receiving, organising and distributing our project related materials.

Upon completion of the construction of the Proposed Teluk Kalung Facility 2, we will purchase new machinery and equipment in anticipation of increasing the fabrication capacity of our existing services. The purchase of the machinery and equipment will be funded through internally generated funds. The new machinery to be purchased consists of the following:

Machinery and Equipment	Description	Number of Units	Total Estimated Cost (RM'000)
Diesel driven generator	Used as an emergency power supply for the fabrication yard	2	60
Air compressor	Used to provide a continuous source of compressed air, primarily powering air-driven hand tools	5	75
Welding machine	Used to assemble or remove metal parts using thermal energy	10	200
Hydraulic jack	Used to lift heavy loads by applying force via a hydraulic cylinder	8	180
Manual thread machine	Used to thread and cut pipe or bolt	3	100
Jaw adjustable girder clamp	Used to allow for safe guiding of steel lifting, pulling, or as an anchor point	20	40
Manual torque wrench	Used to tighten nuts and bolts to a predetermined torque value	15	45
Total		63	700

The required regulatory approvals for the construction of the Proposed Teluk Kalung Facility 2 are set out in **Section 4.5.1** of this Prospectus.

Moving forward, our Group plans to recruit the additional technical personnel in various engineering disciplines such as mechanical, quality assurance, electrical, instrumentation, civil and tender proposal management to cope and attend to the growing demand and orders. However, our Group plans to adopt a prudent approach in increasing our manpower and will only do so when justified by increases in orders and overall growth in our business segments. Accordingly, we are not able to ascertain the headcount and cost required for the employment of additional manpower at this juncture.

Notwithstanding the above, in the event of any unforeseen disruptions to the construction of the Proposed Teluk Kalung Facility 2, our Group will continue to maintain our current operation structure by carrying out our business operations at the Existing Teluk Kalung Facility 1 and utilising subcontractors to undertake the fabrication of large structures exceeding 6 metres and blasting and painting activities. For the avoidance of doubt, pursuant to the Lease Agreement, Steel Hawk Engineering has the rights and shall proceed with the construction of the Proposed Teluk Kalung Facility 2 before the full settlement of the lease payment to PMINT. Our Group has also received consent from PMINT to proceed with the construction of the Proposed Teluk Kalung Facility 2 once the necessary regulatory approvals required have been obtained. As at the LPD, our Group has procured all other regulatory approvals to commence construction on the Proposed Teluk Kalung Facility 2. Please refer to Section 4.5.1 of this Prospectus for further details on the regulatory approvals required the construction of the Proposed Teluk Kalung Facility 2.

7. BUSINESS OVERVIEW (CONT'D)

7.4.2 We intend to expand our EPCC services to the renewable energy industry

Currently, our EPCC services are mainly provided to our customers in the O&G industry. Moving forward, we intend to serve customers in the renewable energy industry, specifically for solar and hydroelectric energy.

Since incorporation up to the LPD, we had only secured one contract to provide EPCC services for the renewable energy industry whereby we secured a purchase order from PETRONAS Carigali in August 2019 to provide engineering, procurement, installation, and commissioning of a solar photovoltaic ("PV") system for its Terengganu Gas Terminal in Kerteh, Terengganu. For the avoidance of doubt, this work order was undertaken as part of our current on-going Price Agreement (call out contract) with PETRONAS Carigali for the provision of onshore maintenance, construction and modification services under our EPCC services and facilities improvement / maintenance segment. Moving forward, we intend to bid for additional contracts that involve the provision of EPCC services in the renewable energy industry.

Our Group's existing technical personnel are equipped with the necessary experience and technical knowledge in the renewable energy industry. This was demonstrated via our Group's successful appointment and implementation of a solar PV system for PETRONAS Carigali in its Terengganu Gas Terminal in August 2019 as highlighted above. Furthermore, our expertise and knowledge in providing EPCC services and solutions to our customers in the O&G industry is relevant to the renewable energy industry in terms of the technicality aspect pertaining to these businesses and will enable us to transfer our expertise and knowledge to the renewable energy industry. In addition, our experience in project management within the O&G industry is similar to the project management within the renewable energy industry. As such, given that the skill sets of our existing technical personnel in the O&G industry can be easily adapted to the renewable energy sector, our Group does not intend to recruit any new individuals to undertake such activities as the overlap in skillset and knowledge on EPCC services for O&G industry and renewable energy industry would allow our Group to maintain a leaner employment structure throughout our growth process in securing new renewable energy contracts. Additionally, our Group possesses the relevant tools, such as dedicated design and engineering software which enable us to execute structural designs for renewable energy systems (i.e. solar, hydropower, turbines, etc) and technical personnel who are skilled in their respective disciplines (i.e. mechanical, electrical, civil, structure and electromechanical engineering) to provide our services and solutions to customers involved in the renewable energy industry.

We will be focusing on the solar and hydroelectric energy as the solar industry would require the installation and maintenance of its solar panels and systems, power cables, poles, power station and grid interconnection facilities. As for hydroelectric energy, we will be able to provide our EPCC services and solutions during the commissioning and installation of equipment such as turbines and penstocks, as well as future installation of machinery and maintenance works.

We intend to provide EPCC services and facilities improvement and maintenance services to our renewable energy customers. We plan to provide our customers with the technical and administrative aspects of the construction of their facilities, as well as improvement and maintenance services for constructed facilities. Some of the technical and administrative services provided by us are as follows:

- (a) Design work on the facility;
- (b) Procure the necessary materials and machines required for the facility and construction of the facility;
- (c) Appointment of the necessary suppliers and subcontractors; and
- (d) Testing and commissioning of the facility, equipment and machines installed.

7. BUSINESS OVERVIEW (CONT'D)

As we do not undertake construction works, we appoint subcontractors to undertake the construction or renovation works whilst we will undertake project management services and supervise the construction works to ensure that the construction works adhere to the specified specifications and regulatory compliances. Our venture into providing EPCC services and solutions to the renewable energy industry will be spearheaded by our Chief Operating Officer, Khairul Nazri Bin Kamarudin, who will be supported by our technical personnel.

For the avoidance of doubt, save for the purchase order issued by PETRONAS Carigali in August 2019 for the provision of engineering, procurement, installation, and commissioning of a PV system for its Terengganu Gas Terminal in Kerteh, Terengganu, our Group has not secured any other work order within the renewable energy industry. Notwithstanding the aforementioned, our Group intends to continue to actively tender for and procure projects in the renewable energy industry. Additionally, we intend to approach feed-in tariff ("FIT") contractors to provide our EPCC services to build and maintain their projects.

For clarification purposes, under the FIT programme, the distribution licensees would engage and pay the renewable energy power generators a premium for clean energy that is generated. These renewable energy power generators sell their clean energy to the distribution licensees for a fixed number of years, the exact duration of which will depend on the type of renewable resource used for power generation. As such, the renewable energy power generators who intend to participate in the FIT programme and construct renewable energy facilities can approach EPCC providers such as our Group, to assist in the design, construction and commission of such facilities.

7.4.3 We intend to venture into integrated HUC services within the O&G industry

We intend to expand our service offerings by venturing into the integrated HUC of crude oil and gas pipelines within the O&G industry. HUC refers to the final phase of a project where facilities, such as platforms, pipelines, and associated infrastructure, are brought together, interconnected, and made operational to prepare for the start-up of an asset for O&G production. The hook-up process consists of conducting the necessary connections and function tests for the systems of an asset. Commissioning involves carrying out systems tests to ensure all systems are in good operating condition, or to determine faults in the system to be corrected and / or potential improvements in the system to be implemented prior to the handover process. HUC services can be carried out on both greenfield (new O&G field where O&G recovery has just begun) and brownfield (existing O&G field where O&G recovery has already occurred) locations. Integrated HUC services combine onshore and offshore HUC activities, which involve onshore services of fabrication, assembly, integration and pre-commissioning of components and systems such as pipe systems, decks, minor structures, caissons, conductors, instrumentation, power cabling and inter-module tie-ins, and the offshore services focuses on transporting and installing fabricated components, hooking up systems and conducting final commissioning.

Our Group's services for HUC of gas pipelines are expected to include but are not limited to the provision of project management services, onshore and offshore fabrication, erection, installation and commissioning, procurement services, supply of tools and equipment, as well as supply of materials and consumables. Project management services include the provision of competent personnel to execute the works, managing coordination of the works including with other parties involved in the project, and supervising the site. Procurement services include procurement of materials and services as required by the customer, managing coordination of supply of materials and consumables, as well as subcontracting services. Onshore fabrication involves fabrication activities at our yard or subcontractors' yards and may include activities such as NDT, inspection, and storage of the required fabricated components.

Meanwhile, offshore fabrication involves undertaking works at our customers' offshore sites and includes erection of the required components and systems, installing and testing to ensure they are working well, as well as commissioning once the components and systems are in order.

7. BUSINESS OVERVIEW (CONT'D)

As our Group is involved in the installation and maintenance of oilfield equipment including gas pipelines, we possess the requisite technical knowledge and expertise in relation to the provision of integrated HUC of gas pipelines. Our venture into the integrated HUC of gas pipeline will be spearheaded by our Deputy Chairman / Executive Director, namely Dato' Sharman, who will be supported by our technical personnel. Currently, we are of the opinion that we have sufficient technical personnel to facilitate this venture. Nevertheless, in the event that we require to hire additional personnel, the cost associated with the new hires will be funded via internally generated funds.

The number of additional hired will be subject to the number of new contracts secured. Furthermore, our Group has obtained the necessary Department of Occupational Safety and Health approval to carry out the integrated HUC of crude oil and gas pipelines for onshore and offshore.

As at the LPD, our Group has yet to secure any contracts for HUC works. However, our Group is currently in the process of tendering for 3 HUC work projects. For the avoidance of doubt, the HUC work projects that we are currently tendering for are Price Agreements (call out contracts) with no fixed contract value.

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7. BUSINESS OVERVIEW (CONT'D)

7.5 PRINCIPAL BUSINESS SEGMENTS AND MARKET

The breakdown of our revenue by business activities for the Financial Years / Period Under Review is as follows:

Business activity	Audited							
	FYE 2021		FYE 2022		FYE 2023		FPE 2024	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
EPCC services and facilities improvement/ maintenance	18,240	73.42	57,788	87.13	64,927	89.51	15,890	80.51
Installation and maintenance of oilfield equipment	5,235	21.07	7,310	11.02	5,782	7.97	2,389	12.11
Supply of oilfield equipment	1,370	5.51	1,228	1.85	1,828	2.52	1,457	7.38
Total revenue	24,845	100.00	66,326	100.00	72,537	100.00	19,736	100.00

For the avoidance of doubt, as at the LPD, our Group solely operates in Malaysia. Save for a one-off contract from SAHID Sendirian Berhad (Brunei Darussalam) who contributed RM0.43 million to our Group's revenue in FYE 2021 amounting to 1.73% of total revenue, our Group's revenue is solely derived from customers' operations in Malaysia throughout the Financial Years / Period Under Review.

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7. BUSINESS OVERVIEW (CONT'D)**7.6 MAJOR CUSTOMERS**

Our top 5 major customers and their respective revenue contribution for the Financial Years / Period Under Review are as follows:

FYE 2021

No.	Customer	Services provided	Length of relationship (years) as at the LPD	Revenue	
				RM'000	%
1.	PETRONAS group	EPCC services and oilfield equipment	11	21,326	85.84
2.	Customer A	EPCC services	3	2,550	10.26
3.	SAHID Sendirian Berhad	Oilfield equipment	3	430	1.73
4.	Customer B	Oilfield equipment	3	229	0.92
5.	Customer C	Oilfield equipment	8	150	0.60
			Sub-total	24,685	99.35
			Total revenue	24,845	100.00

FYE 2022

No.	Customer	Services provided	Length of relationship (years) as at the LPD	Revenue	
				RM'000	%
1.	PETRONAS group	EPCC services and oilfield equipment	11	36,125	54.47
2.	PBH Engineering Sdn Bhd	EPCC services, installation and maintenance and oilfield equipment	2	25,068	37.80
3.	Sigma Water Engineering (M) Sdn Bhd	EPCC services	2	1,717	2.59
4.	Customer A	EPCC services	3	919	1.39
5.	Customer D	Installation and maintenance	3	614	0.93
			Sub-total	64,443	97.18
			Total revenue	66,326	100.00

FYE 2023

No.	Customer	Services provided	Length of relationship (years) as at the LPD	Revenue	
				RM'000	%
1.	PETRONAS group	EPCC services, installation and maintenance and oilfield equipment	11	33,103	45.64
2.	PBH Engineering Sdn Bhd	EPCC services	2	31,210	43.03
3.	Customer F	EPCC services	1	4,343	5.99
4.	Customer E	Installation and maintenance	2	1,542	2.12

7. BUSINESS OVERVIEW (CONT'D)

No.	Customer	Services provided	Length of relationship (years) as at the LPD	Revenue	
				RM'000	%
5.	Sigma Water Engineering (M) Sdn Bhd	EPCC services	2	1,084	1.49
			Sub-total	71,282	98.27
			Total revenue	72,537	100.00

FPE 2024

No.	Customer	Services provided	Length of relationship (years) as at the LPD	Revenue	
				RM'000	%
1.	PETRONAS group	EPCC services, installation and maintenance and oilfield equipment	11	12,115	61.39
2.	PBH Engineering Sdn Bhd	EPCC services	2	3,743	18.97
3.	Customer F	EPCC services	1	3,314	16.79
4.	Sigma Water Engineering (M) Sdn Bhd	EPCC services	2	240	1.22
5.	Customer E	Installation and maintenance	2	196	0.98
			Sub-total	19,608	99.35
			Total revenue	19,736	100.00

Our largest customer, namely PETRONAS group, contributed 85.84%, 54.47%, 45.64% and 61.39% to our Group's total revenue for the Financial Years / Period Under Review. Hence, we are dependent on PETRONAS group as our major customer.

Furthermore, our Group has established a long term and strong business relationship with PETRONAS group since 2013. We have also entered into long term contracts and Price Agreements (call out contracts) with durations that range from 1 to 5 years with options for extension of up to 3 years. Notwithstanding the foregoing, the parties may agree to further extensions, where applicable.

Nevertheless, we have reduced our dependency on PETRONAS group over the financial years from the FYE 2021 to the FYE 2023 as we have expanded our customer base by securing orders from other customers. For the FPE 2024, PETRONAS Group's contribution to our total revenue increased to 61.39% mainly due to increased work orders from PETRONAS Carigali in the first quarter of 2024, for 2 of our on-going Price Agreements (call out contracts) with PETRONAS Carigali (i.e. provision of onshore facilities maintenance, construction, and modification services and provision of engineering, procurement, fabrication, construction, and delivery of integrated chemical injection skid for all Dulang platforms) as well as for the replacement and maintenance of fire rated doors for modularised offshore buildings and supply of pig trap system and fire rated doors. Generally, the revenue contribution from PETRONAS group may also fluctuate periodically within each financial year, subject to PETRONAS group's expenditure cycle and yearly pre-planned maintenance programs such as preventive maintenances, periodic maintenance, turnarounds and/ or shutdown maintenances. Moving forward, we intend to continue to secure additional contracts from PETRONAS group as well as from our other existing customers and continue to secure contracts from new customers.

7. BUSINESS OVERVIEW (CONT'D)**7.7 MAJOR SUPPLIERS**

Our top 5 major suppliers for the purchase of materials and services for the Financial Years / Period Under Review are as follows:

FYE 2021

No.	Supplier	Products / services sourced	Length of relationship (years) as at the LPD	Purchases/ services	
				RM'000	%
1.	Supplier A	Specialised automation system (i.e., remote solution, system hardware and software) for offshore facilities	3	2,116	15.08
2.	Kinetic Chemicals (M) Sdn Bhd	Gas and associated supply services	3	1,258	8.97
3.	Supplier B	Non-metallic piping supplier	3	566	4.03
4.	MF Welding Enterprise	Subcontractor for mechanical, civil and fabrication services	5	488	3.48
5.	Supplier C	Metal structure, piping and fitting supplier	3	426	3.04
Sub-total				4,854	34.60
Total cost of sales				14,029	100.00

FYE 2022

No.	Supplier	Products / services sourced	Length of relationship (years) as at the LPD	Purchases/ services	
				RM'000	%
1.	Supplier A	Specialised automation system (i.e., remote solution, system hardware and software) for offshore facilities	3	10,118	20.12
2.	PBH Engineering Sdn Bhd	Detailed engineering services and site verification for EPCC downstream works	2	3,311	6.58
3.	MF Welding Enterprise	Subcontractor for mechanical, civil and fabrication services	5	3,197	6.36
4.	Bestrich Star Sdn Bhd	Scaffold erection services and cold Insulation works	5	3,158	6.28

7. BUSINESS OVERVIEW (CONT'D)

No.	Supplier	Products / services sourced	Length of relationship (years) as at the LPD	Purchases/ services	
				RM'000	%
5.	Emnes Metal Sdn Bhd	Piping & Tank Fabrication & Erection services	2	3,136	6.24
Sub-total				22,920	45.58
Total cost of sales				50,296	100.00

FYE 2023

No.	Supplier	Services and products sourced	Length of relationship (years) as at the LPD	Purchases/ services	
				RM'000	%
1.	MF Welding Enterprise	Subcontractor for mechanical, civil and fabrication services	5	4,503	8.71
2.	Esstar Vision Sdn Bhd	Subcontractor for laying of piping and erection of tanks	3	4,057	7.85
3.	PETRO Sep Engineering Sdn Bhd	Fabrication of vessel, structural, piping and certification.	3	3,542	6.85
4.	Bestrich Star Sdn Bhd	Scaffold erection services and cold Insulation works	5	2,507	4.85
5.	Sanggul Emas Sdn Bhd	Supply of chemical injection pumps and associated flow instruments	10	1,311	2.54
Sub-total				15,920	30.80
Total cost of sales				51,704	100.00

FPE 2024

No.	Supplier	Services and products sourced	Length of relationship (years) as at the LPD	Purchases/ services	
				RM'000	%
1.	MF Welding Enterprise	Subcontractor for mechanical, civil and fabrication services	5	926	8.16
2.	PETRO Sep Engineering Sdn Bhd	Fabrication of vessel, structural, piping and certification.	3	772	6.80
3.	Bestrich Star Sdn Bhd	Scaffold erection services and cold Insulation works	5	475	4.19

7. BUSINESS OVERVIEW (CONT'D)

No.	Supplier	Services and products sourced	Length of relationship (years) as at the LPD	Purchases/ services	
				RM'000	%
4.	Sanggul Emas Sdn Bhd	Supply of chemical injection pumps and associated flow instruments	10	271	2.39
5.	Asia Propel Sdn Bhd	Fabrication of vessel, structural, piping and certification.	9	261	2.30
Sub-total				2,705	23.84
Total cost of sales				11,345	100.00

None of the abovementioned suppliers consistently contributed more than 10% of our total cost of sales throughout all the Financial Years / Period Under Review. Notwithstanding that Supplier A contributed to 15.08% and 20.12% of our total cost of sales for the FYE 2021 and FYE 2022, respectively, the specialised automation system (i.e., remote solution, system hardware and software) procured from Supplier A was for the Integrated Remote Work Order (as further elaborated in **Section 12.3.3** of this Prospectus), which is one-off in nature. For clarification purposes, the Integrated Remote Work Order marks our maiden project involving automation works for O&G facilities that was undertaken under our current on-going Price Agreement (call out contract) with PETRONAS for the provision of onshore facilities maintenance, construction and modification services. Due to the specialised scope of work required for the aforesaid Integrated Remote Work Order, we had to source these specialised automation systems from a third-party supplier which is approved by PETRONAS.

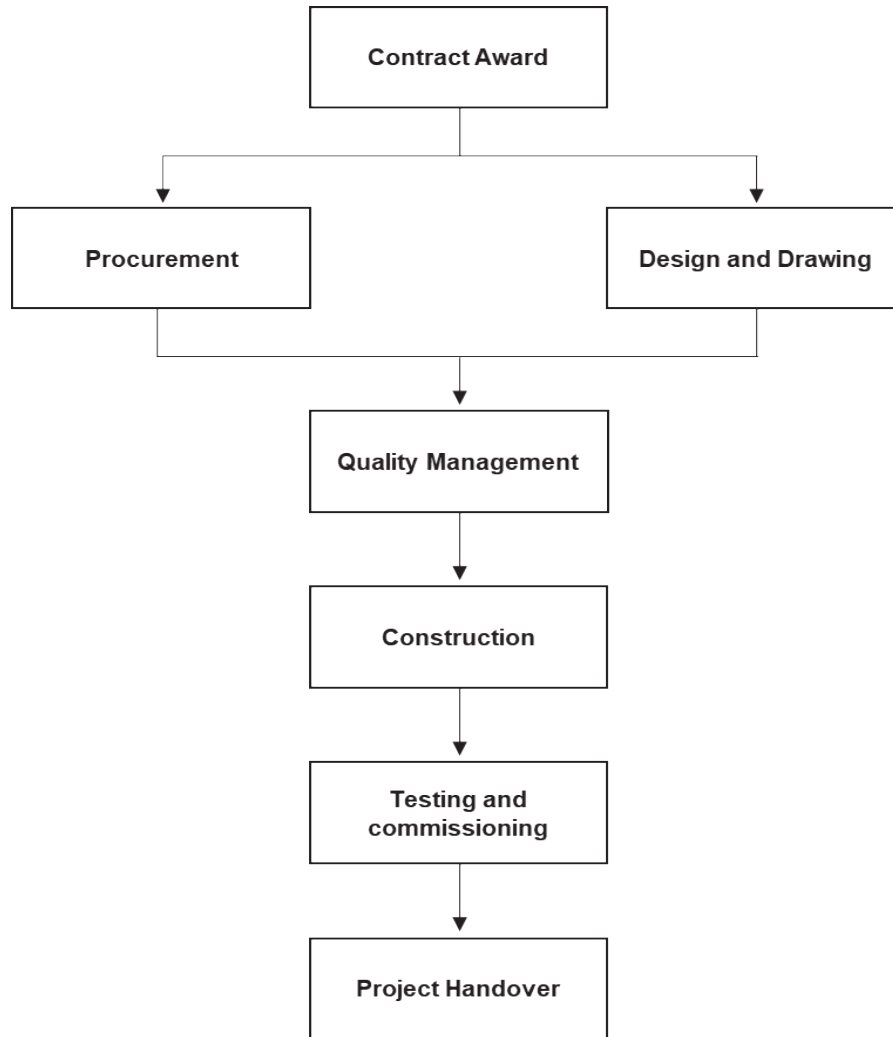
We are not dependent on any of our top 5 major suppliers as we are able to source the same supplies from alternative suppliers at similar prices. The products supplied by our top 5 major suppliers are commonly available products such as flanges, piping, scaffolding and coatings that can be sourced locally or overseas, as well as fabrication works readily available in Malaysia.

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7. BUSINESS OVERVIEW (CONT'D)

7.8 OPERATIONAL PROCESSES

The typical process flows for our Group is as follows:



(a) Contract award

Our Group secures O&G projects via tenders. Once a tender has been issued, we will conduct a preliminary assessment of the project scope, complexity, project timeline, approximate value of the project and the engineering resources required. We will then form a project management team which is headed by a project director and assisted by a project manager, who are supported by engineers who are specialised in the scope of work of the specific project. During the evaluation stage of our submitted tender, we may be contacted to provide further technical clarifications with the potential customer, and we may be required to submit revised tender documents or quotations if there are changes made or additional requirements in the project that need to be complied and / or fulfilled.

If we are a shortlisted bidder, we may be contacted for a commercial negotiation to further provide better pricing and payment terms to enhance our chances of being awarded said tender and / or contract. If our proposal is successful, we will receive a letter of award from our customer which sets out the scope of work, contract period, and other terms and conditions we are required to abide by.

Upon acceptance of an award, we will then initiate a kick-off meeting with the client.

7. BUSINESS OVERVIEW (CONT'D)

(b) Design and drawings

We will then design and engineer the oilfield equipment based on the information and requirements provided by the customer, as well as the customer's drawing ideas and inputs. Subsequently, we will develop an initial drawing based on the customer's requested design and requirements for further discussions, as well as their comments for improvements.

If we are requested to design for the customer, our construction manager and specialist consultants will assist in developing the design based on the customers' requirements and operational site. This process is repeated until the customer is satisfied with the design and drawing, and no further comments are provided by the customer. Once the design and drawing are approved, the oilfield equipment drawing will be issued for construction.

(c) Procurement

Concurrently during the design and drawing process, our Group will begin the procurement process whereby we will formalise the procurement schedule which includes, amongst others:

- (i) Prepare technical submissions;
- (ii) Prepare contract documents;
- (iii) Identify lead times;
- (iv) Programme milestone requirements;
- (v) Installation requirements;
- (vi) Personnel training or start up procedures; and
- (vii) Maintenance support requirements.

The project team will prepare the proposal documents consisting of amongst others, technical submission documents, contract documents, administrative information, financial standing, curriculum vitae, experience list, QA / QC and HSE documents for the project tender or quotation. Once the required documents have been prepared and finalised, we will submit them to the potential customer via hardcopy and / or online submissions. Subsequently, we will initiate all statutory and contract requirements such as bank guarantee, contract insurance and levy payments prior to contract activation.

Upon finalisation of the design and drawings, as well as the commercial matters, we will procure the necessary materials. We will monitor and report on the progress of the procurement and conduct the necessary testing and inspection once receiving the materials. The materials with defects will be returned to the supplier whilst the approved materials will be delivered to the respective operational site. Once the materials are delivered to the operational site, the materials will be assessed by our QA personnel and a receipt of approval will be issued.

(d) Quality management

To maintain the quality of our deliverables, as well as to comply with the relevant regulatory requirements, the materials delivered to the operational site will be assessed by our QA personnel and a receipt of approval will be issued once the quality management inspection is conducted and approved.

7. BUSINESS OVERVIEW (CONT'D)

(e) Fabrication and construction

Upon obtaining the oilfield equipment drawing, we will prepare the safety quality plans and method statements for fabrication and construction, as well as appoint subcontractors, if required. We will then prepare the operational site pre-fabrication details prior to conducting the manufacturing of pre-fabrication activities. For activities or processes in which we appoint subcontractors, we will oversee the activities and progress of the subcontractors to ensure that their services and products provided are in accordance with the prescribed requirements of the oilfield equipment, and that their deliverables are delivered within the stipulated timeline. Upon manufacturing the oilfield equipment and receiving the deliverables from the subcontractors, we will proceed with the installation of the oilfield equipment.

(f) Testing and commissioning

Upon completion of the fabrication and construction works, we will conduct testing and commissioning to ensure that all the oilfield equipment and systems are installed and operating as its intended usage. We will conduct rectification works in the event that there are any defects on the oilfield equipment or systems, as well as conduct additional works for improvements.

(g) Project handover

Upon completion of the testing and commissioning phase whereby the oilfield equipment is operating optimally as its intended usage, the oilfield equipment will be deemed ready for operational usage and our Group will hand over the oilfield equipment to the customer.

7.9 QUALITY CONTROL PROCEDURES AND CERTIFICATIONS

Our Group places strong emphasis on quality management to ensure that the quality of our deliverables comply with the relevant regulations and to maintain our reputation. As a testament to our ongoing commitment to quality, Steel Hawk Engineering has been certified compliant with ISO 9001: 2015 and ISO 45001: 2018, as follows:

Certification/standard	Certification body	Current validity period	Scope of certification
ISO 9001: 2015	Intertek Certification Limited	1 November 2021 – 19 November 2024	Engineering design, manufacture, installation and maintenance support services for the O&G and energy industries
ISO 45001: 2018	Intertek Certification Limited	9 January 2023 – 8 January 2026	Provision of office support activities (management, human resources and purchasing support services) to the site offices for fabrication, modification & maintenance service for chemical injection skids, pig trap maintenance service, and supply, installation and maintenance of fire rated doors

7. BUSINESS OVERVIEW (CONT'D)**7.10 TECHNOLOGY**

Our Group adopts the following technologies that are purchased from third party software providers for our business:

Technology	Description
Autodesk AutoCad Design	Computed aided design software that is used to design, engineer and construct 3D virtual models of O&G facilities such as platforms, rigs or terminals.
Primavera P6 Professional Project Management	Comprehensive project management software tool that is used for project planning and scheduling, resource management, cost management, risk management, and reporting and analytics.
SolidWork Simulation Professional	Computer-aided engineering software that is used to simulate and analyse the behaviour of parts and assemblies under conditions such as loads, forces and vibrations.
STAAD Pro	Structural analysis and design software that is used for designing steel and concrete structures, and to analyse and ensure that the structures withstand loads and conditions such as seismic events, high winds and heavy equipment.

7.11 TYPES, SOURCES AND AVAILABILITY OF SUPPLIES

The services and supplies that we source are readily available from local and foreign subcontractors and suppliers. We generally take into subcontractors and suppliers lead time to prevent potential disruption to our business operations. All subcontractors and suppliers are evaluated in terms of pricing, production capabilities, range and technical specifications of supplies, ability to meet our quality requirements and delivery in a timely manner.

We also carry out qualification process on our subcontractors and suppliers where we require them to submit their company profiles, quotations and prototypes (if product qualification test is required) to evaluate their quality of services and products and pricing. Furthermore, we ensure that our suppliers are part of our approved vendor list. The criteria used to evaluate our suppliers include their past performance and track record, payment terms, as well as any historical legal cases. Our subcontractors and suppliers are also subject to annual performance assessment and rating. This is to ensure the quality of services and supplies used in our business operations.

We did not experience any major interruption from the sourcing of services and supplies in the Financial Years / Period Under Review.

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7. BUSINESS OVERVIEW (CONT'D)

The details of the main supplies that we purchased for the Financial Years / Period Under Review are as follows:

	FYE 2021		FYE 2022		FYE 2023		FPE 2024	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Coating and blasting materials	-	-	3,158	6.28	2,506	4.85	271	2.39
Civil engineering hardware material	485	3.46	3,197	6.36	9,355	18.09	2,229	19.65
Electronic remote control plant systems	2,116	15.08	10,118	20.12	-	-	-	-
Gases	1,258	8.97	-	-	-	-	-	-
Non-metallic pipes and fittings	566	4.03	-	-	-	-	-	-
Metallic pipes and fittings	426	3.04	4,615	9.18	4,057	7.85	-	-
Electrical lighting system and video wall control systems	259	1.85	-	-	-	-	-	-
Sub-total	5,110	36.43	21,088	41.94	15,918	30.79	2,500	22.04
Total cost of sales	14,029	100.00	50,296	100.00	51,704	100.00	11,345	100.00

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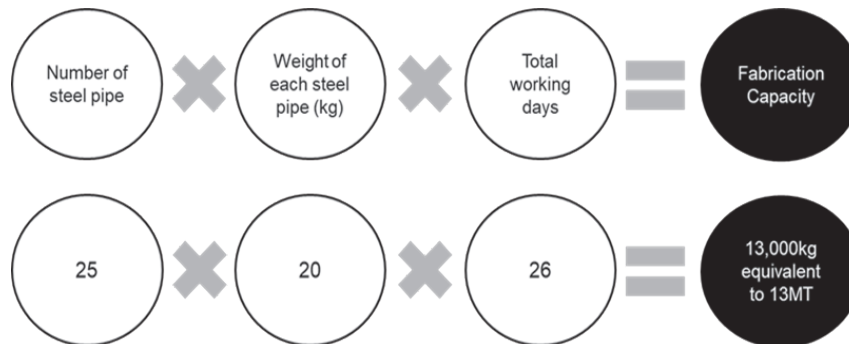
7. BUSINESS OVERVIEW (CONT'D)

7.12 OPERATING CAPACITY AND UTILISATION

As we are solely involved in the provision of onshore and offshore support services for the O&G industry, whereby we provide EPCC services and facility improvement / maintenance, installation and maintenance of oilfield equipment and supply of oilfield equipment, the calculations of operating capacity and output are not applicable to us.

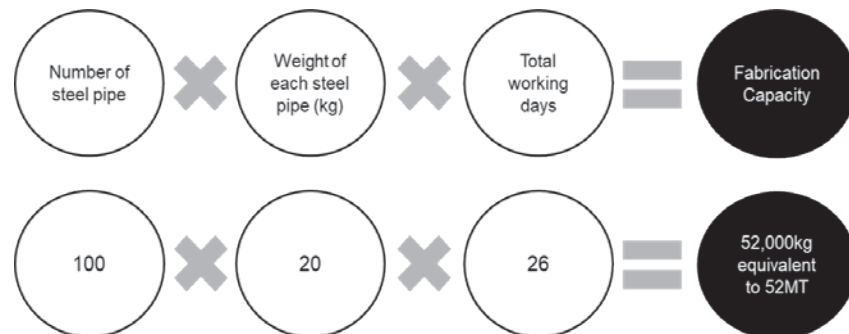
Notwithstanding the above, our Group conducts fabrication activities based on the purchase orders received from our customers. As at the LPD, our Group's business operations are mainly carried out at the Existing Teluk Kalung Facility 1 located at Teluk Kalung, Kemaman, Terengganu, which has a total land area and gross built-up area of approximately 23,508 sq. ft. and 7,609 sq. ft., respectively. The Existing Teluk Kalung Facility 1 enables us to carry out the fabrication of chemical injection skids, pipes, tubing and fittings in-house to support our main business segment, namely EPCC services and facilities improvement / maintenance operations (save for the fabrication of large structures exceeding 6 meters, e.g. I-beam and metal plates which are outsourced to third party contractors). Additionally, our Group currently outsources all blasting and painting activities to third party sub-contractors. However, upon completion of the Proposed Teluk Kalung Facility 2, we will be able to conduct blasting and painting activities in-house.

Currently, the fabrication capacity of the Existing Teluk Kalung Facility 1 is approximately 13MT per month. The computation of our fabrication capacity is based on the fabrication of steel pipes (size: 3 inches x 6 metres) by applying the following formula:



As at the LPD, our Group's utilisation rate of the fabrication capacity at the Existing Teluk Kalung Facility 1 is approximately 61.53% to 76.92% (i.e. 8MT to 10MT) per month, which could vary from time to time, depending on the requirement for such services by our customers. For the avoidance of doubt, any additional fabrication work that exceeds our fabrication capacity of approximately 13MT per month will be outsourced to our subcontractors and conducted at their respective sites.

The estimated fabrication capacity of the Proposed Teluk Kalung Facility 2 is approximately 52 MT per month. The computation of our fabrication capacity is based on the fabrication of steel pipes (size: 3 inches x 6 metres) by applying the following formula:



7. BUSINESS OVERVIEW (CONT'D)

Upon the completion of construction and commencement of operations at the Proposed Teluk Kalung Facility 2, our total fabrication capacity is expected to increase to approximately 65MT per month.

7.13 SALES AND MARKETING ACTIVITIES

The contracts secured by our Group are predominately awarded by PETRONAS. Due to the nature of PETRONAS's contract tender and award procedures, all our business development activities are through participation and securing contracts through tender activities. As such, we actively participate in tender activities which we are invited by PETRONAS and qualified for based on the SWEC in our existing licensed / registered scopes, as well as other considerations such as the availability of resources and contract duration. We also proactively identify and apply to add new SWEC to our existing licensed / registered scopes.

Our Group also undertakes direct and indirect sales and marketing activities to prospective customers other than PETRONAS. Our direct approach comprises of engaging directly with the prospective customer, as well as submission of tenders when available. The direct approach is undertaken through our key management team's professional network and relationship with prospective customers. Our indirect approach comprises of obtaining referrals from business associates, existing customers and suppliers.

Our business development and tender activities are led by our Deputy Chairman/ Executive Director, Dato' Sharman, as well as supported by our tender committee which is formed when we participate in the respective tenders. Further, Dato' Sharman and our tender committee are supported by our project director and 2 project managers for the tender activities for the project planning and costing. As part of our succession planning initiative, our Group promotes and grooms the lower and middle management staff to gradually assume the responsibilities undertaken by our project director and project managers.

Further, we have a corporate website at <https://www.steelhawk.com.my/> which provides immediate searchable information on our Group.

7.14 SEASONALITY AND CYCLICALITY

Our business is not materially affected by seasonal or cyclical effects as our customers generally operate throughout the year.

Nevertheless, the business of our Group is subject to PETRONAS group's expenditure cycle and yearly pre-planned maintenance programs such as preventive maintenances, periodic maintenance, turnarounds and/ or shutdown maintenances, as disclosed in **Section 7.3.3**.

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7. BUSINESS OVERVIEW (CONT'D)**7.15 MATERIAL DEPENDENCY ON COMMERCIAL CONTRACTS, AGREEMENTS AND OTHER ARRANGEMENTS**

As at the LPD, our Group has entered into a total of 10 ongoing Price Agreements (call out contracts) with PETRONAS group, a top 5 major customer of our Group, as disclosed in Section 7.2.1 above. Save for the 10 ongoing Price Agreements (call out contracts) with PETRONAS group (which are collectively deemed material to our Group), our Group's business or profitability is not materially dependent on any single commercial or financial contracts.

The key salient terms of our Price Agreements (call out contracts) with PETRONAS group are, amongst others, as follows:

Note: For the purpose of disclosing the salient terms of the Price Agreements (call out contracts), Steel Hawk Engineering shall be referred to as the "Contractor" and PETRONAS group shall be referred to as the "Customer".

Duration	The tenure of the Price Agreements (call out contracts) ranges from 1 to 5 years, which include options for extensions of up to 2 years. Notwithstanding the foregoing, the parties may agree to further extensions, where applicable.
Work order	The contract does not constitute or imply any commitment or guarantee by the Customer on any volume (including any minimum order) and / or call-outs on the works. Requisition of the works to be performed will be based on any purchase order, release order, service order or work order issued by the Customer and any payment pertaining thereof will be subject to the terms and completion of the relevant order.
Invoicing and payment	<p>(i) Payments shall be made by the 30th day after the receipt date of the payment request complete with the invoice by the Customer (date of receipt excluded). If the 30th day falls on Saturday, Sunday or a gazetted public holiday, the next working day shall be deemed to be the due date of payment.</p> <p>(ii) Payments due to the Contractor may be withheld by the Customer on account of the following:</p> <ul style="list-style-type: none"> (a) Breach and / or unsatisfactory performance of work under the contract; (b) The filing of claims against the Customer caused by acts or omission of the Contractor or failure of the Contractor; (c) Failure to submit or maintain the bank guarantee (including renewals) and / or the parental / principal guarantee if required under the contract; (d) Failure to submit or maintain valid insurance policies; or (e) Failure of the Contractor in performing the works or amount due to the Contractor's sub-contractor on the works. <p>(iii) If and when cause(s) for withholding any such payment has / have been remedied by the Contractor and satisfactory evidence of such remedy has been presented to the Customer, the payments withheld shall be released by the Customer.</p>

7. BUSINESS OVERVIEW (CONT'D)

	<p>(iv) If and when cause(s) for withholding any such payment are not remedied by the Contractor, the Customer shall then have the right to deduct any monies due to the Contractor.</p>
<p>Performance Guarantees</p>	<p>(i) If required, the Contractor shall furnish to the Customer within 30 days from the effect date of the contract the following performance guarantee:</p> <p>(a) An irrevocable and unconditional first call bank guarantee issued by a commercial bank operating and licensed in Malaysia and acceptable to the Customer by way of guarantee for the due performance by the Contractor of its obligations under the contract. The value of the bank guarantee, shall throughout the contract period be maintained at the value as specified in the contract and shall be binding on the Contractor notwithstanding any alterations, or extensions of time as may be made, given, conceded, or agreed under the contract; and / or</p> <p>(b) A parental / principal guarantee duly executed by the Contractor's ultimate holding company or principal / technical partner(s) in the form and substance in the contract.</p> <p>(ii) The performance guarantee shall remain valid and effective throughout the contract period and until the following:</p> <p>(a) 90 days after the expiry of the contract period; or</p> <p>(b) 90 days after the expiry of the defect liability period of works; whichever is late.</p> <p>For the avoidance of doubt, in the event that the performance guarantee provided does not fulfil the requirement abovementioned, or is insufficient, the Contractor shall, furnish an additional performance guarantee to cover the shortfall between the existing performance guarantee and the value as required under the contract. In the event the Contractor fails to provide the additional performance guarantee as required, the Customer shall, without prejudice to all its other rights under the contract, invoke the performance guarantee and / or withhold any payments due or that may become due to the Contractor upon the occurrence of such failure.</p>
<p>Insurance</p>	<p>The Contractor shall at its own cost and expense carry and maintain in full force throughout the contract period the relevant insurances as specified in the contract with insurance companies satisfactory to the Customer.</p>
<p>Liquidated ascertained damages</p>	<p>If the Contractor fails to deliver the works on or before the scheduled delivery date, then it is agreed that the Contractor shall pay the Customer an amount consisting of 0.50% to 1.00% of the value of the relevant order with a maximum 10.00% of the value of the relevant order, where applicable, by way of liquidated damages for late delivery. The parties agree that the liquidated damages for late delivery shall be deemed a genuine pre-estimate of losses likely to be suffered by the Customer.</p>

7. BUSINESS OVERVIEW (CONT'D)

<p>Default</p>	<p>The occurrence of any of the following events shall be deemed a default by the Contractor under the contract:</p> <ul style="list-style-type: none"> (i) The Contractor commits a breach under the contract and / or applicable law; or (ii) Any attempted transfer, novation or assignment by the Contractor of the contract without the prior written approval of the Customer; or (iii) The making by the Contractor of an assignment for the benefits of creditors, the filing by or against the Contractor of a petition in bankruptcy or for corporate re-organization, or the appointment of a receiver or trustee for the Contractor or the properties of the Contractor or the Contractor becomes insolvent or suspends payment of its debts generally or is unable to pay its debt as and when the debts fall due or an order is made or a resolution is passed for the winding-up, liquidation and / or dissolution of the Contractor; or (iv) The failure of the Contractor to satisfy within 30 days of its entry any judgment upon which execution is possible or the attachment of any general liens against the real or personal property of the Contractor; or (v) If the Contractor is incompetent or has acted in a manner prejudicial to the Customer's best interest or has engaged in graft or any malpractices for doing or forbearing to do or for having done or forborne to do any act in relation to the obtaining or executing of the contract or any other contract with the Customer; or (vi) If the Contractor has failed to perform the works or part thereof, in a diligent, skilful and professional manner as required, failed to comply with the Customer's safety or other rules or regulations, has produced sub-standard works, the works delivered or to be delivered are not in conformance with the requirement of the contract or Contractor has failed to adhere to any of its duties and obligations under the contract; or (vii) If the Contractor fails, neglects, omits or refuses to carry out its obligations under the contract; or the failure by the Contractor to deliver the works by the due date or failure to rectify or replace defective works to the Customer's satisfaction within the time period; or (viii) The failure by the Contractor to maintain a valid PETRONAS' license and / or registration; or (ix) If the Contractor has breached the representations and warranties; or (x) If the Contractor has failed to comply with the Customer's applicable Health, Safety and Environmental (HSE) laws, rules and regulations; or (xi) If the Contractor has failed to submit the requisite performance guarantee, if applicable under the contract; or (xii) If the Contractor has failed to comply with the insurance requirement; or
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7. BUSINESS OVERVIEW (CONT'D)

	<p>(xiii) If the Contractor has breached its confidentiality obligations; or</p> <p>(xiv) The change in the financial position of the Contractor which materially affects the Contractor's business, operations and the Contractor's performance of the contract.</p>
Termination	<p>(i) Termination without cause</p> <p>(a) The Customer may, at any time, terminate the contract without cause by giving 30 days prior written notice to the Contractor that the Customer intends to terminate the Contract, specifying the contract to be terminated and the effective date of termination.</p> <p>(b) The Contractor shall, within 30 days from the effective date of termination, submit its final invoice for the following:</p> <p>(aa) all amounts incurred for the works performed up to the date of termination; and</p> <p>(bb) all auditable expenses resulting directly from the termination to the extent it is authorized in advance by the Customer.</p> <p>(c) The Contractor shall:</p> <p>(aa) waive all claims against the Customer; and</p> <p>(bb) release, protect, indemnify and hold harmless the Customer, from and against any claims, demands, causes of action, liabilities or losses arising from or connected with termination by the Customer.</p> <p>(ii) Termination with cause</p> <p>(a) Subject to the provision for default as stated above:</p> <p>(aa) the Customer shall forthwith terminate the contract in the event that a default is not capable of remedy; or</p> <p>(bb) in the event the Contractor fails to remedy a default (or overcome its effects) within the period specified by the Customer in the notice, the Customer shall give 30 days' written notice to the Contractor specifying the contract to be terminated and the effective date of termination.</p> <p>(b) The Contractor shall be responsible for all claims, losses, costs and liabilities howsoever incurred as the result of the termination.</p>
Dispute resolution	<p>(i) Any dispute or difference arising out of or in connection with the contract or the implementation of any of the provisions of the contract shall be referred to the respective parties' senior management for resolution.</p> <p>(ii) Where such dispute or difference cannot be settled amicably within 30 days from being referred to the parties' senior management, such dispute or difference shall be submitted to arbitration by a panel of 3 arbitrators, 1 to be appointed by the claimant, 1 to be appointed by the respondent (or if there is more than 1 claimant or respondent, the 1 arbitrator in question shall be appointed jointly by such claimants or respondents) and the third, who shall be the chairman, to be jointly appointed by the arbitrators appointed by the claimant and respondent.</p>

7. BUSINESS OVERVIEW (CONT'D)

For the avoidance of doubt, in relation to "invoicing and payment", as at the LPD, PETRONAS has not withheld payment to our Group (being the "contractor") in relation to the terms stipulated above.

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7. BUSINESS OVERVIEW (CONT'D)

7.16 MATERIAL LICENCES, PERMITS AND APPROVALS

As at the LPD, save as disclosed below, there are no other major approvals, licences and permits issued to our Group for us to carry out our business operations. All our Group's licenses are registered with the Group.

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
1.	Steel Hawk	BCPLC conditional approval	MITI	MITI.S.700-20/3/55(11)	<u>Issuance Date</u> 10 July 2024 <u>Validity Period</u> 10 July 2024 to 9 September 2024	(i) Steel Hawk is directly controlled by the Bumiputera institutions / groups / company / individual which is known as the only major owner with at least 35% of the company's voting power or aggregately the owner consists of 2 or 3 Bumiputera institutions / groups / companies / individuals known having at least 35% of the company's voting power. In addition, there are no non-Bumiputera institutions / groups / companies / individuals holding more than 10% of the company's voting power or aggregately non-Bumiputera institutions / groups / companies / individuals known as substantial shareholders having not more than 24% of the company's voting power.	To be complied

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						(ii) The equity holding of Bumiputera institutions / groups / companies / individuals are not affiliated either directly or indirectly with any non-Bumiputera institutions / groups / companies / individuals.	Complied
						(iii) The Bumiputera institutions / groups / companies / individuals are the rightful owner and have the ability to exercise the voting power as an equity holder and are able to make decisions without being affected by any other party.	Complied
						(iv) At least 51% of the members of the Board of Directors including the Chairman / Chairperson of Steel Hawk is Bumiputera.	Complied
						(v) The Managing Director and / or Chief Executive Officer is a Bumiputera.	Complied
						(vi) At least 51% of the management team / personnel, professional and the supervisory staff are Bumiputera.	Complied

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						(vii) The involved Bumiputera institutions / groups / companies / individuals will push maximum effort to surge the participation of Bumiputera in its activities.	Complied
2.	Steel Hawk Engineering	License with Standardised Work and Equipment Categories (SWEC) codes to supply product / service to exploration and oil / gas companies in Malaysia	PETRONAS	201201034856	<u>Issuance Date</u> 15 July 2024 ⁽³⁾ <u>Validity Period</u> 21 October 2021 to 17 December 2024	(i) Steel Hawk Engineering is required to register, obtain a license, permit or authorisation from the relevant authority to carry out the services or supply of products or materials used in Steel Hawk Engineering's operation and activities. (ii) The license is not transferable to any company / other party. (iii) This license will be revoked if Steel Hawk Engineering is found to be in the process of liquidation, winding-up or dissolution. (iv) Steel Hawk Engineering shall inform PETRONAS of any changes related to Steel Hawk Engineering's position such as equity ownership, board of directors and management staff within 14 days. Failure to do so can result in revocation of the license.	Complied Complied Noted Noted

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						(v) Steel Hawk Engineering should take immediate action to adhere to the special conditions imposed as stated in the appendix of the PETRONAS license certificate and to inform PETRONAS of the progress of the action.	Complied
						(vi) Steel Hawk Engineering is not allowed to take another company as principal, agent, sub-contractor or otherwise to provide any service or supply of any facility, fittings or equipment on its behalf without prior written consent from PETRONAS.	Complied
						(vii) This license is only valid for services and supply of products as stated in the appendix of the PETRONAS license certificate.	Complied

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						(viii) Steel Hawk Engineering shall allow PETRONAS representatives for inspection visit / site / company audit and review / copy of documents and interviewing employees and related parties.	Complied
						(ix) The license must be shown to PETRONAS' officers when it is required for inspection.	Complied
						(x) Steel Hawk Engineering can be penalised if in PETRONAS' opinion, it has conducted one or more of the following: (a) Failed to execute the awarded job until completion; (b) Failed to perform a contractual obligation or any other obligation under the law to partners, principals, agents, sub-contractors and others; (c) Received garnishee order; (d) Facing bankruptcy action;	Noted

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						<ul style="list-style-type: none"> (e) Cannot be traced through the last address; (f) Sub-contract work to another contractor without written permission from PETRONAS; (g) Reject any contract or tender awarded; (h) Entering or accepting contract or tender during the license suspension period; (i) Provide false; inaccurate or misleading information; (j) Does not follow tender's regulations and ethics including but not only limited to sending poison-pen letters, bribing or lobbying; (k) Engaged in any inappropriate activities with this licence. 	

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						<p>(xi) According to Act 9, Petroleum Acts 1974, a person who initiates or continues any business or continue providing services as mentioned in Act 3 without a licence or does not comply with any condition of the license is committing a crime and can be fined not exceeding RM50,000.00 or imprisonment for a period not more than 2 years or both and in respect of each continuous crime, it is subject to further fine of RM1,000.00 for every one day or any part of one day which this offence continues after the first conviction is recorded.</p> <p>(xii) The approval is not an agreement / guarantee that Steel Hawk Engineering will be called to participate in a tender or quotation of PETRONAS or its subsidiaries.</p>	<p>Noted</p> <p>Noted</p>

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						(xiii) Steel Hawk Engineering either by itself, through its employees, directors, agents or its employees: (a) Not allowed to use the logo of the Petronas' oil drop or the word "PETRONAS" or use any mark, logo or words or wearing typeface, font, which resembles the appearance or colour trademarks owned or used by Petronas or its subsidiaries (" the Petronas trademarks ") in any form whether in printing materials, websites or hand board; and	Complied

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						<p>(b) Not allowed to perform any act or in any way either directly or indirectly admits that it is a partner or have any connection / relationship with PETRONAS and / or its subsidiaries, unless and except Steel Hawk Engineering is allowed to use reference Steel Hawk Engineering is licensed by PETRONAS, under Act 3 Petroleum Act 1974.</p> <p>(xiv) The license may be revoked, suspended or blacklisted at any time if any of the above conditions, general conditions of PETRONAS license and registration and any other conditions set out in PETRONAS License and Registration General Guidelines are not fulfilled.</p>	Noted

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
3.	Steel Hawk Engineering	<p>Certificate of Registration pursuant to Part VI of the Construction Industry Development Board Malaysia Act 1994 ("CIDB Act") in respect of:</p> <p>Grade G7:</p> <p>(i) Category B (Building Construction), registration specialisation B04;</p> <p>(ii) Category CE (Civil Engineering), registration specialisation CE09, CE15 and CE21; and</p> <p>(iii) Category ME (Mechanical and Electrical), registration specialisation M12, M15 and M20.</p>	CIDB	0120140603-SL157185	<p><u>Issuance Date</u> 25 March 2024</p> <p><u>Validity Period</u> 25 March 2024 to 20 May 2027</p>	<p>(i) The certificate is non-transferable.</p> <p>(ii) CIDB reserves the right to review the registration grade of Steel Hawk Engineering from time to time.</p> <p>(i) Steel Hawk Engineering shall comply with the provisions of the CIDB Act, the rules and regulations made thereunder, and any terms, conditions or restrictions imposed by CIDB from time to time.</p> <p>(iv) Steel Hawk Engineering shall not undertake to carry out any construction project exceeding the value of construction works stated for the grade it is registered under and any construction projects beyond its registered category.</p> <p>(v) Steel Hawk Engineering shall submit information regarding any construction works or contracts within 14 days of the award or before the commencement of work, whichever is earlier.</p>	<p>Complied</p> <p>Noted</p> <p>Complied</p> <p>Complied</p> <p>Complied</p>

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
		<p>This certificate allows Steel Hawk Engineering to carry out the following work scope:</p> <p>B04: general building construction works</p> <p>CE09: oil or gas main pipeline</p> <p>CE15: offshore works</p> <p>CE21: general civil engineering works</p> <p>M12: specialised plants</p> <p>M15: miscellaneous mechanical system</p> <p>M20: general mechanical maintenance</p>				<p>(vi) Steel Hawk Engineering shall submit any information required by CIDB from time to time.</p> <p>(vii) Steel Hawk Engineering shall display the registration certificate issued by CIDB or a copy duly certified as true copy by CIDB at the place of business.</p> <p>(viii) Steel Hawk Engineering must display its registration number on the signboard at each of its construction sites.</p> <p>(ix) Steel Hawk Engineering must apply for renewal of registration at any time within 60 days before the expiry date specified in this certificate.</p> <p>(x) Steel Hawk Engineering must comply with all the requirements and principles stated in CIDB contractor code of ethics handbook.</p>	<p>Complied</p> <p>Complied</p> <p>Complied</p> <p>Complied</p> <p>Complied</p>

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						(xi) Steel Hawk Engineering must employ skilled construction workers and a site supervisor who is accredited and certified by CIDB. (xii) All workers at the construction site must have a valid construction personnel card. (xiii) The registration of the company shall be cancelled or suspended if: (a) Steel Hawk Engineering fails to comply with the requirement of any other written law. (b) Steel Hawk Engineering has been declared a bankrupt. (c) A winding up petition connected with Steel Hawk Engineering has been made. (d) Steel Hawk Engineering contravenes or fails to comply with any provision of the CIDB Act.	Complied Complied Noted

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						<p>(e) Steel Hawk Engineering has obtained the certificate by making or causing to be made any false or fraudulent declaration, certification or representation either in writing or otherwise.</p> <p>(f) Steel Hawk Engineering abandons any construction work undertaken without any good reason.</p> <p>(g) Steel Hawk Engineering is found guilty by the court or any other investigative body established under any written law for negligence in any construction work performed.</p> <p>(h) Steel Hawk Engineering contravenes any of the terms and conditions of the contractor's responsibilities and obligations as specified in item (ii) above.</p>	

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
4.	Steel Hawk Engineering	<p>Certificate of Government Procurement Works (<i>Sijil Perolehan Kerja Kerajaan</i>) in respect of:</p> <p>Grade G7:</p> <p>(i) Category B (Building Construction);</p> <p>(ii) Category CE (Civil Engineering); and</p> <p>(iii) Category ME (Mechanical and Electrical).</p>	CIDB	0120140603-SL 157185	<p><u>Issuance Date</u> 3 April 2024</p> <p><u>Validity Period</u> 3 April 2024 to 20 May 2027</p>	<p>(i) The certificate is issued based on the information provided by Steel Hawk Engineering.</p> <p>(ii) The certificate may not be used as a certification to start or undertake any construction work. The certificate may only be used to participate in work procurement for the Government or Government agencies.</p> <p>(iii) The certificate will automatically be terminated if the Certificate of Registration issued by CIDB has expired or has been cancelled, withdrawn, or suspended pursuant to Regulation 15 of the Registration of Contractors (Construction Industry) Regulations 1995.</p> <p>(iv) The certificate must be submitted together with the Certificate of Registration issued by CIDB to participate in work tender for the Government or Government agencies.</p>	<p>Complied</p> <p>Complied</p> <p>Noted</p> <p>Complied</p>

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						(v) The certificate must be renewed together with the Certificate of Registration issued by CIDB.	Complied
						(vi) Steel Hawk Engineering shall not lend, lease, transfer, permit or cause the certificate to be used by someone who has not been named to use the certificate for the procurement of Government work purposes.	Complied
						(vii) Steel Hawk Engineering shall not participate in any tender or carry out any construction work after the certificate expires unless it is renewed.	Complied
						(viii) Only officers of Steel Hawk Engineering who are named in the certificate are authorised to sign Steel Hawk Engineering's contract documents and to obtain the offer documents and to attend site visits for polling, quoting and tender work. Steel Hawk Engineering may not authorise other officers for the above purposes.	Complied

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						(ix) Steel Hawk Engineering must ensure that all terms and conditions to obtain the certificate are complied with at all times throughout the validity period of the certificate.	Complied
						(x) Steel Hawk Engineering must inform CIDB of any changes in information within 30 days of such changes.	Noted
						(xi) Steel Hawk Engineering must comply with all the instructions and principles issued by the Government via treasury instructions and circulars issued by CIDB from time to time.	Complied
						(xii) Steel Hawk Engineering will be subject to the disciplinary action as set out in Regulation 15 of the Registration of Contractors (Construction Industry) Regulations 1995 for failure to comply with any of the responsibilities and obligations above.	Noted

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						(xiii) CIDB has the right to take disciplinary action and impose any appropriate punishment on the registered contractor.	Noted
						(xiv) The company / holder of the certificate, who has been blacklisted or suspended, revoked or where this certificate has been withdrawn through disciplinary proceedings shall not participate in any tender or involve in the Government procurement work within the prescribed period.	Noted
						(xv) The company / holder of the certificate whose certificate has been revoked or withdrawn will be removed from the register of CIDB. Such company who wishes to obtain the certificate is required to comply with the terms of issuance of a new application. Blacklisted key management personnel are prohibited from obtaining the certificate for a period of 3 years.	Noted

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						(xvi) The company / holder of the certificate who has been blacklisted / suspended through disciplinary proceedings will not be removed from the CIDB checklist. Such company will only be allowed to participate in tender or Government procurement work after the expiry of the blacklist or suspension period.	Noted
5.	Steel Hawk Engineering	Certificate of Bumiputera Status	<i>Pusat Khidmat Kontraktor ("PKK")</i> , Ministry of Entrepreneur Development and Cooperatives	0120140603-SL157185	<u>Issuance Date</u> 25 April 2024 <u>Validity Period</u> 25 April 2024 to 20 May 2027	(i) The Certificate of Bumiputera Status will be issued by PKK after Steel Hawk Engineering successfully renews the Certificate of Government Procurement Works and the Certificate of Registration at the CIDB. (ii) The Bumiputera status is issued based on the information provided by Steel Hawk Engineering.	Complied Complied

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						(iii) Steel Hawk Engineering must submit changes of information to PKK immediately after the change of information in CIDB has been made subject to the method and medium used by PKK from time to time.	Noted
						(iv) Steel Hawk Engineering is advised to complete the documents in relation to the renewal / new application / appeal within the period specified in the letter of inquiry sent to Steel Hawk Engineering.	Complied
						(v) Steel Hawk Engineering shall ensure at all times to meet the requirements for the recognition of Bumiputera status as follows: (a) at least 51.00% of the shares in Steel Hawk Engineering are owned by Bumiputera.	Complied

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						<ul style="list-style-type: none"> (b) the ownership of the shares held by Bumiputera individual owners must be more than non-Bumiputera owners. (c) at least 51.00% of the members of the Board of Directors of Steel Hawk Engineering are Bumiputera. (d) the chief executive officer, managing director or general manager and any other key positions within Steel Hawk Engineering must be held by a Bumiputera. (e) at least 51.00% of Steel Hawk Engineering's employees must be Bumiputera. (f) the financial management position in Steel Hawk Engineering shall be held by a Bumiputera. 	

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						<p>(g) the organisational chart and the function of Steel Hawk Engineering shall demonstrate the position held by Bumiputera.</p> <p>(h) to ensure the participation by the Bumiputera is an active partnership and has an active role in corporate transactions of Steel Hawk Engineering as described in items (a) to (g) above.</p> <p>(vi) PKK has the right to revoke, terminate or suspend the Certificate of Bumiputera Status held by Steel Hawk Engineering if:</p> <p>(a) The information provided is not true or false.</p> <p>(b) Steel Hawk Engineering refuses and fails to provide information when requested.</p>	Noted

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						<p>(c) Steel Hawk Engineering is obliged to comply with the conditions of the approval that has been given within the specified period such as attending courses organised by PKK or premise visit sessions.</p> <p>(d) Steel Hawk Engineering violates any of the general / absolute conditions issued by PKK and is subject to the decision of the Director of PKK from time to time.</p>	
6.	Steel Hawk Engineering	<p>Certificate of Registration of company for:</p> <p>(i) Code 060102: Chemical, chemicals and laboratory equipment/ chemistry/ industrial chemistry;</p> <p>(ii) Code 080101: Civil engineering, construction and public facility equipment/ facility equipment/ public facilities</p>	Ministry of Finance ("MOF")	K10113642593 710771	<p><u>Issuance Date</u> 4 December 2023</p> <p><u>Validity Period</u> 4 December 2023 to 13 February 2027</p>	<p>(i) Approval is given based on the information provided by Steel Hawk Engineering.</p> <p>(ii) Any changes to the information submitted to the MOF shall be updated on the online system through www.eperolehan.gov.my within 21 days from the date of occurrence of such changes and failure to do so may result in action taken as specified in item (vii) below.</p>	<p>Complied</p> <p>Noted</p>

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
		(iii) Code 090102: Building materials and road safety equipment/building materials/ pipes and fittings;				(iii) Steel Hawk Engineering shall ensure that the field as registered in the certificate of registration is not overlapped with the approved field given to any of the companies as follows:	Complied
		(iv) Code 130101: Engineering equipment and production machinery/ workshop machines and equipment				(a) having the same shareholder or board of directors / director, management and employee; or	
		(v) Code 130102: Engineering equipment and production machines/ special machines and equipment				(b) operating in the same premises.	
		(vi) Code 130202: Engineering equipment and production machinery/ electrical power and generator equipment/ spare parts and batteries/special machinery and equipment				(iv) The MOF has the right to conduct a visit or audit examination at any time without prior notice. Non-compliance with the conditions of registration, the field code and/ or the registration of the company may be suspended/ and disciplinary action including blacklisting may be taken against the shareholder and board of directors/ director without any notice if it is found that the information given is not true.	Noted

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
		<p>(vii) Code 130401: Engineering equipment and production machinery/ oil industry equipment and upstream industrial equipment</p> <p>(viii) Code 130402: Engineering equipment and production machines/oil industry equipment/ downstream industrial equipment</p> <p>(ix) Code 220502: Services, maintenance, repair services for engineering and communication/containers/tanks</p> <p>(x) Code 220505: Service, maintenance, repair services for engineering repairs and communication, mechanisation system (conveyor, lift etc)</p>				<p>(v) Registration of Steel Hawk Engineering will be suspended / revoked if:</p> <p>(a) the company / its shareholder / partner / director / any managing member has committed crime and is found guilty by the court in Malaysia or outside of Malaysia or is liable for civil liability.</p> <p>(b) the company withdraws the offer before the tender is considered or rejected after the offer is made.</p> <p>(c) the company failed to fulfil its contractual obligations signed with the Government.</p> <p>(d) the company was found to amend the certificate of registration for fraudulent or other purposes.</p>	Noted

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
		<p>(xi) Code 220506: Service, maintenance, repair services for engineering repairs and communication/ repairing buft fuel tank</p> <p>(xii) Code 220507: Service, maintenance, repair services for engineering repairs and communication /pump/water pipe and components</p> <p>(xiii) Code 221010: Services, cleaning and maintenance services / sewage ponds/treatment systems/pipelines/drains</p> <p>(xiv) Code 221011: Services, cleaning and maintenance services / oil spill cleaning</p>				<p>(e) the company allows the certificate of registration to be misused by other individual / company.</p> <p>(f) the company has a price-fixing conspiracy with other companies when the company has entered into government tender or subcontract without prior consent from the government agencies involved.</p> <p>(vi) Steel Hawk Engineering shall submit the application of renewal 3 months before the date of expiry.</p> <p>(vii) The virtual certificate of registration shall belong to the Government. The Government has the right to withdraw / suspend / revoke the registration if disciplinary action is taken against Steel Hawk Engineering pursuant to 1PP/PK8 (<i>Pekeliling Perbendaharaan/ Perolehan Kerajaan 8</i>).</p>	<p>Noted</p> <p>Noted</p>

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						(viii) Steel Hawk Engineering shall ensure that the registration with MOF is valid throughout the contract period.	Complied
7.	Steel Hawk Engineering	Vendor Registration Declaration for the category of Grade 7 mechanical engineering	FGV Holdings Berhad	B-21022022 00228-02	<u>Issuance Date</u> 21 February 2022 <u>Validity Period</u> 21 February 2022 to 21 February 2025	Application for renewal of the certificate shall be made at least 30 days before the expiry date of the certificate.	Noted
8.	Steel Hawk Engineering	MISC Vendor Registration for the scope of work / services: (i) PM1: Mechanical 02: chemical injection skid (ii) PM1: Mechanical 26: pigging accessories 03: scraper launcher & receiver (iii) SM6: Maintenance services	MISC Berhad	VRS-20211201-0004	<u>Issuance Date</u> 21 January 2022 <u>Validity Period</u> 21 January 2022 to 20 January 2025	(i) The approval by MISC Berhad as a MISC Group Registered vendor is given / issued based on the information provided by Steel Hawk Engineering.	Complied
						(ii) Steel Hawk Engineering is reminded to notify MISC Berhad of any changes (within 14 days from date of change) to the following items:	Noted

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
		01: mechanical maintenance 01: hydraulic bolt tensioning services (iv) SO2: Offshore facilities construction 01: offshore construction 02: maintenance & repairs of offshore facilities (v) SO2: Offshore facilities construction 01: offshore construction 03: hook-up & commissioning of offshore facilities (vi) SO2: Offshore facilities construction 02: onshore fabrication 01: major fabrication 02: onshore facilities (vii) SO2: Offshore facilities construction 02: onshore fabrication 02: minor onshore fabrication				(a) company address; (b) contact numbers; (c) equity ownership; (d) scope or type of business activities; (e) directorship; (f) management staff; (g) licences (PETRONAS, MOF etc.); and (h) letters of appointment by principals with validity date.	
						(iii) Steel Hawk Engineering shall submit Audited Accounts on an annual basis (between 3 to 6 months after the respective year end closing).	Complied
						(iv) Steel Hawk Engineering shall promptly provide all information requested by MISC Berhad within the specified period.	Complied
						(v) Steel Hawk Engineering is under an obligation to ensure that the work category that has been registered for and specified in the letter of registration shall not be approved for a similar SWEC, for another company, of the same shareholder / Board of Director.	Complied

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
		03: minor onshore fabrication – mechanical (viii) SP1: Pipeline & associated services 04: pipeline maintenance 02: pig trap maintenance				(vi) MISC Berhad reserves the right to revoke / suspend / blacklist the registration of Steel Hawk Engineering as MISC Group Registered vendor without any prior notice if it is found that Steel Hawk Engineering does not comply with any of the following statements: (a) The information provided by Steel Hawk Engineering is incorrect / untrue / false; (b) Steel Hawk Engineering is in breach of any contracts with MISC Group; (c) any other incidences / actions or inactions which affect the operations or cause detrimental impact on MISC Group of Companies.	Noted

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						<p>(vii) Steel Hawk Engineering shall adhere to MISC Berhad's policy on Health, Safety and Environment (HSE) at all times.</p>	Complied
						<p>(viii) Steel Hawk Engineering shall uphold the highest possible standard of business ethics in dealing with MISC Berhad's staff or representatives. MISC Berhad has adopted a zero tolerance policy against all forms of bribery and corruption.</p> <p>The MISC Code of Conduct and Business Ethics (CoBE) and MISC Anti-bribery and Corruption Policy (ABC) will be applicable to MISC Berhad's vendors, contractors, sub-contractors, consultants, agents, representatives and others performing work and services for or on behalf of MISC Group of companies. In this regard, MISC Berhad expects that such persons will comply with the CoBE and ABC in the relevant parts when performing such work and services.</p>	Complied

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						(ix) Steel Hawk Engineering shall ensure compliance to all other terms and conditions as stipulated in the respective awards that may be given to Steel Hawk Engineering. (x) Steel Hawk Engineering shall submit the renewal application 2 months prior to the expiry of the current registration.	Complied Noted
9.	Steel Hawk Engineering	Registration of business premise / factory in respect of our PJ Office	Department of Occupational Safety and Health ("DOSH") of Selangor	JKKP B BP 127/439/2(96)	<u>Issuance Date</u> 20 April 2015 <u>Validity Period</u> Nil	(i) DOSH had carried out an inspection on 1 April 2015 and is satisfied with the inspection, hence the premise is to be registered as a non-factory workplace with reference to SL/15/22/92814. (ii) In the event Steel Hawk Engineering wishes to change the nature of the work carried out, which is different from the nature of work inspected by DOSH, Steel Hawk Engineering has the responsibility to report to DOSH.	Noted Noted

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						(iii) Pursuant to Section 34 and Section 36 of the Factories and Machinery Act 1967, a written consent must be obtained when a premise is to be used as a factory and installation of machinery. Failure to do so, the person shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding one thousand ringgit or to imprisonment for a term not exceeding 2 years or to both.	Complied
10.	Steel Hawk Engineering	Vendor Registration Certificate for the scope of services: (i) SO2: offshore & onshore facilities construction & installation (ii) SM4: mechanical engineering & maintenance (iii) S12: integrated maintenance services (iv) SC2: civil, structural, scaffolding & building maintenance (v) SP1: pipeline & associated services	Petroleum Sarawak Berhad	P230329	<u>Issuance date</u> 27 June 2023 <u>Validity period</u> 26 June 2023 to 25 June 2026	Application for renewal of Vendor Registration shall be made at least 30 days before the expiry date of the certificate.	Noted

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
11.	Steel Hawk Engineering	<p>Registration Certificate for Competent Firm (Petroleum Contractor).</p> <p>Scope of code: KPD 01 (Land-based Petroleum Contractor (Pipeline)) and KPL 01 (Marine Petroleum Contractor (Pipeline))</p>	DOSH	JKKP/2023/26/139	<p><u>Issuance date</u> 3 July 2023</p> <p><u>Validity period</u> 3 July 2023 to 2 July 2026</p>	<p>(i) Steel Hawk Engineering shall use the MySKUD system submodule for updating information in the event of any changes in information, such as the exchange or addition of technical personnel, branches or supporting documents.</p> <p>(ii) Steel Hawk Engineering is required to inform DOSH (Design Verification, Recognition, and Certification Section) in writing regarding the first project that will be undertaken.</p> <p>(iii) Before the commencement of installation works, Steel Hawk Engineering must obtain Permission to Install (PTI) from DOSH.</p> <p>(iv) After obtaining the PTI, the installation work must be carried out by Steel Hawk Engineering exclusively.</p>	<p>Noted</p> <p>Complied</p> <p>Complied</p> <p>Complied</p>

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						(v) All welding works must be performed by welders approved by DOSH or the inspection authority recognised by DOSH in accordance with the approved Welding Procedure Specification. All welding works shall be carried out under the strict supervision of Steel Hawk Engineering's quality control officer.	Complied
						(vi) Steel Hawk Engineering is required to ensure that all records of Welding Procedure Specification (WPS), Welder Qualification Test / Welder Performance Qualification (WQT / WPQ) and the Welder Records (Form BP1) are kept securely for inspection. All these records must be submitted to DOSH when applying for renewal of company registration.	Complied
						(vii) Steel Hawk Engineering should provide adequate training to the employees on occupational safety and health to ensure that employees can work in a safe and healthy environment.	Complied

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						(viii) Steel Hawk Engineering must ensure that the petroleum equipment, such as valves, regulators and so on, that are installed have been verified.	Complied
						(ix) Steel Hawk Engineering shall comply with DOSH's regulations that are enforced from time to time.	Complied
						(x) Steel Hawk Engineering must apply for renewal of registration with DOSH at least 3 months before the expiration date.	Noted
						(xi) Steel Hawk Engineering is required to refer to the latest requirements stipulated in the Guidelines for Registration of Competent Firm (Petroleum Contractor) which can be downloaded from MySKUD for the purpose of the renewal application.	Noted
						(xii) Monitoring audits will be conducted on Steel Hawk Engineering's premises throughout the approval period to assess compliance with the established requirements.	Complied

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						<p>(xiii) If Steel Hawk Engineering agrees to comply with the abovementioned conditions, Steel Hawk Engineering shall notify DOSH in writing within 14 days from 3 July 2023.</p> <p>(xiv) It should be noted that the approval can be revoked at any time if the abovementioned conditions and other DOSH's requirements are not met.</p>	<p>Complied</p> <p>Noted</p>
12.	Steel Hawk Engineering	<p>Registration Certificate as a Supplier / Contractor under the category of:</p> <p>(i) A02: general – civil & structural</p> <p>(ii) A05: general – vessel cleaning</p> <p>(iii) A15: steel construction / fabricator</p> <p>(iv) B50: other mechanical equipment</p> <p>(v) C27: gas facilities maintenance</p>	Gas Malaysia Distribution Sdn Bhd	VDR2023-00032	<p><u>Issuance date</u> 9 August 2023</p> <p><u>Validity period</u> 9 August 2023 to 9 August 2028</p>	<p>Gas Malaysia Distribution Sdn Bhd has the right to revoke Steel Hawk Engineering's registration at any time in view of the following conditions:</p> <p>(i) Failure to provide the information within a specific time.</p> <p>(ii) Giving false information to validate Steel Hawk Engineering's registration.</p> <p>(iii) Non fulfilment of conditions as set out in the Vendor Declaration Form.</p>	Noted

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
13.	Steel Hawk Engineering	Certificate of Registration of Bumiputera Company ⁽²⁾	MOF	BP1011364259 3729631	<u>Issuance Date</u> 4 December 2023 <u>Validity Period</u> 29 January 2024 to 13 February 2027	(i) The company should always strive to maintain and enhance its position so that: (a) The majority Bumiputera position shall always constitute more than 51.00% in equity ownership, membership on the Board of Directors, the position of Chief Executive, Managing Director or General Manager, other key positions, employees of the company at the management level as well as employees. (b) The majority of Bumiputera plays an important role in the company's transactions, the oversight of the company's travel, financial management of the company, decision-making processes and representation of the company in meetings and other official matters of the kind.	Complied

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						<p>(ii) In the event of any changes in the conditions stated in the certificate, the MOF should be notified immediately so that the amendments can be made to the Registration Record. The updated information must be submitted online through the Profile Update Module at www.eperolehan.gov.my within 21 days from the date the changes take effect. Failure to provide the information may raise doubts at the MOF regarding the authenticity of Steel Hawk Engineering's Bumiputera status.</p> <p>(iii) If the MOF discovers that Steel Hawk Engineering has breached the conditions specified in the certificate, or has transferred the management of the company and the obtained contract to other parties, the recognition as a Bumiputera company will be revoked and the status will be removed from the ePerolehan system.</p>	<p>Noted</p> <p>Complied</p>

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						<p>(iv) Steel Hawk Engineering undertakes that the supporting documents / letters / pictures and any other materials submitted are authentic and accurate.</p> <p>(v) The Government has the right to conduct investigations and physical visits upon the issuance of the conditional approval of the Bumiputera Status Certificate.</p> <p>(vi) The Government has the right to initiate action against Steel Hawk Engineering if found to be in breach of terms and conditions of compliance including fraud / falsification of information after the investigation and visitation by Contractor and Entrepreneur Development Division (BPKU) is completed. Among the actions that can be taken by the Government are set out below:</p> <p>(a) Immediate withdrawal or cancellation of an approved Bumiputera Status Certificate;</p>	<p>Complied</p> <p>Noted</p> <p>Noted</p>

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						<p>(b) The Government reserves the right to terminate the current contract in force as a result of the ownership of the Bumiputera Status Certificate. The Government shall not be liable to bear any costs and losses incurred by Steel Hawk Engineering as a result of the termination of the contract in accordance with the terms and conditions of the contract signed by the Government with Steel Hawk Engineering;</p> <p>(c) Steel Hawk Engineering, its owners and the Board of Directors will be blacklisted from participating in any Government procurement / project for 3 to 5 years, subject to the decision of the Disciplinary Action Committee of MOF; and</p>	

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						<p>(d) The provisions of compliance with the laws in force include the Contracts Act 1950 (Act 136), Penal Code and so on, where applicable.</p> <p>(vii) The MOF reserves the right to impose disciplinary action on Steel Hawk Engineering and cancel the information related to Steel Hawk Engineering's registration if:</p> <p>(a) Steel Hawk Engineering's Bumiputera status is stripped or revoked in the ePerolehan system.</p> <p>(b) The registration of company is suspended or cancelled in the ePerolehan system.</p> <p>(c) Other breaches of the conditions that allow the MOF to determine that the Bumiputera status is withdrawn and revoked in the ePerolehan system.</p>	Noted

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						<p>(viii) The Certificate of Registration of the Bumiputera Company, whether issued manually or virtually, and all information in the ePerolehan system are final.</p> <p>(ix) Steel Hawk Engineering shall ensure that the registration with the MOF is valid throughout the contract period.</p> <p>(x) Any act or attempt at bribery to offer or give, solicit or receive any bribe to and from any person in connection with government procurement is a criminal offence under the Malaysian Anti-Corruption Commission Act 2009 (Act 694).</p>	<p>Complied</p> <p>Complied</p> <p>Noted</p>

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
14.	Steel Hawk Engineering	<p>Certificate of International Registered Contractor pursuant to Part VI of the CIDB Act in respect of:</p> <p>Grade G7:</p> <p>(i) Category B (Building Construction), registration specialisation B04;</p> <p>(ii) Category CE (Civil Engineering), registration specialisation CE09, CE15 and CE21; and</p> <p>(iii) Category ME (Mechanical and Electrical), registration specialisation M12, M15 and M20.</p> <p>The certificate allows Steel Hawk Engineering to carry out the following work scope:</p> <p>B04: general building construction works</p> <p>CE09: oil or gas main pipeline</p>	CIDB	0120140603-SL157185	<p><u>Issuance date</u> 25 March 2024</p> <p><u>Validity period</u> 25 March 2024 to 20 May 2027</p>	<p>(i) The certificate is non-transferable.</p> <p>(ii) The certificate allows Steel Hawk Engineering to execute only the project specified in the certificate.</p> <p>(iii) The registration of contractor shall be cancelled, suspended or revoked if:</p> <p>(a) Steel Hawk Engineering has abandoned any construction works undertaken without any good reason;</p> <p>(b) Steel Hawk Engineering is found negligent by any court or by any board of enquiry established under any written law in connection with any construction works undertaken; or</p> <p>(c) Steel Hawk Engineering contravenes any of the terms and conditions of the contractor's responsibilities and obligations as specified by the CIDB;</p>	<p>Noted</p> <p>Complied</p> <p>Noted</p>

7. BUSINESS OVERVIEW (CONT'D)

No.	Company	Description of certificate / licence / permit	Approving authority	Certificate No. / Registration No. / Licence No. / Permit No. / Reference No.	Issuance date / Validity period	Major conditions imposed	Status of compliance
		CE15: offshore works CE21: general civil engineering works M12: specialised plants M15: miscellaneous mechanical equipment M20: general mechanical maintenance				(d) Steel Hawk Engineering shall comply with the provisions of the CIDB Act, the regulations made thereunder and any term, condition or restriction imposed by the CIDB from time to time.	

Notes:

- (1) As at the LPD, Steel Hawk Engineering has 172 SWEC registered under our PETRONAS license, but we currently rely on 16 SWEC in the performance of our ongoing contracts. The categories of products and services authorised by these 16 SWEC are set out in the table below:

No.	SWEC	Description of service	Minimum Bumiputera Requirement (%)	Status of compliance	Ongoing contracts (type of services)
(i)	15161500S	Onshore Pipeline	30	Complied	Onshore facilities maintenance, construction and modification services
(ii)	27101300S	Topside Piping & Structural	51	Complied	Onshore facilities maintenance, construction and modification services

7. BUSINESS OVERVIEW (CONT'D)

No.	SWEC	Description of service	Minimum Bumiputera Requirement (%)	Status of compliance	Ongoing contracts (type of services)
(iii)	15161400S	Onshore Facilities	30	Complied	Onshore facilities maintenance, construction and modification services
(iv)	27111000S	Minor Onshore Fabrication	51	Complied	Onshore facilities maintenance, construction and modification services
(v)	18181000S	Fixed Fire Protection Systems	51	Complied	Oilfield equipment – fire rated doors
(vi)	18191400P	Other Safety/Firefighting Equipment	51	Complied	Oilfield equipment – fire rated doors
(vii)	18151000P	A60/AO Windows	51	Complied	Oilfield equipment – fire rated doors
(viii)	11121000P	Hardware	51	Complied	Oilfield equipment – fire rated doors
(ix)	18171100P	Oil/Chemical Spill Response Equipment & Accessories	51	Complied	Oilfield equipment – oil spill recovery equipment
(x)	18161100S	Spill Control Support & Clean-up Services	51	Complied	Oilfield equipment – oil spill recovery equipment
(xi)	24171600P	Lifting & Rigging Equipment & Accessories	30	Complied	Oilfield equipment – oil spill recovery equipment
(xii)	27131000S	Offshore Pipeline Inspection & Repair	51	Complied	Oilfield equipment – pig trap system
(xiii)	16261800P	Pigging Accessories	51	Complied	Oilfield equipment – pig trap system
(xiv)	27131200S	Pig Trap Maintenance	51	Complied	Oilfield equipment – pig trap system

7. BUSINESS OVERVIEW (CONT'D)

No.	SWEC	Description of service	Minimum Bumiputera Requirement (%)	Status of compliance	Ongoing contracts (type of services)
(xv)	27101200S	Maintenance & Repairs of Offshore Facilities	30	Complied	Oilfield equipment – pig trap system
(xvi)	30103113S	Drilling mud cooler equipment	51	Complied	Oilfield equipment – mud cooler system

- (2) Based on the Petroleum Development Act 1974 and Petroleum Regulations 1974, in order to participate in the O&G activities in Malaysia, our Group is required to have a valid license issued by PETRONAS. In addition to having a valid PETRONAS license, our Group must register and meet the SWEC requirements with PETRONAS in order to participate in tender activities and supply the registered services and products to PETRONAS group and the O&G industry in Malaysia. Our Group is required to comply with the minimum Bumiputera requirements for the SWEC to maintain or renew the PETRONAS license.

In view of the foregoing, our Group is required to maintain a valid Certificate of Registration of Bumiputera Company ("**STB**") issued by the MOF or the MEDC, to which as at the LPD, our Group has been issued and granted with the STB issued by both the MOF and MEDC.

The procurement and issuance of the STB to our Group enables our Group to apply for SWEC and to maintain the PETRONAS license. As at the LPD, our Group has 172 SWEC under its PETRONAS license, with each SWEC allowing our Group to bid for and supply specific registered services and products to the O&G industry in Malaysia. Our Group also proactively identifies and applies to add new SWEC to its existing licensed / registered scopes.


- (3) The issuance date of the existing PETRONAS license was updated by PETRONAS to 15 July 2024, due to the increase in SWEC registered under our PETRONAS license to 172 SWEC as at 15 July 2024, for our Group to participate in tender activities and supply the registered services and products to the O&G industry in Malaysia. For the avoidance of doubt, notwithstanding the updated issuance date of the PETRONAS license pursuant to the addition of new SWEC as at 15 July 2024, the validity period of the PETRONAS license remains from 21 October 2021 to 17 December 2024.

7. BUSINESS OVERVIEW (CONT'D)



7.17 TRADEMARKS

As at the LPD, save as disclosed below, our Group had not registered any and names, patents, trademarks or other intellectual properties.

(i) Trademarks

Trademark	Registered owner / Applicant	Trademark no. / Application no.	Issuing authority	Class	Status / Application date / Registration date / Validity period
	Steel Hawk	TM2021005354 TM2021005355 TM2021005356	Intellectual Property Corporation of Malaysia	35 ⁽¹⁾ , 36 ⁽²⁾ , 42 ⁽³⁾	Status Registered Registration date 26 February 2021 Validity period 26 February 2021 to 26 February 2031
STEEL HAWK	Steel Engineering Hawk	TM2020027954	Intellectual Property Corporation of Malaysia	6 ⁽⁴⁾ , 35 ⁽⁵⁾ , 37 ⁽⁶⁾ , 42 ⁽³⁾	Status Registered Registration date 23 November 2020 Validity period 23 November 2020 to 23 November 2030

7. BUSINESS OVERVIEW (CONT'D)

Trademark	Registered owner / Applicant	Trademark no. / Application no.	Issuing authority	Class	Status / Application date / Registration date / Validity period
	Steel Engineering Hawk	TM2020027947	Intellectual Property Corporation of Malaysia	6 ⁽⁴⁾ , 35 ⁽⁵⁾ , 37 ⁽⁶⁾ , 42 ⁽³⁾	<p>Status Registered</p> <p>Registration date 23 November 2020</p> <p>Validity period 23 November 2020 to 23 November 2030</p>
	Steel Hawk Defence	TM2023015245	Intellectual Property Corporation of Malaysia	42 ⁽⁷⁾	<p>Status Registered</p> <p>Registration date 30 May 2023</p> <p>Validity period 30 May 2023 to 30 May 2033</p>

Notes:

- (1) Brand management; business management; inventory management; business management of companies; supply chain management services; import-export agency services in the field of energy; assistance and consultancy services in the field of business management of companies in the energy sector; advertising services to promote public awareness on energy issues; procurement of contracts for others; advertising; business administration; online advertising; online advertising on a computer network; marketing; on-line marketing; commercial administration of the licensing of the goods and services of others; assisting others in preparing and filing applications for obtaining a business license; database management.

7. BUSINESS OVERVIEW (CONT'D)

- (2) Holding securities, funds and other assets in escrow; capital investment; financial investment; portfolio management and investment services; property investment; securities trading; commodity trading; stock trading; asset management; investment management; financial evaluation of development costs relating to the oil, gas and mining industries; intellectual property venture capital fund management services; financial management; financial management and planning; financial management of development capital; financial management of investment capital; financial management of shares in other companies.
- (3) Engineering; engineering design; engineering drawing; engineering consultancy; engineering feasibility studies; construction project management services construction drafting, design and planning; oil, gas and mining exploration services; analysis and testing services in the field of oil exploitation; oil prospecting; product development consultancy for inventors in the field of chemical engineering; engineering services relating to gas transport and supply systems; technical design and planning of pipelines for gas, water and waste water; plant engineering; leasing of laboratory instruments; software engineering; research in the field of engineering; engineering services in the field of energy technology; quality control; quality checking and testing.
- (4) Fabricated metal components for building foundations construction materials prefabricated metal bridges; prefabricated metal platforms; branching pipes of metal including those from alloy steel and titanium; couplings and joints of metal for pipes; metal pipes and fittings therefor; metal pipes and tubes; metal pipes for liquid and gas transfer; metal valves for controlling the flow of gases in pipelines; pipework of metal, including those made from alloy steel and titanium; containers of metal for chemicals, compressed gases and liquids; scaffolding of metal; scaffolding towers, not of metal; offshore drilling platforms of metal; slabs of metal, including those made from alloy steel and titanium; stainless steel pipes; fuel oil hoses of metal; prefabricated metal buildings; steel frames for building; metallic connections for metal pipes, tubes and casings in the oil and gas industry; metal cylinders for compressed gas or liquids, sold empty.
- (5) Procurement of contracts for others; outsourcing services in the nature of arranging procurement of goods for others; import-export agency services in the field of energy; assistance and consultancy services in the field of business management of companies in the energy sector; business administration; advertising; assistance and consultancy relating to business management and organisation; procurement of contracts for the purchase and sale of goods and services; office functions; business consultancy; online advertising on a computer network.
- (6) Building and construction services; construction of decks; construction of piers; construction of pipelines; construction and maintenance services relating to civil engineering; construction engineering services construction consultancy; construction engineering services construction supervision; marine engineering construction services; construction of oil pipelines; construction of structures for the production of crude oil; construction of structures for the storage of crude oil; construction of structures for the transportation of crude oil; installation of apparatus for the production of oil; pumping crude oil; rental of oil well drilling tools; installation of oil well casings, tubing and drill pipes; installation, maintenance and repair of compressors, air pumps, vacuum pumps, air blowers, air filters, alternators, pressure regulators and oil separators; laying, repair, maintenance, replacement and refurbishment of oil pipelines; construction of structures for the production of natural gas; construction of structures for the storage of natural gas; construction of structures for the transportation of natural gas; installation of gas and water pipelines; installation of gas supply and distribution apparatus; installation, maintenance and repair of gas, electricity and water supply apparatus; laying, repair, maintenance, replacement and refurbishment of gas pipelines; O&G drilling; repair of biogas plants and machines; repair or maintenance of gasoline station equipment and providing information relating thereto; offshore drilling services; installation of work and building platforms; rental of scaffolding, platforms, molds and machinery for use in construction; repair and maintenance of building scaffolds, working and building platforms; rental of construction and building equipment; rental of construction machines and apparatus; construction, maintenance and repair of transportable and prefabricated buildings.

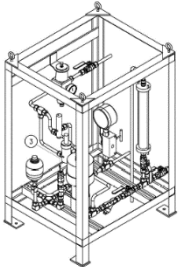
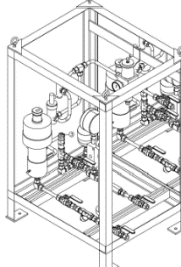
7. BUSINESS OVERVIEW (CONT'D)

- (7) Engineering; engineering consultancy; engineering design; engineering drawing; engineering feasibility studies; design of engineering products; development of engineering products; engineering research; engineering services in the field of building technology; technical project planning in the field of engineering; software engineering; quality control testing services; installation, maintenance and updating of software; technical consultancy relating to the application and use of computer software; quality control and authentication services; quality testing of products; research, development, analysis and consultancy services in the field of engineering.

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7. BUSINESS OVERVIEW (CONT'D)

(ii) Industrial design

Industrial design	Registered owner / Applicant	Industrial Design no. / Application no.	Issuing authority	Class / Classification	Description	Status / Application date / Registration date / Validity period
	Steel Hawk Engineering	21-E0051-0101	Intellectual Property Corporation of Malaysia	23-01	Fluid distribution equipment: adapters for pipe joints, apparatus for the supply of gas, coiled pipes, connecting devices for gas bottles, drainpipes, extensible connections for flexible piping, flexible pipes, fluid distribution equipment, hydraulic output regulators, joints for pipes, packing rings for tubes and pipes, joint or packing rings for tubes and pipes, joint rings for tubes and pipes, pipe and plate packed joints, pipes of concrete or cement, pressure reducers for gas, rigid piping, safety valves for cisterns, safety devices for drain gratings, siphons for decanting fluids, slurry tanks, suction roses, tanks for gaseous or liquid substances, taps, faucets, valves, pressure reducers for gas, pressure reducers (pipe fittings, and safety valves for cistern.	<p>Status Registered</p> <p>Registration date 27 January 2021</p> <p>Validity period 27 January 2021 to 27 January 2026</p>
	Steel Hawk Engineering	21-E0052-0101	Intellectual Property Corporation of Malaysia	23-01	Fluid distribution equipment: adapters for pipe joints, apparatus for the supply of gas, coiled pipes, connecting devices for gas bottles, drainpipes, extensible connections for flexible piping, flexible pipes, fluid distribution equipment, hydraulic output regulators, joints for pipes, packing rings for tubes and pipes, joint or packing rings for tubes and pipes, joint rings for tubes and pipes, pipe and plate packed joints, pipes of concrete or cement, pressure reducers for gas, rigid piping, safety valves for cisterns, safety devices for drain gratings, siphons for decanting fluids, slurry tanks, suction roses, tanks for gaseous or liquid substances, taps, faucets, valves, pressure reducers for gas, pressure reducers (pipe fittings, and safety valves for cistern.	<p>Status Registered</p> <p>Registration date 27 January 2021</p> <p>Validity period 27 January 2021 to 27 January 2026</p>

7. BUSINESS OVERVIEW (CONT'D)

7.18 MATERIAL PROPERTY, PLANT AND EQUIPMENT

7.18.1 Properties owned by our Group

The details of the material properties owned by our Group as at the LPD are as follows:

No.	Registered owner / Beneficial owner	Title details / Property address	Description / Existing use	Category of land use / Express condition of land use / Tenure of property	Restriction in interest / Material encumbrances	Land area* / Gross built-up area* (sq. ft.)	Date of issuance of CF / CCC	NBV as at 31 March 2024 RM'000
1.	Steel Hawk Engineering	<p><u>Title Details</u> Geran 46495/M2/2/63 and Geran 46495/M2/2/64, Lot 42441, Pekan Cempaka, District of Petaling, State of Selangor</p> <p><u>Property Address</u> No. 23-2 & No. 25-2, Block H, Jalan PJU 1/37, Dataran Prima, 47301 Petaling Jaya, Selangor Darul Ehsan</p>	<p><u>Description</u> Two (2) individual unit of office suites both located on the first floor of a five-storey building</p> <p><u>Existing Use</u> Headquarter office</p>	<p><u>Category of Land Use</u> Building</p> <p><u>Express Condition of Land Use</u> Commercial building</p> <p><u>Tenure of Property</u> Freehold</p>	<p><u>Restriction in Interest</u> Nil</p> <p><u>Material Encumbrances</u> Charged to Public Islamic Bank Berhad on 20 January 2022</p>	<p><u>Land Area</u> 1,475/unit</p> <p><u>Gross Built-up Area</u> 1,475/unit</p>	10 December 1998	1,233

7. BUSINESS OVERVIEW (CONT'D)

No.	Registered owner / Beneficial owner	Title details / Property address	Description / Existing use	Category of land use / Express condition of land use / Tenure of property	Restriction in interest / Material encumbrances	Land area* / Gross built-up area* (sq. ft.)	Date of issuance of CF / CCC	NBV as at 31 March 2024 RM'000
2.	Steel Hawk Engineering	<p><u>Title Details</u> Pajakan Negeri 4084, Lot No. 3695, Mukim Teluk Kalung, District of Kemaman, State of Terengganu</p> <p><u>Property Address</u> Lot 3695, Jalan MIEL TK 3, Kawasan Perindustrian MIEL, 24000 Chukai, Terengganu (Existing Teluk Kalung Facility 1)</p>	<p><u>Description</u> A semi-detached double storey office annexed with a single storey warehouse</p> <p><u>Existing use</u> Office, warehouse and yard facility</p>	<p><u>Category of Land Use</u> Industrial</p> <p><u>Express Condition of Land Use</u> (a) The land shall be used for medium industry and constructing buildings related thereto only (b) Within 2 years from the date of possession, the land shall be used for medium industry and constructing buildings related thereto only in accordance with the plan approved by the local authority</p> <p><u>Tenure of Property</u> Leasehold 60 years expiring on 22 August 2057 (remaining tenure of approximately 33 years as at the LPD)</p>	<p><u>Restriction in Interest</u> (i) This land shall not be transferred, charged or leased unless consent from the state authority is obtained (ii) Restriction in interest (i) above is not subject to the first owner</p> <p><u>Material Encumbrances</u> Charged to AmBank Islamic Berhad on 23 August 2023</p>	<p><u>Land Area</u> 23,508</p> <p><u>Gross Built-up Area</u> 7,609</p>	19 September 2018	2,444

7. BUSINESS OVERVIEW (CONT'D)

Note:

* Conversion of original measurement for properties in square meter to square foot at 1 square meter = 10.7639 square feet.

7.18.2 Properties leased / rented by our Group from third parties

(a) Property leased by our Group from a third party

The details of the property leased by our Group from a third party as at the LPD are as follows:

No.	Landlord / Lessor	Lessee	Master title details	Description / Existing use	Land area* / Gross built-up area (sq. ft.)	Lease tenure	Consideration for the lease	Date of issuance of CF / CCC
1.	PMINT	Steel Hawk Engineering ⁽¹⁾	Pajakan Negeri 9684, Lot 60004, Mukim Teluk Kalung, District of Kemaman, State of Terengganu ⁽¹⁾	<u>Description</u> N/A ⁽²⁾ <u>Existing use</u> Vacant ⁽²⁾	<u>Land area</u> 429,803# <u>Gross built-up area</u> N/A ⁽²⁾	Lease from 1 October 2023 to 30 September 2053 with an option to renew for a further 30 years	RM1,528,351 ⁽¹⁾	N/A ⁽²⁾

Notes:

* Conversion of original measurement for land in square meter to square foot at 1 square meter = 10.7639 square feet.

Represents the land area of the master title.

(1) Pursuant to the Lease Agreement, Steel Hawk Engineering shall pay to PMINT a total lease payment of RM1,528,351.31, of which RM305,670.26 deposit payment (i.e. 20% of the total lease payment) has been paid by the Group on 11 October 2023, and the balance lease payment of RM1,222,681.05 (i.e. 80% of the total lease payment) shall be paid by Steel Hawk Engineering by way of 3 equal instalments of RM407,560.35 in half-yearly intervals (i.e. on or before 30 April 2024, 31 October 2024 and 30 April 2025), respectively. Steel Hawk Engineering has subsequently on 30 April 2024 paid the first instalment of RM407,560.35 to PMINT.

7. BUSINESS OVERVIEW (CONT'D)

- (2) The Group intends to construct Proposed Teluk Kalung Facility 2 to which the Proposed Teluk Kalung Facility 2 is intended to be used as an office, warehouse and yard facility. Please refer to **Section 7.4.1** of this Prospectus for further details on the Proposed Teluk Kalung Facility 2.

(b) Property rented by our Group from a third party

A summary of the property rented by Steel Hawk Engineering from a third party as at the LPD is as follows:

No.	Landlord	Tenant	Property Address	Description / Existing Use	Land area* / Gross built-up area* (sq. ft)	Tenure of the tenancy	Rental per annum	Date of issuance of CF / CCC
1.	Sinarland Indah Sdn Bhd	Steel Hawk Engineering	Survey Lot 1269 of Parent Lot 980, Block 1, Miri Concession Land District, Jalan Lutong-Kuala Baram, 98000 Miri, Sarawak	<p>Description</p> <p>Double storey semi-detached industrial building</p> <p>Existing use</p> <p>Office and warehouse</p>	<p>Land area</p> <p>5,651</p> <p>Gross built-up area</p> <p>4,962</p>	15 October 2023 to 14 October 2026	RM42,000 (based on a monthly rental of RM3,500)	20 October 2017

Note:

- * Conversion of original measurement for properties in square meter to square foot at 1 square meter = 10.7639 square feet.

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7. BUSINESS OVERVIEW (CONT'D)

7.19 EMPLOYEES

As at the LPD, we have a total workforce of 71 permanent employees. All our employees are Malaysians and we do not have any contractual employees. The following depicts the number of employees in our Group by categories:

Department	No. of employees	
	As at 31 December 2023	As at the LPD
Management	5	5
Technical	47	50
Procurement	4	5
Finance	4	5
Administration and Human Resources	6	6
Total workforce	66	71

None of our employees are members of any union, nor have there been any major industrial disputes in the past.

7.20 DESIGN AND DEVELOPMENT ("D&D")

Our Group undertakes D&D activities on skid designs to increase efficiency and cost optimisation for our EPCC services for chemical injection skids activities. Our D&D activities are spearheaded by our Chief Operations Officer, Khairul Nazri Bin Kamarudin, who has more than 10 years of experience in the O&G industry. The benefits of our patented skid designs are as follows:

- (i) the patented skid design allows our Group to achieve cost sand delivery optimisation as the skids take up less space, and require less fabrication as we replaced piping spools with high-pressure tubing.
- (ii) the patented skid design is designed for the skids to be mobile, enabling the skids to be utilised at different locations of the production facilities;
- (iii) the patented skid design is designed for the skids to be removable and not a permanent structure, enabling us to uninstall and retrieve the skid from our customers once the contract terms are completed. This in turn provides our Group with cost saving measures as the skids will be services to ensure operational readiness prior to being reused for the next customer; and
- (iv) the patented skid design is designed to be module, allowing us to customise the initial design to best fit our customers' production facility and space constraints.

Please refer to **Section 7.17 (ii)** of this Prospectus for further details on our patented skid designs.

7.21 ENVIRONMENTAL, SOCIAL AND GOVERNANCE PRACTICES

Our Group has developed a sustainability policy which outlines our commitment to do our part in ensuring a sustainable future. In our sustainability policy, we have highlighted the environmental, social, and governance ("**ESG**") related strategies. The focus of our ESG practices is as follows:

7. BUSINESS OVERVIEW (CONT'D)

7.21.1 Environmental

We aim to maintain a clean environment by reducing any adverse environmental impacts arising from our Group's operations. To do so, we will comply with relevant statutory and regulatory requirements related to our business activities, incorporate environmental and climate change impacts and concerns into our decision-making and actions, and improve the efficiency of our operations to minimise emissions.

In managing environmental matters, we currently focus on:

- Disposing the scheduled waste generated during our offshore operations via a waste disposal contractor licenced by the Department of Environment Malaysia to collect, transport, and dispose of scheduled waste;
- Formalising a recording system to track waste generated in our Group's operations;
- Decreasing greenhouse gas emissions by providing our employees in Miri and Kerteh with bicycles and encouraging them to use the bicycles instead of driving vehicles when moving around within our facilities; and
- Decreasing consumption of water by installing water-efficient taps with built-in flow restrictors that reduce water flow and decrease wastage in our washrooms.

7.21.2 Social

We aim to provide our employees with a safe and healthy workplace and encourage them to develop and grow in our network. We also aim to support the local community in the areas where our Group operates. To do so, we comply with Malaysian labour laws, promote inclusivity in the workplace, provide equal opportunities for training, and provide financial assistance to underprivileged students.

In managing social matters, we currently focus on:

- Ensuring the health and safety of our workforce through the establishment of a health, safety, and environment policy, developing an emergency preparedness and response procedure, and providing our workforce with operational health and safety training;
- Prioritising the acquisition of goods and services from local suppliers;
- Promoting inclusivity and diversity in the workforce by providing equal opportunities for all regardless of age, gender, and ethnicity;
- Providing employee benefits such as medical benefits, travel allowances, personal assistance schemes, and training opportunities to develop additional skills on top of statutory contributions to the employee provident fund.

7.21.3 Governance

We aim to uphold good corporate governance through an emphasis on transparency and accountability, fostering a culture of ethical business conduct throughout our operations, and ensuring that we comply with the laws and regulations relevant to our operations.

In managing governance matters, we currently focus on:

- Ensuring regulatory compliance by communicating with relevant authorities and keeping abreast with any updates to regulatory requirements;
- Maintaining a compliance obligation register to keep track of our compliance with regulatory requirements;

7. BUSINESS OVERVIEW (CONT'D)

- Upholding the charter for our Board of Directors based on the MCCG that outlines the standards of behaviour expected of our Board of Directors;
- Upholding a code of behaviour and ethics with guidelines on how our employees are expected to behave; and
- Upholding our anti-bribery and corruption policy which is in line with the Malaysian Anti-Corruption Commission's Corporate Integrity System.

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7. BUSINESS OVERVIEW (CONT'D)

7.22 INTERRUPTIONS TO OUR BUSINESS

The COVID-19 virus outbreak was declared a pandemic by the World Health Organisation ("**WHO**") on 11 March 2020. The COVID-19 pandemic had negatively impacted Malaysia and hence, the Government implemented several measures to contain the spread of COVID-19 in the country. The Government implemented the first phase of the MCO on 18 March 2020 which was implemented until 3 May 2020. This caused the closure of all businesses, with the exception for businesses which were classified as "essential services" during that period, as well as companies which had obtained approval from the MITI to resume operations under specified guidelines.

As our business activities were categorised under essential services, we were allowed to continue our business operations during these periods, subject to the SOPS implemented by the Government. Adhering to the SOPs implemented, our office operations operated at 60% workforce whilst the remaining 40% of our workforce worked from home on a rotational basis. As for our employees stationed at our customers' sites, or are regularly deployed to our customers' sites, they operated at full capacity whilst adhering to the stringent SOPs. Hence, we were not adversely impacted by the various MCOs implemented by the Government.

7.22.1 Impact on sales, delivery and receipt of supplies

We had experienced minor disruptions in our supply chain due to disruptions to the global supply chain, whereby the delivery of parts and components to our intended customers' production facility was delayed. This was due to the delay in shipments of our supplies from overseas, specifically USA and India. However, we managed to address these delays by sourcing from alternative suppliers and no penalties were imposed by our customers as our services were delivered within the designated timeframe. COVID-19 had also led to an increase in logistics rates. Nevertheless, our financial performance was minimally affected as we managed to pass the increase in costs of some of our customers, and the majority of our parts and components are locally sourced as set out below:

Raw Material Suppliers	FYE 2021		FYE 2022		FYE 2023		FPE 2024	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Local suppliers	6,642	90.09	37,448	95.93	33,192	95.27	8,538	97.28
Foreign suppliers	731	9.91	1,590	4.07	1,648	4.73	239	2.72
Total	7,373	100.00	39,038	100.00	34,840	100.00	8,777	100.00

Delivery of our parts and components for the installation, fabrication, construction and commissioning of our oilfield equipment were minimally affected as our business operations were categorised under essential services and we were allowed to deliver the parts and components.

7. BUSINESS OVERVIEW (CONT'D)**7.22.2 Impact on our business cash flows, liquidity, financial position and financial performance**

We did not experience any major impact on our financial performance due to the COVID-19 pandemic. Nevertheless, moving forward, we do not envisage any further impact on our financial performance due to the COVID-19 pandemic as Malaysia had officially entered into the endemic phase of COVID-19 effective 1 April 2022, allowing all industries and businesses to operate with relaxed standard operating procedures. Our revenue for the Financial Years / Period Under Review is as depicted below:

	FYE 2021	FYE 2022	FYE 2023	FPE 2023	FPE 2024
Revenue (RM'000)	24,845	66,326	72,537	13,443	19,736
Year-over-year change / period-over-period change (%)	25.07	166.96	9.36	85.24	46.81

7.22.3 Steps taken to address the impact of COVID-19

During the COVID-19 pandemic, we had issued and implemented certain internal standard safety protocol to reduce and mitigate potential disruption in our Group's operations as well as to minimise workplace infection risks. The WHO declared an end to the pandemic as it had been on a downward trend due to the increasing population immunity facilitated by vaccination along with a reduction in strain on healthcare systems. The Malaysian Government then further relaxed the nation's COVID-19 SOPs such as lifting mask requirements and reducing the quarantine period. As such, we have also ceased implementing various COVID-19 SOPs. Nevertheless, some of the internal guidelines issued and are still currently implemented by our Group are as follows:

- (i) Frequent sanitising and washing of hands prior to entering workplaces;
- (ii) Frequent sanitising and washing of hands prior to entering workplaces;
- (iii) Sanitising all common areas of our workplaces 3 times a week; and
- (iv) Any infected employee will be quarantined, and we will close our workplaces for disinfection and for all employees to undergo health screening tests.