

## 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<sup>(1)</sup>;
- (ii) installation and maintenance of oilfield equipment<sup>(2)</sup>; and
- (iii) supply of oilfield equipment.

#### Notes:

- (1) The maintenance of topside O&G facilities relates to 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 maintenance of the specific oilfield equipment (e.g. pig trap systems, fire rated doors, oil spill recovery equipment, etc.). For 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	Allotment of shares	Cash	160,000,000	7,808,001
8 March 2024	240,000,000 <sup>(1)</sup>	Bonus Issue	N/A	400,000,000	7,808,001

**Note:**

- (1) 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 RM[●] 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. For information purposes, 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:

- (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;

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

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- (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 for the Exemption, all our shareholders had 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<sup>(1)</sup>; and
- (iii) will not request and waive all their rights for an Exit Offer. Accordingly, they will also not request and waive all their rights for the IA Appointment.

**Note:**

- (1) For information purposes, the Offerors had provided their written undertakings that they will continue to hold and will not dispose of, transfer or reduce their shares in 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, among 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:

<b>Listing Requirements</b>	<b>Status of compliance</b>
(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 <sup>(1)</sup> as Joint Transfer Sponsor <sup>(2)</sup> 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 <sup>(1)</sup> as Joint Transfer Sponsor <sup>(2)</sup> 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, 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.

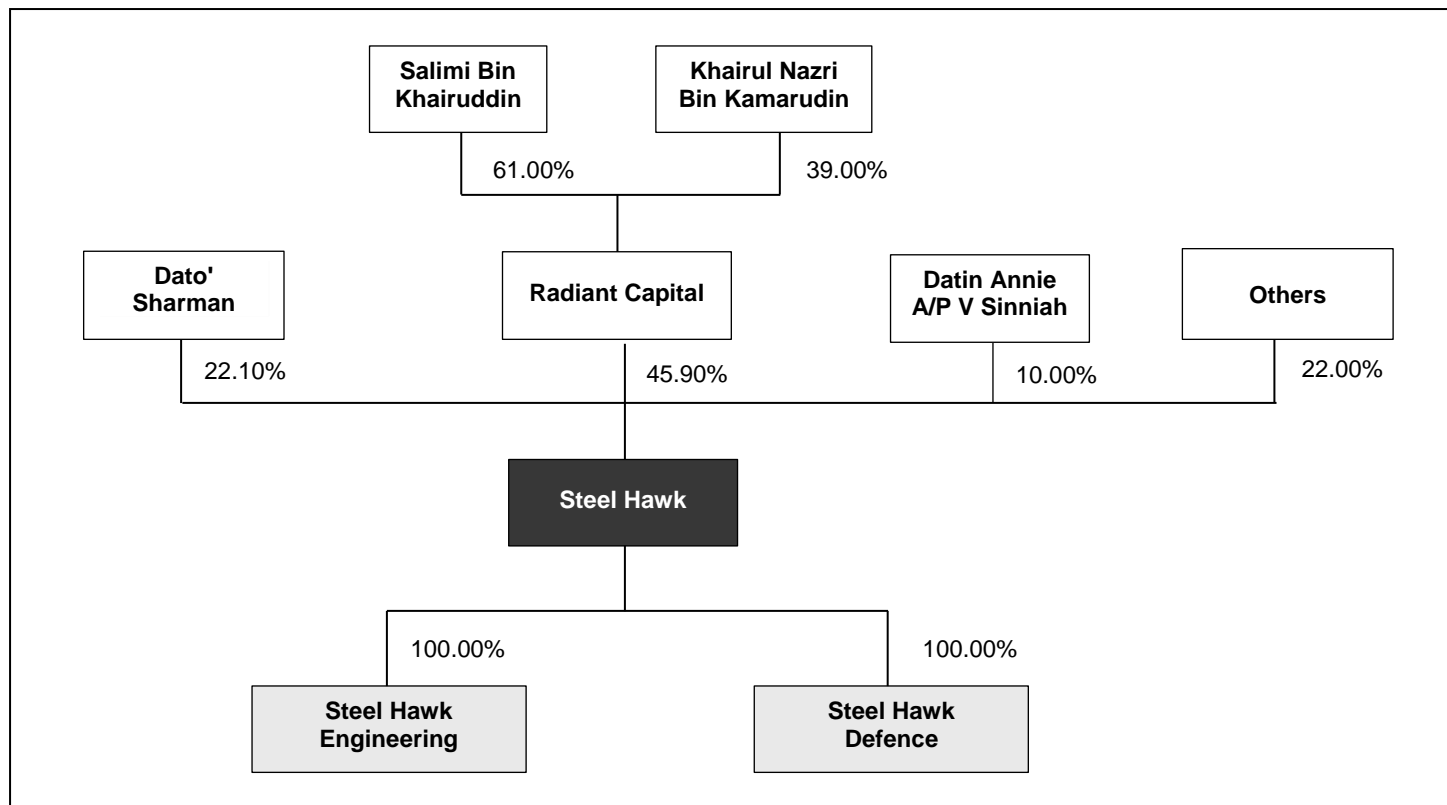
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**6. INFORMATION ON OUR GROUP (CONT'D)**

**6.1.5 Group structure**

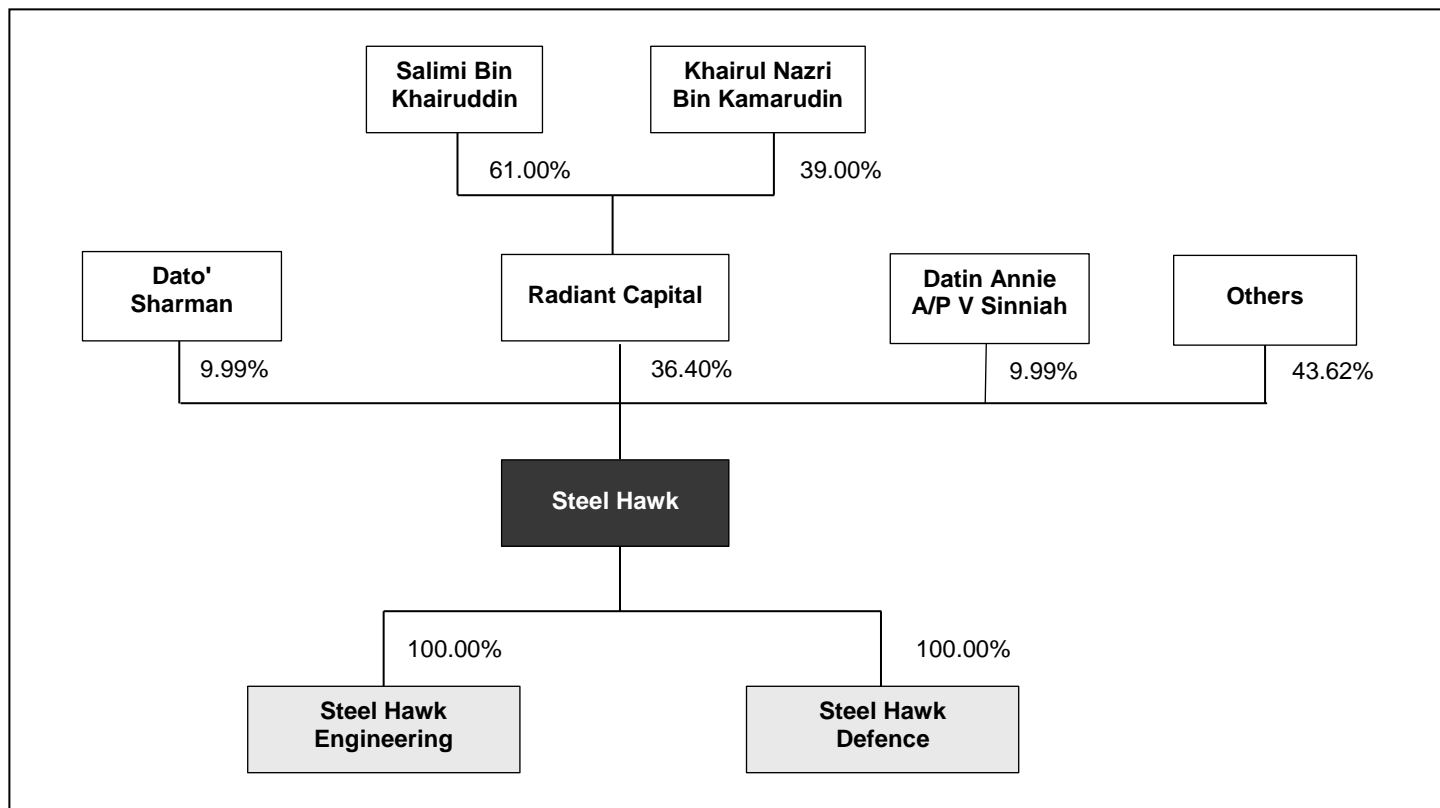
Our Group structure before and after our IPO are as set out below:

**Before our IPO**



6. INFORMATION ON OUR GROUP (CONT'D)

After our IPO



**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. 201201034856 (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. 202201014104 (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. For information purposes, 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 operates 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, 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:

<b>Main functions / owned or rented</b>	<b>Location</b>
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 Under Review and up to the LPD are summarised as follows:

<b>Investment costs</b>	<b>FYE 2021</b>	<b>FYE 2022</b>	<b>FYE 2023</b>	<b>1 January 2024 up to the LPD</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Freehold buildings <sup>(1)</sup>	1,300	-	-	-
Leasehold buildings	-	-	2,480	-
Computer and software	86	110	128	-
Motor vehicle	340	188	936	-
Plant and machinery	32	425	244	-
Others <sup>(2)</sup>	50	108	123	-
<b>Total</b>	<b>1,808</b>	<b>831</b>	<b>3,911</b>	<b>-</b>

**Notes:**

- (1) Acquisition of the PJ Office from SS Innovations Sdn Bhd, comprising the purchase consideration of RM1.30 million.
- (2) Relates to capital expenditure of furniture, fittings, office equipment, renovation and signboard.

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

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

**(ii) Material divestitures**

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

Divestitures proceeds	FYE 2021	FYE 2022	FYE 2023	1 January 2024 up to the LPD
	RM'000	RM'000	RM'000	RM'000
Motor vehicle	34	286	644	-
Plant and machinery	1	-	-	-
Furniture and fittings	2	-	-	-
<b>Total</b>	<b>37</b>	<b>286</b>	<b>644</b>	<b>-</b>

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