



Staying Resilient & Relevant in the Construction Industry

Presented by:

Ir. Sharifah Azlina bt Raja Kamal

CEO, HSS Engineering Sdn Bhd

GROUP COO, HSS Engineers Berhad



Session:

23rd August 2023 @ 2.00 p.m.



MATRADE Hall,
MATRADE Exhibition & Convention Centre



ISSUES AFFECTING ENGINEERING CONSULTANCY PRACTICE



COMPETITIVE LANDSCAPE

CHALLENGES

- Increasing Competition
- Global economic slowdown in US/ Europe has led to surplus capacity in these countries.
- Limited business opportunities in Asean / Asia region
- Government of Malaysia's GATS commitments in opening of domestic engineering business to international players
- Inability to attract external investment & financing to grow business
- Lack of measure for long-term sustainability
- Poor ability to attract & retain talents



IMPACTS

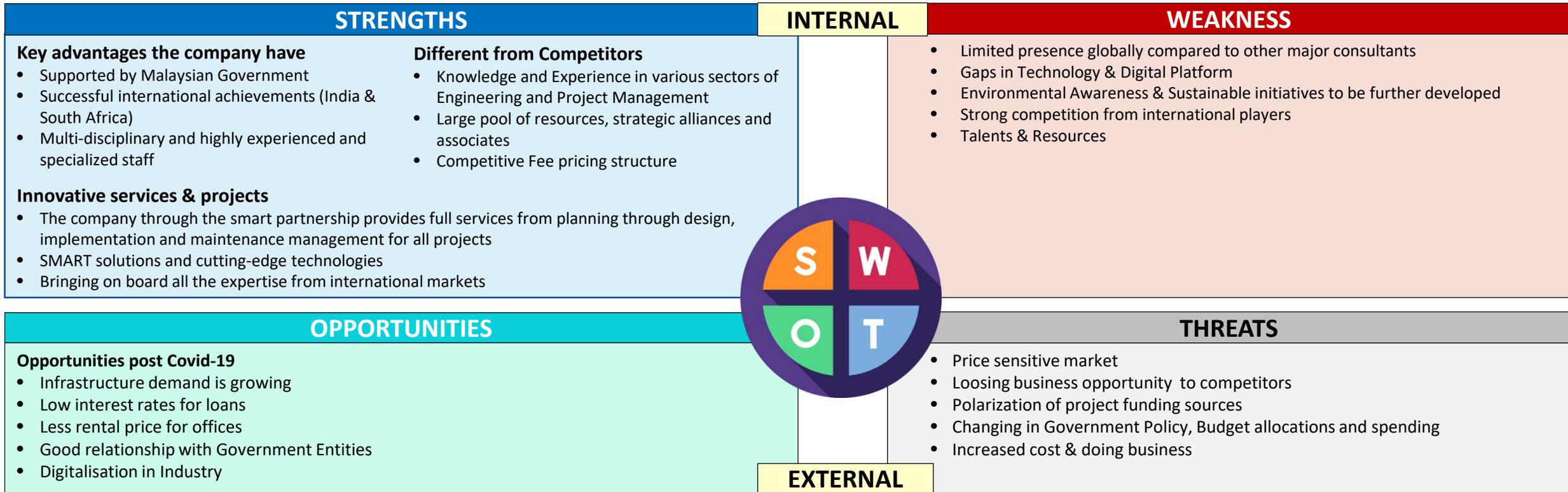
- Engineering consulting companies will face competition from global competitors, compared from protected domestic market regimes.
- Merger & acquisition by international firms for their market penetration
- Increasing brain drain to international competitors, restricting succession planning.
- Malaysian engineering talent will be restricted to working within Malaysia.
- Malaysia may lose the opportunity of creating large, global players in the engineering consulting business.
- Inability to keep up with the increase in cost of doing business.
- Organisation that are unable to compete will be unsustainable.

GOING PUBLIC LISTED

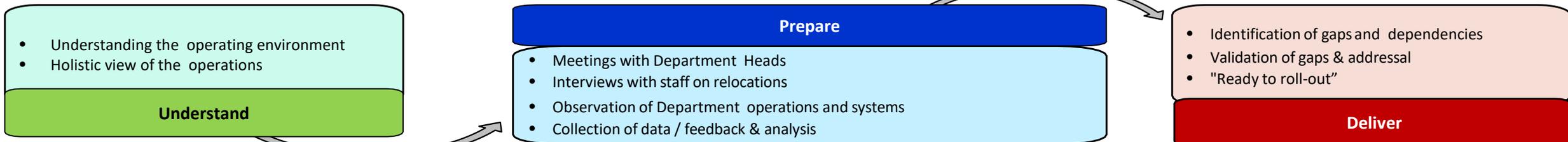
<h3>WHY THE LEAP</h3>	<h3>WHO ARE INVOLVED</h3>	<ul style="list-style-type: none"> ➤ Principal Advisor ➤ Reporting Accountant ➤ Solicitor ➤ Independent Market Research 	<ul style="list-style-type: none"> ➤ Internal Control ➤ Public Relations & Investor Relations ➤ Issuing House
<ul style="list-style-type: none"> • To compete on the same level field & become a “global” entity with: <ul style="list-style-type: none"> ➤ Strong Market Capitalization ➤ Steady Financial Growth ➤ Corporate Image & Awareness ➤ Expand Recurring Income & Order Book Growth ➤ Obtain Funding / Equity position • To achieve the above, going listed on the KLSE was the logical step. • Acquisition of company for quick growth, as organic growth is slow. 	<h3>THE EXPENSES</h3>	<ul style="list-style-type: none"> ➤ Annual Listing Fee ➤ Independent Director ➤ Internal Audit ➤ Public & Investor Relations Expenses 	<ul style="list-style-type: none"> ➤ Company Secretarial Fees ➤ Underwriting & Placement Fees ➤ Listing Application Fees to Bursa
	<h3>LISTING REQUIREMENTS</h3>	<ul style="list-style-type: none"> ➤ Compliance with Securities Commission & Bursa Listing Requirements ➤ Transparency & Continuous Disclosure – Announcements, Quarterly & Annual Reporting, Related Party Transactions ➤ Internal & External Audits 	

<h2>CONTINUED GROWTH STRATEGY</h2>	<p>V1 </p> <p>Engineering Services</p> <ul style="list-style-type: none"> • Engineering Design & Construction Supervision 	<p>V2 </p> <p>Project Management</p>	<p>V3 </p> <p>Building Information Modeling (“BIM”)</p>	<p>V4 </p> <p>Recurring & Long Term Income Based Contracts</p>
	<p>A New Service development in Digital Technology (Data Centre & Telco services)</p> <p>B Geographical Expansion to Sarawak, Indonesia, Philippines, Bangladesh, India & UK (Smart Partnership & Acquisition)</p> <p>C Strategic Partnership with Japanese consultants & International Government authorities to participate in JICA & Non-JICA projects globally</p>			

GOING GLOBAL



UNDERSTANDING THE MARKET



ESG & SUSTAINABILITY



Establishing Sustainability Policy & Budget with focus on:

- FTSE Russell ESG Rating
- ESG Awareness Training
- Energy Efficiency
- ESG Branding

3 Pillars

Promote Economic Growth / Performance

Environmental Management

Social Contribution

THEMES

E	Pollution & Resources
	Climate Change
	Water Security

S	Labor Standards
	Health & Safety
	Human Rights & Community

G	Risk Management
	Corporate Governance
	Anti-Corruption

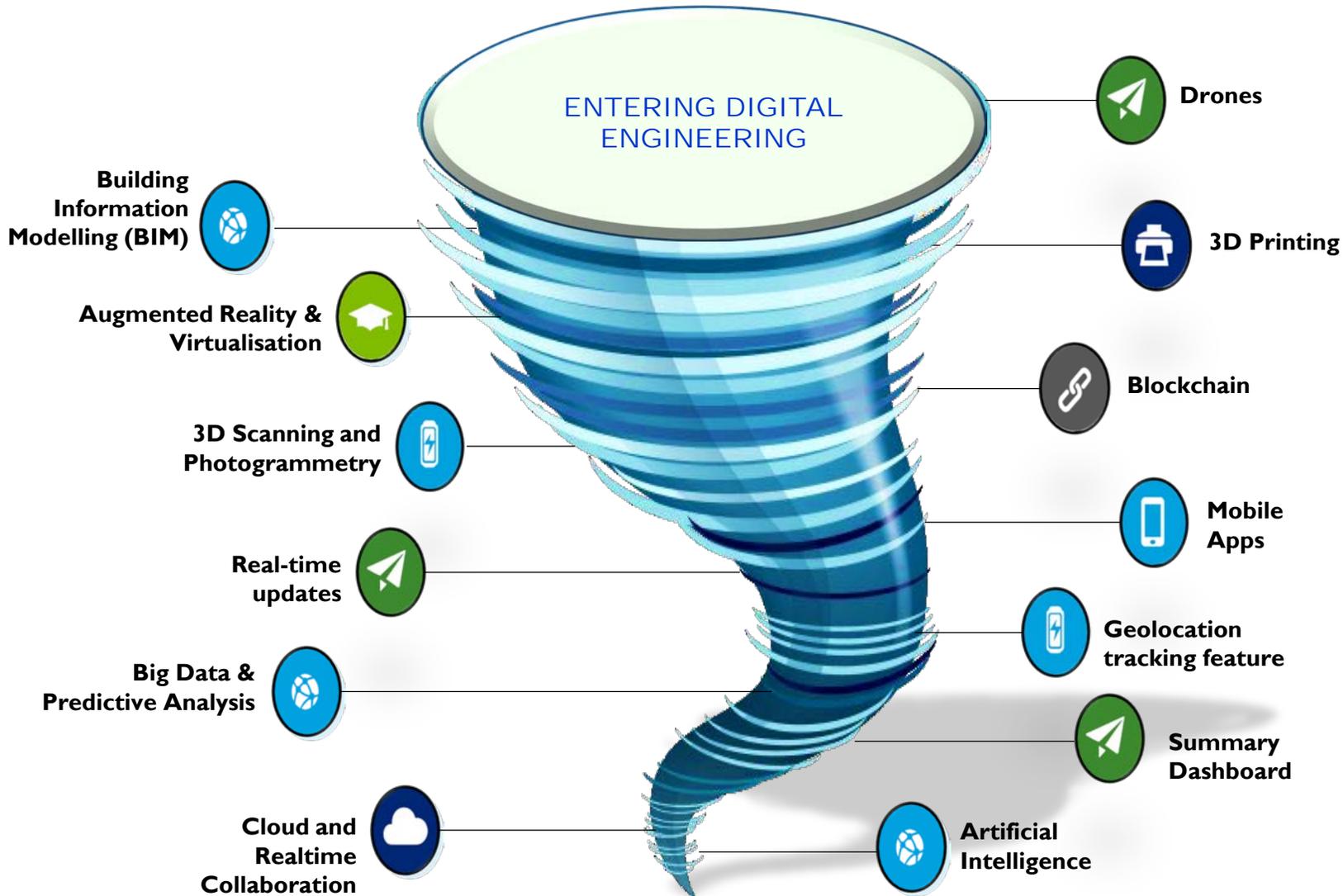
INITIATIVES

- Energy consumption and efficient electricity usage
- Implement digital documentation – to reduce paper wastage
- Incorporate Sustainable Design Principles
- Source Materials from Environmentally Responsible Suppliers
- Adopt Renewable energy and Green practices
- Net Zero Carbon – Set targets for achieving net-zero emissions across operations and project delivery
- Circular Economy Practices – Develop strategies within design and project management to minimize waste, promote recycling & extend lifespan of materials
- Sustainable Innovation – Invest in fostering a culture of innovation focused on sustainable solutions



Source: FTSE Russell 2023

DIGITAL TRANSFORMATION



EMBRACING DIGITALISATION

- Most people will focus on the “digital” part instead of the TRANSFORMATION. **Its more than buying the relevant software.**
- Digital transformation is about **enhancing** the current or **traditional process with digital solution to improve collaboration and efficiency**
- The key benefits are;
 - Increased Collaboration & Integration
 - Efficient Cloud Based System & improved documentation
 - Innovation
 - Data-Driven Strategies
 - Improved Project Planning, Execution & Monitoring

WHERE WE ARE



OUR PROJECTS ABROAD



MADINAT AL-ARAB, DUBAI
WATERFRONT PROJECT



NAD AL SHEBA DEVELOPMENT,
DUBAI



YAS MARINA, DUBAI



TECHNO PARK DEVELOPMENT,
DUBAI



UPP SECURITY BUILDING,
ABU DHABI



AJMAN FREE ZONE, AJMAN,
UNITED ARAB EMIRATES



LAGOON IN DUBAI PARKS
(PHASE 1), DUBAI



AL AMAL PSYCHIATRIC HOSPITAL,
UAE



LIU PHASE 10 PHASE 1 & 2,
JEBEL ALI FREE ZONE, UAE

ISO CERTIFICATIONS - AMONGST THE FIRST

MS ISO 9001:2015		Quality Management System
MS ISO 14001:2015		Environmental Management System
MS ISO 45001:2018		Occupational Health & Safety Management System
MS ISO 37001:2016		Anti-Bribery Management System

- HEB, has been ranked as **Engineering News-Record (ENR)'s** Top 225 International Design Firms for **Two Consecutive Years 2022 – 2023**. Malaysia's First and Sole Representative.

ENR #207 **HSS ENGINEERS** signed a preferred partner deal with CTI Engineering International Co., its fifth such link with a Japanese design firm since 2022.

RANK		FIRM
2023	2022	
205	**	SHANDONG ELECTRIC POWER ENG'G CONSULTING, Jinan, China [†]
206	208	BEIJING INSTITUTE OF ARCHITECTURAL DESIGN, Beijing, China [†]
207	213	HSS ENGINEERS BERHAD, Kuala Lumpur, Malaysia [†]
208	164	TEKFEN MUHENDISLIK AS, Istanbul, Turkey



Q & A





Pushing Boundaries, Unlocking Possibilities

THANK YOU



“Committed To Engineering Excellence”

