



Staying Resilient & Relevant in the Construction Industry

Presented by:

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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



WHY THE LEAP

- To compete on the same level field & become a “global” entity with:
 - 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.

WHO ARE INVOLVED

- Principal Advisor
- Reporting Accountant
- Solicitor
- Independent Market Research

- Internal Control
- Public Relations & Investor Relations
- Issuing House

THE EXPENSES

- Annual Listing Fee
- Independent Director
- Internal Audit
- Public & Investor Relations Expenses

- Company Secretarial Fees
- Underwriting & Placement Fees
- Listing Application Fees to Bursa

LISTING REQUIREMENTS

- Compliance with Securities Commission & Bursa Listing Requirements
- Transparency & Continuous Disclosure – Announcements, Quarterly & Annual Reporting, Related Party Transactions
- Internal & External Audits

CONTINUED GROWTH STRATEGY

V1



Engineering Services

- Engineering Design & Construction Supervision

V2



Project Management

V3



Building Information Modeling (“BIM”)

V4



Recurring & Long Term Income Based Contracts

A

New Service development in Digital Technology (Data Centre & Telco services)

B

Geographical Expansion to Sarawak, Indonesia, Philippines, Bangladesh, India & UK (Smart Partnership & Acquisition)

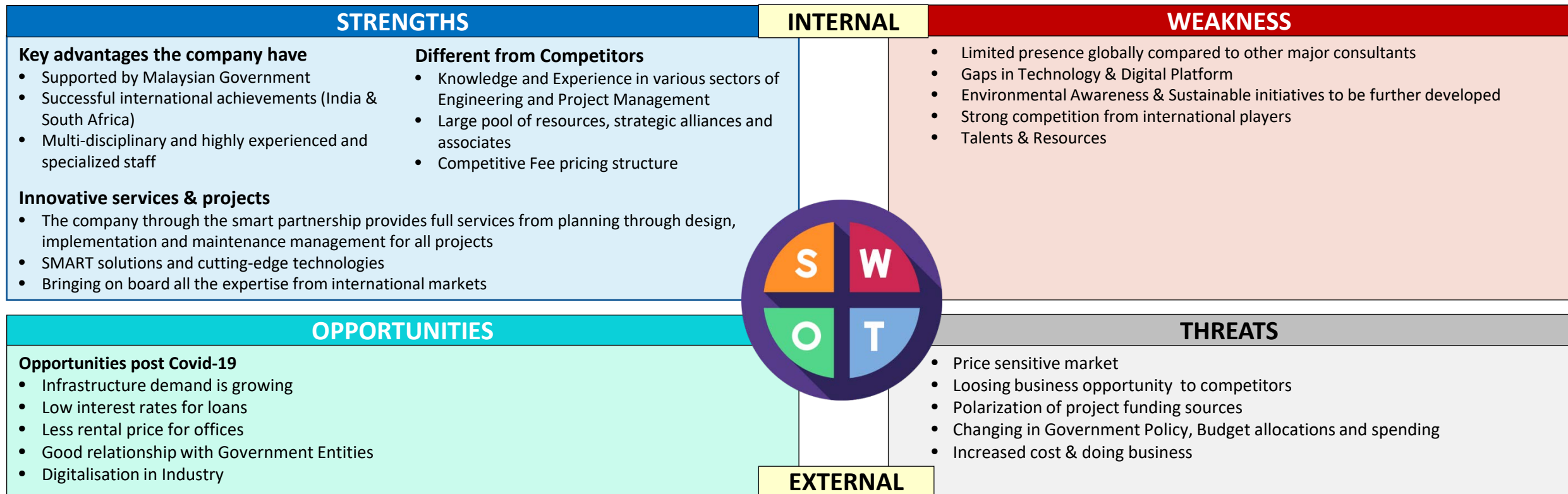
C

Strategic Partnership with Japanese consultants & International Government authorities to participate in JICA & Non-JICA projects globally

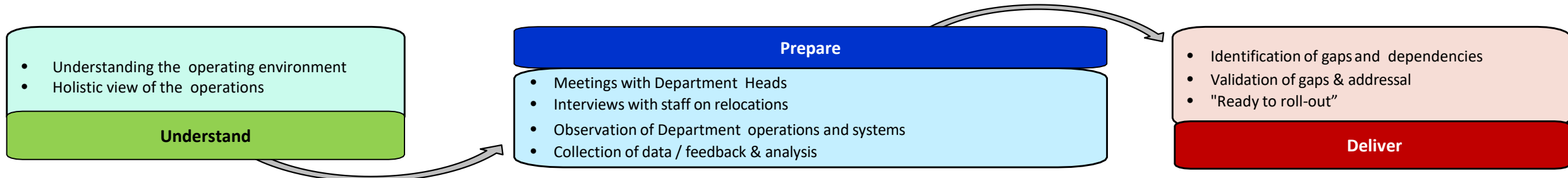
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Strategic Partnership in Green Energy Initiatives

GOING GLOBAL



UNDERSTANDING THE MARKET



ESG & SUSTAINABILITY



Establishing Sustainability Policy & Budget with focus on:

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

3 Pillars

Promote Economic
Growth /
Performance

Environmental
Management

Social Contribution

THEMES

E	Pollution & Resources	S	Labor Standards	G	Risk Management
	Climate Change		Health & Safety		Corporate Governance
	Water Security		Human Rights & Community		Anti-Corruption

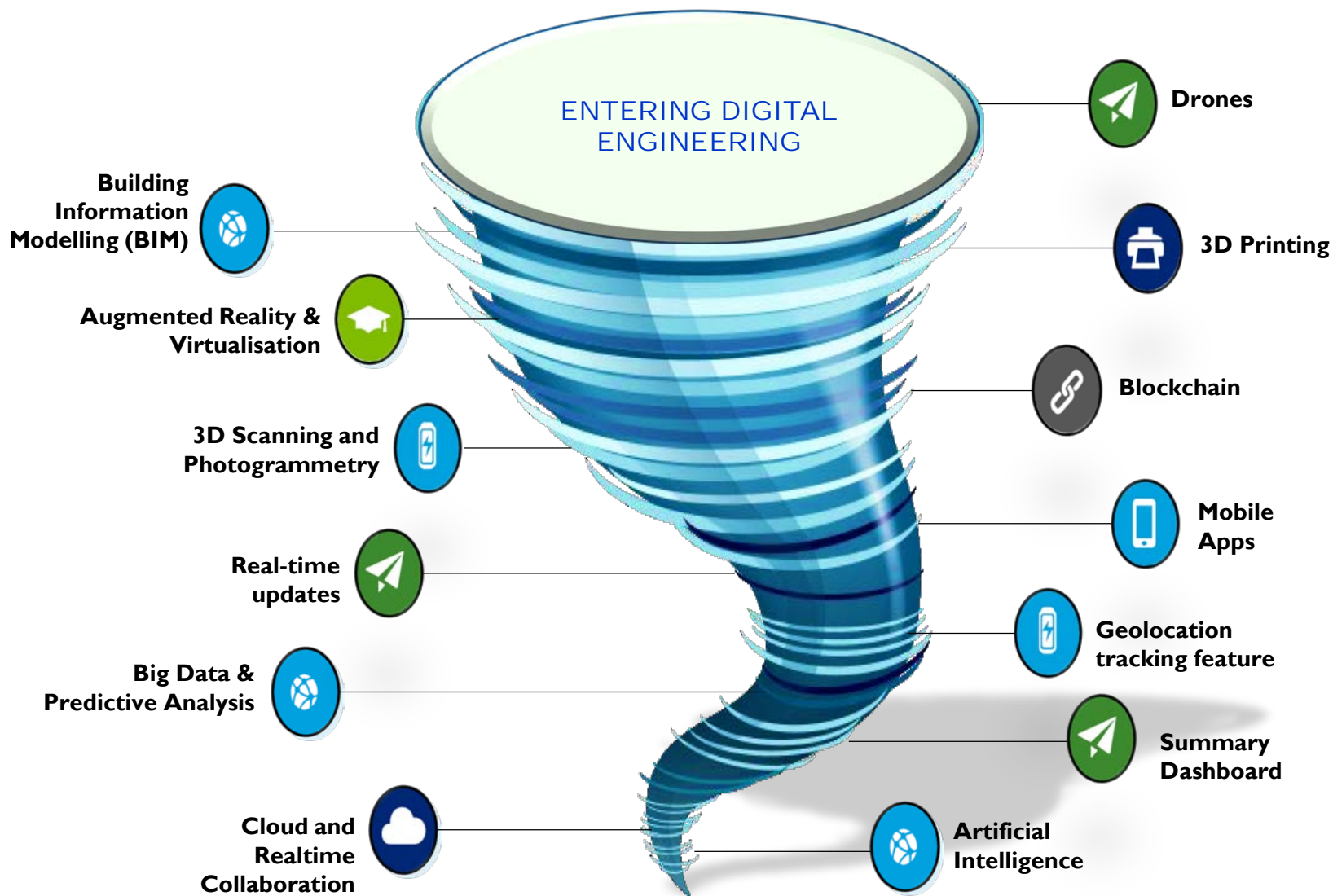
INITIATIVES

- 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	2023	2022	FIRM
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”

