



ENGINEERS

HSS ENGINEERS BERHAD

201501003232 (1128564-U)

**ANNUAL
REPORT
2025**



**CONNECTING ENGINEERING
EXPERTISE ACROSS BORDERS**

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Go online to our website at:
www.hssgroup.com.my

CORE SERVICES

Through its subsidiaries and associates, HEB Group provides a fully integrated suite of professional engineering and project management services, structured around four core pillars:

The Group provides comprehensive engineering solutions across the project lifecycle, including conceptual design, feasibility studies, master planning, preliminary and detailed engineering design, procurement support and construction supervision, serving both public and private sector clients.



Engineering Design and Construction Supervision Services




Project Management Services

HEB Group offers end-to-end project management consultancy, ensuring smooth planning, coordination and execution of infrastructure projects across all stages, from inception through completion, with a focus on cost, time, quality and risk management.

Complementing its consultancy services, HEB Group derives recurring and long-term income from selected projects, including renewable energy-related initiatives, which provide earnings visibility and income diversification over the longer term.



Recurring and Long-Term Income-Based Contracts



Digital Transformation Services

The Group continues to expand its digital and technology-enabled capabilities, leveraging data, automation and innovative digital tools to enhance project delivery efficiency, decision-making and competitiveness across engineering and infrastructure applications.

HEB AT A GLANCE



TOTAL REVENUE

2025
RM220.7
MILLION

2024
RM201.2
MILLION



ORDER BOOK

2025
RM2,157.8
MILLION

2024
RM2,092.1
MILLION



TOTAL ASSETS

2025
RM464.9
MILLION

2024
RM418.1
MILLION



EBITDA

2025
RM28.0
MILLION

2024
RM40.8
MILLION

MISSION STATEMENT

To maintain our position as Malaysia's leading engineering consultant, providing world-class expertise through:

1

SUSTAINABLE SOLUTIONS

Delivering responsible and resilient engineering solutions that support long-term environmental, social and economic outcomes.

2

INNOVATIVE TECHNOLOGY

Integrating digital innovation and advanced technologies to enhance efficiency, accuracy and value creation across our services.

3

REVOLUTIONARY SKILLS AND SERVICES

Continuously developing our people, capabilities and service offerings to meet the evolving needs of complex infrastructure projects.

ABOUT HEB



HSS Engineers Berhad (“HEB” or the “Company”) is an investment holding company incorporated on 23 January 2015 under the Companies Act, 1965 as a private limited company under the name HSS Engineers Sdn. Bhd., before being converted into a public limited company and assuming its present name on 31 March 2015. The Company is the first and only engineering and project management consultancy listed on the Main Market of Bursa Malaysia.

Through its subsidiaries and associates (collectively, the “HEB Group” or the “Group”), HEB is principally involved in the provision of engineering consultancy and project management services, encompassing engineering design, construction supervision, project management consultancy, digital transformation services, and selected recurring and long-term income-based contracts.

With a heritage spanning more than 40 years, the Group has established itself as Malaysia’s largest infrastructure consulting firm, underpinned by deep technical expertise, strong execution capabilities and a proven track record in delivering complex, large-scale infrastructure projects. The Group is supported by a workforce of over 1,000 personnel, with more than half comprising professionals and engineers across multiple disciplines, enabling it to deliver integrated solutions across the entire project lifecycle.

The HEB Group possesses extensive experience across a broad range of sectors, including transportation and transit systems, roads and highways, railways and metro systems, water resources and supply, sewerage and

waste management, flood mitigation, building and township development, industrial and logistics infrastructure, power generation and renewable energy, as well as digital and telecommunication-related infrastructure such as data centres and hospital information systems.

In Malaysia, the Group has been at the forefront of nation building, contributing to many landmark and strategically significant projects. These include, among others, the Pan Borneo Highway Sabah, MRT Line 1, MRT Line 2, West Coast Expressway, SUKE Expressway, East Coast Rail Link, Pahang–Selangor Raw Water Transfer, Sungai Selangor Water Supply Phases 1, 2 and 3, Sungai Klang Flood Mitigation, as well as numerous other infrastructure projects, sewerage, water treatment plants, irrigation schemes and pipe replacement programmes across the country. The Group has also expanded its involvement in data centre developments, particularly in Johor, reflecting evolving infrastructure demand.

Internationally, HEB Group has built a growing regional and overseas presence through strategic partnerships

and project engagements across Asia and the Middle East. Key international projects include the Baghdad Metro Rail Project (Iraq), Davao Bus Rapid Transit Project (Philippines), Phnom Penh–Bavet Expressway (Cambodia), Jakarta Light Rail Transit (Indonesia), Tuna Tekra Container Terminal (India) and the Railway Connectivity Improvement Preparatory Facility (Bangladesh). These projects underscore the Group’s ability to deliver complex infrastructure solutions across diverse regulatory, technical and operating environments.

The Group currently operates from ten principal offices located in Kuala Lumpur (three offices), Sabah, Sarawak, India, Indonesia, the Philippines, the Middle East and the United Kingdom, enabling it to effectively support both domestic and international projects.

Guided by its purpose of delivering sustainable, innovative and future-ready engineering solutions, HEB Group continues to strengthen its position as a trusted partner in infrastructure development, supporting long-term economic growth, connectivity and resilience in the communities it serves.

OUR STORY



TAN SRI IR. KUNA SITTAMPALAM

*Co-Founder, Executive Vice Chairman/
Acting Group Chief
Executive Officer*

DEAR VALUED SHAREHOLDERS,

In 2025, Malaysia's economic momentum remained resilient, underpinned by sustained household spending, steady investment activity and supportive domestic demand. The Malaysian economy recorded a strong 5.2% growth for 2025¹, reflecting continued expansion despite lingering global uncertainties. With headline inflation expected to remain moderate, the operating environment provided a stable platform for infrastructure development and long-term investment – setting the backdrop against which HSS Engineers Berhad (“HEB Group”) continues to advance its role as a trusted engineering and project management partner, grounded in execution, resilience and long-term value creation.

The Government of Malaysia charted a new roadmap for national development under the 13th Malaysia Plan² (“13MP”), a five-year blueprint spanning 2026–2030 that aims to position the nation for sustained, inclusive growth through strategic public and private investment. The 13MP requires a total investment of RM611 billion³, of which RM430 billion is earmarked for government development expenditure over the period, translating to an average of RM86 billion annually that supports infrastructure, info-structure, public transport and flood mitigation, amongst others.

This level of national capital deployment reflects a broad commitment to strengthening critical systems such as water security, flood mitigation, transportation networks, digital infrastructure, energy resilience and climate adaptation — many of the same sectors in which HEB Group has deep technical expertise and long-term delivery experience.

As infrastructure priorities move from planning to implementation, HEB Group's focus in 2025 was firmly on execution readiness — ensuring technical depth, delivery capability and governance discipline to support live projects across multiple sectors. Against a supportive economic and policy backdrop, the Group concentrated on designing, supervising and managing infrastructure works already underway, reinforcing its reputation for dependable delivery and long-term partnership.

■ SUSTAINED BACKLOG AND MARKET CONFIDENCE

Against this backdrop of expanding public investment, HEB Group delivered steady operational performance and strong order book growth in 2025 garnering total new contract wins of approximately RM300 million and ending the financial year with a record order book of RM2.2 billion as at 31 December 2025, underpinned by sustained demand across both public

and private sectors. This provides clear earnings visibility and demonstrates the confidence placed in HEB Group's integrated engineering and project delivery capabilities.

■ WATER AND FLOOD MITIGATION: ENGINEERING FOR RESILIENCE

Water infrastructure and flood mitigation continued to form a cornerstone of the Group's activities in 2025. Through SMHB Engineering Sdn. Bhd. (“SMHB”) and the Infrastructure Division, HEB Group remained actively involved in projects such as water treatment plants in Sungai Perai and Kampung Barisan, upgrading of water supply systems in Kuantan, Pekan, and Rompin, Pahang, tertiary irrigation system in Muda Region and the feasibility study for Perak–Penang Raw Water Transfer amongst others.

OUR STORY

In flood mitigation, the Group advanced works under the Sungai Klang Flood Mitigation (Package B), alongside other drainage and pipe replacement programmes, contributing directly to national resilience and long-term water security. These projects exemplify HEB Group’s ability to apply engineering solutions where environmental sensitivity, public impact and technical precision intersect.

Under the 13MP, the Government has allocated RM20 billion for the implementation of 103 flood mitigation⁴ projects nationwide, underscoring water management and flood resilience as key national priorities. HEB Group’s active participation in water and flood mitigation projects positions the Group to support the implementation of these initiatives, translating public investment into tangible engineering outcomes that enhance community safety and long-term water security.

■ CONNECTING COMMUNITIES THROUGH TRANSPORT INFRASTRUCTURE

Across rails, highways, bridges and ports, HEB Group’s transport-related divisions continued to support Malaysia’s connectivity agenda through a portfolio of high-impact infrastructure projects. In the rail sector, the Group was involved in Bayan Lepas LRT, Johor LRT, and feasibility studies for Northern and Southern Sentral corridors, as well as the Trans Borneo Railway.

Where roads and highways are concerned, HEB Group was involved in the Pan Borneo Highway Phase 1A extensions, reinforcing its role in enhancing regional mobility and economic integration. Internationally, transport projects such as the Davao Bus Rapid Transit Project in the Philippines further demonstrated the Group’s ability to deliver across borders.



HEB Group delivered steady operational performance and strong order book growth in 2025.



HEB Group’s transport-related divisions continued to support Malaysia’s connectivity agenda through a portfolio of high-impact infrastructure projects.



MRT Line 2 Station

OUR STORY

■ PORTS, MARITIME AND INDUSTRIAL INFRASTRUCTURE

Beyond land transport, HEB Group continued to strengthen its presence in ports and maritime infrastructure. During the year, the Group progressed consultancy and design works for the Tuna Tekra Container Terminal in India, a strategic maritime project supporting regional trade flows. Such projects highlight HEB Group's expertise in complex marine and port engineering, complementing its broader infrastructure portfolio.

■ DIGITAL INFRASTRUCTURE AND TECHNOLOGY-ENABLED ENGINEERING

In response to evolving infrastructure needs, 2025 also saw continued expansion into digital infrastructure and technology-enabled engineering solutions. HEB Group is currently involved in more than four (4) data centre projects in Johor, providing project management and engineering consultancy services that reflect the growing convergence between physical infrastructure and digital ecosystems.

The Group continued to embed Building Information Modelling (BIM) and digital workflows across projects, enhancing efficiency, coordination and delivery outcomes.

■ PEOPLE, INTEGRITY AND COLLECTIVE STRENGTH

Underlying all achievements in 2025 is the strength of HEB Group's people. The year was characterised by teamwork, adaptability and shared responsibility, supported by leadership continuity and talent development across the organisation.

In August 2025, HEB Group proudly represented Malaysia as the nation's sole entry in Engineering News-Record's Top 225 International Design Firms list, moving up the ranks from 205 to 202. This recognition underscores our global competitiveness, our pursuit of excellence, and the dedication of our people — the true foundation of our continued success.

The Group's commitment to integrity and governance remains unwavering. We are proud to have achieved a 3 out of 4-star ESG rating in the FTSE ESG Ratings of PLCs, reflecting our steady progress in embedding sustainability principles into our business. In December 2025, HEB Group was also added as a new constituent to both the FTSE4Good Bursa Malaysia Index and the FTSE4Good Bursa Malaysia Shariah Index, marking a significant milestone in our sustainability journey and reaffirming our commitment to responsible and forward-looking growth.

■ POSITIONED FOR THE NEXT PHASE

As HEB Group enters 2026, it does so with clarity of purpose, execution momentum and confidence in its direction. Supported by a strong order book, a diversified portfolio of live projects and a committed workforce, HEB Group is well positioned to contribute meaningfully to infrastructure developments while remaining grounded in its values.

The foundations laid in 2025 — through delivery, discipline and collective efforts — places the Group in a strong position to continue building infrastructure that creates lasting value for communities, clients and stakeholders. The Board and Management would like to express their sincere appreciation to the employees, clients, partners and stakeholders for their continued trust, collaboration and commitment, which have been integral to the Group's progress and achievements.

Tan Sri Ir. Kuna Sittampalam

Co-Founder, Executive Vice Chairman/
Acting Group Chief
Executive Officer

¹ https://www.bnm.gov.my/documents/20124/19910400/qb25q3_slides.pdf

² <https://theedgemaalaysia.com/node/764715>

³ <https://www.mof.gov.my/portal/en/news/press-citations/13mp-to-ensure-malaysia-stays-competitive-through-digitalisation-value-creation>

⁴ <https://www.malaymail.com/news/malaysia/2025/07/31/malaysia-unveils-rm20b-infrastructure-boost-via-flood-mitigation-and-cross-border-upgrades-under-13mp/185956>

CORPORATE INFORMATION

BOARD OF DIRECTORS

01

DATO' SRI IR. HJ. ISMAIL BIN MD.SALLEH

Senior Independent Non-Executive Director/Acting Chairman

02

TAN SRI IR. KUNASINGAM A/L V.SITTAMPALAM

Executive Vice Chairman/Acting Group Chief Executive Officer

03

DATUK IR. TEO CHOK BOO

Executive Director

04

PUAN IR. SHARIFAH AZLINA BT RAJA KAMAL PASMAL

Executive Director

05

IR. PREM KUMAR A/L M VASUDEVAN

Executive Director

06

TAI KEAT CHAI

Independent Non-Executive Director

07

VANESSA A/P SANTHAKUMAR

Non-Independent Non-Executive Director

08

IR. SYED MOHAMED ADNAN BIN MANSOR ALHABSHI

Alternate Director to Datuk Ir. Teo Chok Boo

AUDIT AND RISK MANAGEMENT COMMITTEE

Tai Keat Chai (Chairman)
Dato' Sri Ir. Hj. Ismail Bin Md.Salleh
Vanessa A/P Santhakumar

NOMINATION AND REMUNERATION COMMITTEE

Dato' Sri Ir. Hj. Ismail Bin Md.Salleh (Chairman)
Tai Keat Chai
Vanessa A/P Santhakumar

REGISTERED OFFICE

Boardroom Corporate Services Sdn. Bhd.

[Registration No. 196001000110 (3775-X)]
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Fax : +603 - 7890 4650
Email : info.my@boardroomlimited.com

HEAD OFFICE

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Wilayah Persekutuan Kuala Lumpur
Malaysia
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Fax : +603 - 9173 0939
Email : heb@hss.com.my
Website : www.hssgroup.com.my

COMPANY SECRETARIES

Tai Yit Chan
(MAICSA 7009143)
(SSM PC No.: 202008001023)
Tan Ai Ning
(MAICSA 7015852)
(SSM PC No.: 202008000067)
Choe Siau Yen
(MIA 38878)
(SSM PC No.: 202008002428)

AUDITORS

KPMG PLT (LLP0010081-LCA & AF 0758)

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Selangor Darul Ehsan
Malaysia
Tel : +603 - 7721 3388
Fax : +603 - 7721 3399

PRINCIPAL BANKER

Maybank Islamic Berhad

[Registration No. 200701029411 (787435-M)]
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Malaysia
Tel : +603 - 2297 2000
Fax : +603 - 2282 4492

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn. Bhd.

[Registration No. 197101000970 (11324-H)]
Unit 32-01, Level 32
Tower A, Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur
Malaysia
Tel : +603 - 2783 9299
Fax : +603 - 2783 9222
Email : is.enquiry@vistra.com

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

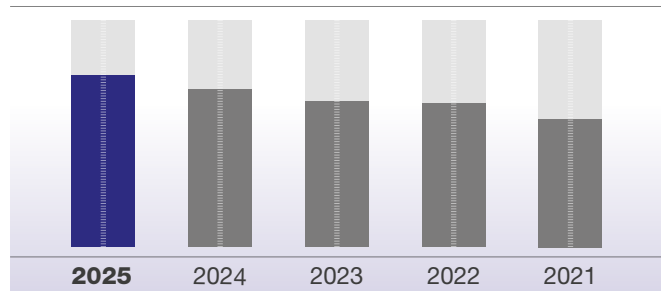
Stock Name : HSSEB
Stock Code : 0185
Stock Sector : Industrial products & services

FINANCIAL HIGHLIGHTS

Financial Year Ended 31 December	2025	2024	2023	2022	2021
Revenue (RM'000)	220,701	201,244	187,343	186,042	164,693
Gross profit ("GP") (RM'000)	75,534	70,371	62,140	60,734	39,951
Profit before taxation ("PBT") (RM'000)	19,793	33,895	28,721	21,619	6,067
Profit after taxation ("PAT") (RM'000)	13,339	24,912	20,427	15,134	3,029
EBITDA (RM'000)	27,974	40,756	35,312	30,210	17,372
No. of shares in issue ('000)	508,480	508,480	495,980	495,862	495,862
Total assets (RM'000)	464,902	418,128	376,225	403,696	367,860
GP margin (%)	34.22	34.97	33.17	32.65	24.26
PBT margin (%)	8.97	16.84	15.33	11.62	3.68
PAT margin (%)	6.04	12.38	10.90	8.13	1.84
EPS (sen)	2.64	4.95	4.13	3.05	0.61

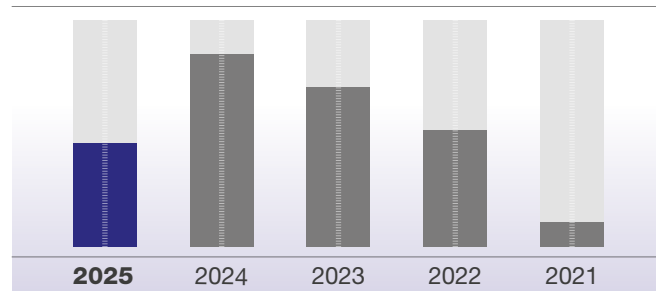
REVENUE

(RM'000)

220,701 201,244 187,343 186,042 164,693


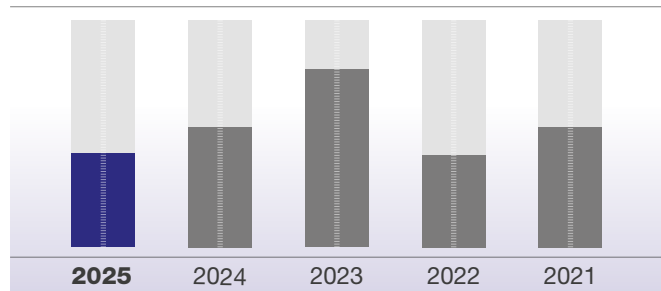
PROFIT AFTER TAX

(RM'000)

13,339 24,912 20,427 15,134 3,029


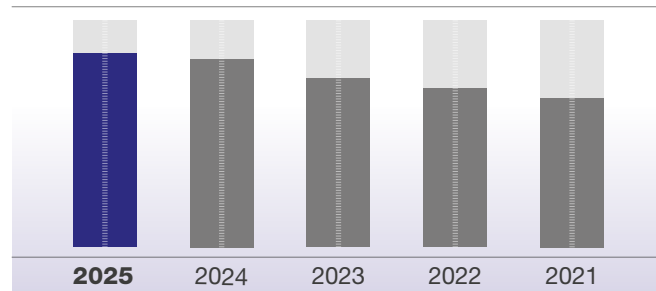
EBITDA

(RM'000)

27,974 40,756 35,312 30,210 17,372


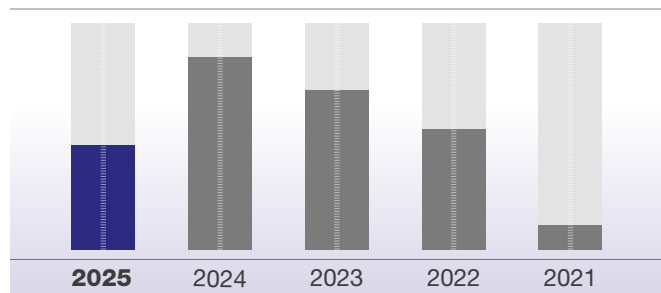
SHAREHOLDERS' EQUITY

(RM'000)

297,769 291,892 259,117 242,997 227,910


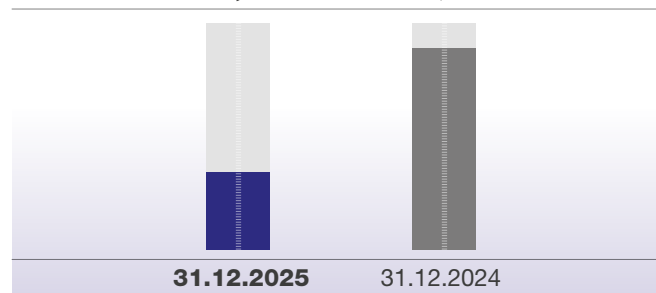
EPS

(SEN)

2.64 4.95 4.13 3.05 0.61


MARKET CAPITALISATION

(RM'000)

198,307 523,735




This continuity in leadership and direction has enabled HEB Group to navigate the year with clarity and stability, while maintaining momentum across both its domestic and international operations.

DATO' SRI IR. HJ. ISMAIL BIN MD.SALLEH
Acting Chairman

CHAIRMAN'S STATEMENT

2025 PAT

RM 13.3
million



2025 REVENUE

RM 220.7
million



2025 ORDER BOOK

RM 2157.8
million



■ STEWARDING ENGINEERING EXCELLENCE THROUGH TRANSITION AND OPPORTUNITY

FY2025 was a year of continuity and transition for HSS Engineers Berhad (“HEB Group”), as the Group remained focused on disciplined execution while strengthening its foundations for the next phase of growth. Throughout the year, HEB Group continued to advance its position as a trusted engineering and project management consultancy, supporting infrastructure development across its core sectors while reinforcing the depth of its technical capabilities, governance standards and organisational resilience.

The year also marked a leadership transition for the Group. I am honoured to assume the role of Acting Chairman, and on behalf of the Board and Management I would like to extend my deepest appreciation and acknowledge the strong

foundation and guidance provided by Dato’ Mohd Zakhir Siddiqy Bin Sidek during his tenure as Chairman of HEB Group. This continuity in leadership and direction has enabled HEB Group to navigate the year with clarity and stability, while maintaining momentum across both its domestic and international operations.

As Malaysia prepares to move into the implementation phase of the 13th Malaysia Plan (“13MP”) from 2026 onwards, the importance of engineering capability, execution readiness and dependable delivery has become increasingly pronounced. Against this evolving landscape, HEB Group enters the next phase well positioned — supported by a resilient order book, a diversified project portfolio and an experienced workforce — to continue contributing meaningfully to infrastructure development while remaining anchored to its long-term values.

CHAIRMAN'S STATEMENT



In FY2025, HEB Group delivered steady operational performance, underpinned by a diversified portfolio of projects across both domestic and international markets.

■ OPERATIONAL PERFORMANCE AND ORDER BOOK STRENGTH

In FY2025, HEB Group delivered steady operational performance, underpinned by a diversified portfolio of projects across both domestic and international markets. The Group ended the year with a record high unbilled order book of approximately RM2.16 billion, providing earnings visibility of up to 8 years.

The order book reflects a balanced mix of infrastructure assignments across water and flood mitigation, rail and transport-related projects, roads and highways, data centre developments, and selected overseas transport systems, including the Davao Bus Rapid Transit project in the Philippines. This breadth underscores both the depth of HEB Group's engineering expertise and its ability to operate across diverse regulatory and operating environments.

During the year, the Group secured approximately RM300 million in new contract wins, reinforcing continued demand for HEB Group's engineering design, project management consultancy and supervision services. For FY2025, the Board is satisfied with the Group's overall financial performance, with revenue of approximately RM220.7 million and core profit after tax of RM13.3 million, reflecting consistent contributions from its core consultancy segments, disciplined cost management and effective project execution.

■ ANCHORED IN CORE STRENGTHS, POSITIONED FOR THE NEXT PHASE

HEB Group's performance in FY2025 was supported by its core businesses in engineering design and project management consultancy, which continue to provide stable earnings amid a dynamic operating environment. The Group's portfolio remains well balanced, with contributions from water and environmental infrastructure, transport-related projects, buildings and digital infrastructure, alongside selected overseas assignments.

This diversification will continue to support earnings resilience while positioning HEB Group to participate selectively in emerging growth areas aligned with national and regional infrastructure priorities. Beyond traditional infrastructure, the Group continued to strengthen its capabilities in data centres, digital engineering and technology-enabled solutions, enhancing its ability to meet the evolving needs of clients as infrastructure development becomes increasingly complex and integrated.

■ POSITIONING FOR THE 13MP AND BEYOND

Looking ahead, the outlook for Malaysia's infrastructure sector remains constructive as the country transitions from planning to implementation under the 13MP, which outlines a total development expenditure of RM611 billion to drive sustainable growth, inclusivity and resilience. Within this framework, significant emphasis has been placed on water security and flood mitigation, including the rollout of 103 flood mitigation projects with allocations exceeding RM20 billion, alongside continued investment in transport connectivity, digital infrastructure, energy transition and capacity building.

These national priorities correspond closely with HEB Group's established areas of expertise and existing project portfolio. The Board views 2026 as a year focused on execution with strategic intent, prioritising delivery quality, organisational readiness and long-term value creation.

Accordingly, the Group will remain focused on executing its current projects, selectively replenishing its order book, strengthening internal capabilities and upholding strong governance, while positioning itself to participate meaningfully in upcoming infrastructure initiatives as they materialise.

■ APPRECIATION

On behalf of the Board of Directors, I would like to extend my sincere appreciation to our employees. The dedication, expertise and commitment of our people remain the cornerstone of HEB Group's success. Also not forgetting our clients, business partners and shareholders for their continued trust, professionalism and support.

As we move into the next phase of Malaysia's infrastructure development cycle, I am confident that HEB Group is well positioned to continue delivering engineering solutions that create long-term value for communities, stakeholders and the nation.

Dato' Sri Ir. Hj. Ismail Bin Md.Salleh

Acting Chairman



**TAN SRI IR. KUNASINGAM A/L
V.SITTAMPALAM**

*Co-Founder, Executive Vice Chairman / Acting
Group Chief Executive Officer*

MANAGEMENT DISCUSSION & ANALYSIS

2025 GROUP REVENUE

RM **220.7**
million



DEAR VALUED SHAREHOLDERS,

The financial year ended 31 December 2025 (“FY2025”) marked another year of steady progress for HSS Engineers Berhad (“HEB Group” or “the Group”), as we continued to strengthen our position as a leading engineering and project management consultancy in Malaysia and the region.

Amid evolving infrastructure priorities and increasing complexity in project delivery, the Group will remain focused on disciplined execution, technical excellence and strategic positioning for the next cycle of infrastructure development. These priorities enabled us to continue delivering value across our core consultancy services in engineering design, project management and construction supervision.

For FY2025, HEB Group recorded revenue of RM220.7 million, reflecting sustained contributions from major infrastructure projects in Malaysia and overseas. Profit after tax was RM13.3 million, after accounting for impairment provisions recognised during the year. Excluding these provisions, the Group’s underlying operating performance remained resilient, supported by effective project execution, prudent cost management and a diversified portfolio of infrastructure engagements.

MANAGEMENT DISCUSSION & ANALYSIS

 **HEB Group is supported by a multidisciplinary workforce of more than 1,000 professionals, including a large pool of experienced engineers, project managers and technical specialists.**

Equally important, the Group closed the year with a record unbilled order book of approximately RM2.2 billion, providing earnings visibility of up to eight years. This strong project pipeline reinforces the Group’s long-term growth trajectory and reflects continued demand for our engineering expertise across transportation, water infrastructure, urban development and emerging sectors.

Malaysia’s infrastructure agenda continues to gain momentum, supported by sustained public investment and increasing private sector participation. At the same time, regional markets are accelerating infrastructure development to support urbanisation and economic growth. Against this backdrop, HEB Group remains well positioned to capitalise on these opportunities, leveraging its strong track record, technical capabilities and growing international presence.

As we look ahead, we remain committed to strengthening our core consultancy businesses, expanding into high-growth infrastructure sectors and delivering sustainable long-term value for our shareholders.

■ OUR BUSINESS MODEL

HEB Group operates as an integrated engineering and project management consultancy, delivering solutions across the full lifecycle of infrastructure development.

With a heritage spanning more than four decades since our establishment in 1984, we have built a strong reputation as a trusted partner for complex infrastructure projects in Malaysia and increasingly across the region.

Through its subsidiaries and associates, the Group delivers services across four core pillars:

-  **Engineering Design and Construction Supervision Services**
-  **Project Management Services**
-  **Digital Transformation Services**
-  **Recurring and Long-term Income-based Contracts**

These capabilities enable the Group to support infrastructure projects from early-stage conceptual planning and feasibility studies through to detailed engineering design, project execution, supervision and operational optimisation.

Today, HEB Group is supported by a multidisciplinary workforce of more than 1,000 professionals, including a large pool of experienced engineers, project managers and technical specialists. Our expertise spans a broad range of infrastructure sectors including transportation systems, water infrastructure, highways, urban development, digital infrastructure and renewable energy.

ENGINEERING SERVICES

The Engineering Services segment encompasses engineering design and construction supervision across a wide spectrum of infrastructure projects.

Our engineering design teams support projects from conceptualisation through feasibility studies, master planning and detailed engineering design. During the construction phase, our construction supervision teams ensure that works are carried out in accordance with approved engineering specifications, regulatory standards and project cost parameters.

HEB Group’s engineering expertise continues to receive international recognition. In 2025, the Group improved its ranking to 202nd in the US-based Engineering News-Record (“ENR”) Top 225 International Design Firms list, up from 205th in 2024, reflecting the growing global recognition of our engineering capabilities.

PROJECT MANAGEMENT SERVICES

Project management consultancy remains the largest contributor to the Group’s revenue.

Our project management teams provide comprehensive oversight throughout the lifecycle of infrastructure projects, including project planning, cost management, scheduling, procurement coordination, safety management and contract administration.

The Group’s project management capabilities allow us to coordinate multi-disciplinary engineering teams while maintaining strong governance over project delivery timelines, cost parameters and technical compliance.

MANAGEMENT DISCUSSION & ANALYSIS



DIGITAL TRANSFORMATION SERVICES

Digital Transformation Services represents an emerging growth segment for the Group as infrastructure development increasingly integrates technology-driven solutions.

The segment focuses on deploying digital tools to enhance engineering efficiency and project delivery, including:

- Building Information Modelling (BIM)
- Data-driven engineering analytics
- Artificial Intelligence (“AI”) powered drone technologies
- Digital infrastructure monitoring tools

These solutions enable early identification of design issues, improve coordination among project stakeholders and enhance overall construction productivity.

As infrastructure projects become more complex and technology-enabled, the Group continues to invest in developing digital capabilities to support evolving industry requirements.



RECURRING AND LONG-TERM INCOME-BASED CONTRACTS

Complementing its consultancy services, HEB Group derives recurring income from selected infrastructure projects including renewable energy initiatives and technology-enabled infrastructure services.

These projects provide longer-term earnings visibility and help diversify the Group’s revenue base beyond traditional engineering consultancy assignments.

The Group remains selective in pursuing such opportunities, ensuring that these investments remain aligned with its technical expertise, risk management framework and capital discipline.

FINANCIAL PERFORMANCE FY2025

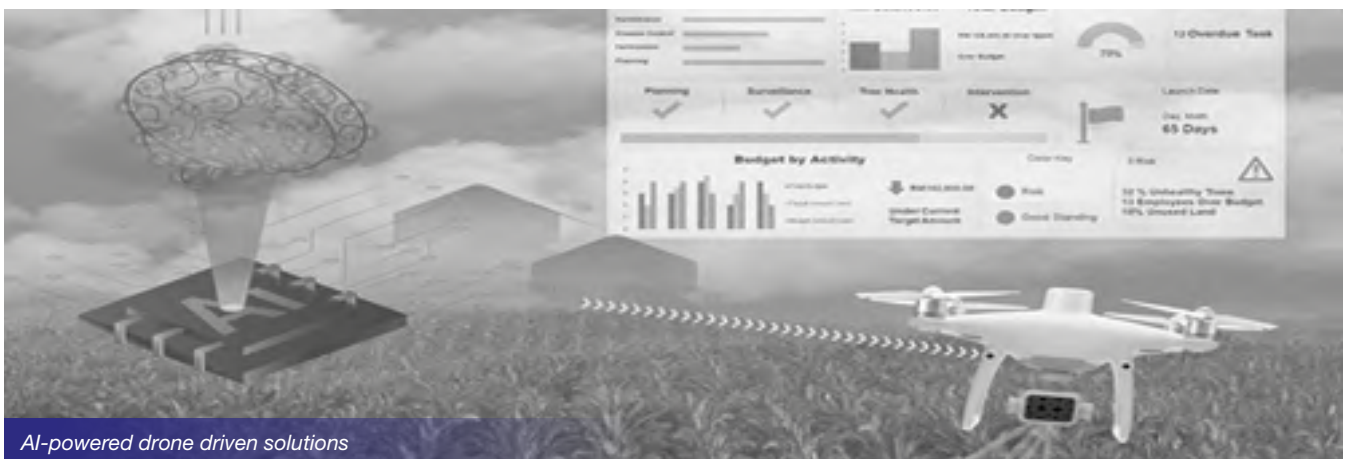
HEB Group delivered a resilient operating performance in FY2025, supported by sustained contributions from infrastructure consultancy projects across Malaysia and selected overseas markets.

The Group recorded revenue of RM220.7 million in FY2025, representing a 9.7% increase from RM201.2 million in the previous financial year. The higher revenue was driven by continued progress across major infrastructure assignments in Malaysia and abroad, particularly in engineering design, project management and selected digital services.

Gross profit rose 7.3% to RM75.5 million in FY2025 from RM70.4 million in FY2024, reflecting continued execution across the Group’s core consultancy businesses. Profit after tax (“PAT”) was RM13.3 million mainly due to impairment provisions recognised during the year, including impairment on financial instruments and work-in-progress, as well as a higher tax charge in the final quarter.

Excluding these impairment provisions, the Group’s underlying operating PAT would have been RM26.1 million. This reflects the resilience of the Group’s core consultancy operations, supported by disciplined cost management, improved operating margins and the benefits of cost optimisation initiatives implemented during the year.

The Group ended FY2025 with a record unbilled order book of RM2.2 billion, providing earnings visibility of up to eight years, while new contract wins secured during the year totalled approximately RM300.0 million. These achievements continue to reinforce the strength of the Group’s project pipeline and support its long-term growth prospects.



AI-powered drone driven solutions

MANAGEMENT DISCUSSION & ANALYSIS

■ ANALYSIS OF GROUP REVENUE AND PERFORMANCE REVIEW

(i) By Company

The contribution breakdown of the Group's two principal operating companies is set out below:



(ii) Core Services (Segments)

The revenue contributions made by the various segments are set out below:

Segment	2025		2024		Variance
	RM'mil	%	RM'mil	%	%
Engineering Design	54.2	24.5	40.8	20.3	32.8
Construction Supervision	47.9	21.7	50.5	25.1	(5.1)
Project Management	103.2	46.8	98.2	48.8	5.1
Digital Transformation Services	4.5	2.1	1.6	0.8	166.4
Reimbursable Income	10.9	4.9	10.1	5.0	7.9
TOTAL	220.7	100	201.2	100	9.7

Engineering Design

The engineering design segment's revenue rose 32.8% to RM54.2 million during the year from RM40.8 million previously. This was mainly attributable to newly secured assignments, including Building Information Modelling (BIM) and Engineering Design Consultancy Services for the proposed development of Container Terminal at Tuna Tekra, India - Design and Build (Package 2), as well as the Rancangan Tebatan Banjir Sungai Kelang project.

The stronger contribution from this segment reflects the Group's continued success in securing designed infrastructure assignments, both domestically and internationally, while reinforcing its technical positioning in complex engineering work.

Construction Supervision

Revenue from the construction supervision segment dipped 5.1% to RM47.9 million in FY2025 from RM50.5 million in the previous year, mainly due to lower revenue contribution from the Langat II Water Supply Scheme – Phase 1 in line with the progress of the project.

Despite the softer revenue contribution, the segment remains an integral part of the Group's integrated engineering offering, particularly for large-scale public infrastructure projects requiring close execution oversight and regulatory compliance.

Project Management

Project management remained the Group's largest revenue contributor in FY2025, accounting for RM103.2 million, compared with RM98.2 million in FY2024. The increase was mainly attributable to revenue recognised from Project Management Consultancy Services and Supervision for the Railway / Metro Project within the city of Baghdad and project management consultancy for the KTP Data Centre in Johor Bahru. This was partly offset by lower contribution from the MRT 3 project.

The project management segment continues to anchor the Group's recurring consultancy income, supported by the scale, duration and complexity of major infrastructure assignments undertaken by the Group.

Digital Transformation Services

Digital transformation services' revenue expanded strongly to RM4.5 million in FY2025 from RM1.6 million in FY2024. The increase was mainly due to contribution from the EDOTCO project.

Although still accounting for a relatively small portion of total Group revenue, this segment reflects the Group's continuing efforts to broaden its digital and technology-enabled engineering capabilities, in line with evolving client requirements and infrastructure trends.

MANAGEMENT DISCUSSION & ANALYSIS

Reimbursable Income

Reimbursable income increased 7.9% to RM10.9 million in FY2025 from RM10.1 million previously. This income is recognised on a back-to-back basis with sub-consultants and allowances claimed by supervision staff and therefore does not have a material impact on the Group's profitability.

(iii) Geographical Locations

Projects in Malaysia continued to contribute the largest share of the Group's revenue in FY2025, amounting to RM192.6 million, or 87.1% of total revenue.

The Middle East remained the largest overseas contributor, accounting for 8.9% of Group revenue, followed by India at 2.1%, the Philippines at 1.2%, Cambodia at 0.5%, and Indonesia at 0.3%.

This revenue mix reflects the Group's continued strength in the domestic market, while maintaining a growing international footprint across selected regional and Middle Eastern markets.

Sources of Project Funding

Public sector and government-linked infrastructure projects generated the majority of the Group's revenue in FY2025, supported by ongoing assignments across rail, roads, highways, water infrastructure, flood mitigation and related public works.

At the same time, the Group continued to expand its exposure to private sector-led opportunities, particularly in data centre-related infrastructure, selected digital services and recurring-income projects. As such, public sector-funded projects accounted for approximately 79.1% of FY2025 revenue, while private sector and other funding sources contributed the remaining 20.9%.

The Group expects contribution from the private sector to continue increasing over time, particularly as data centre infrastructure and digital-related assignments gain further traction.

Sector Contribution

The transportation sector was the Group's biggest source of revenue in FY2025, with rail and transit-related assignments contributing approximately 36.0% of revenue, followed by roads and highways at 19.8%. Water infrastructure and flood mitigation projects contributed 14.0% of revenue, while the remaining 30.2% was derived from other sectors including data centres, digital services, ports and selected recurring-income renewable energy initiatives.

This reflects the Group's continued strength in its traditional infrastructure segments, while demonstrating gradual diversification into newer growth areas.

■ FINANCIAL POSITION INDICATORS

Group Assets

The Group's total assets increased to RM464.9 million in FY2025 from RM418.1 million previously, mainly due to higher contract assets, trade and other receivables, and increased investment in associates in line with ongoing project execution and strategic investments.

Liquidity and Capital Resources

The Group's total borrowings increased to RM78.2 million in FY2025 from RM41.7 million previously, mainly due to higher utilisation of short-term borrowings and overdraft facilities to support ongoing project execution, working capital requirements and strategic investments during the year.

As a result, the Group's net gearing ratio increased to 0.18x as at 31 December 2025 from 0.09x in the previous year.



Sungai Selangor Water Supply Scheme Phase 3

MANAGEMENT DISCUSSION & ANALYSIS



The Group continued to reinforce its standing as a trusted infrastructure consultancy partner across Malaysia and selected overseas markets.

Capital Management, Future Commitments, and Funding Sources

The Group's capital commitments as at 31 December 2025 amounted to RM2.5 million, comprising authorised but not contracted commitments.

The Board continued to maintain a disciplined capital management approach during the year, balancing dividend distributions, project funding requirements and strategic growth initiatives. A single-tier final dividend of 1.46 sen per share in respect of FY2024, amounting to RM7.4 million, was paid in FY2025.

PROJECT HIGHLIGHTS

This section highlights key projects categorised into completed, secured and ongoing in FY2025, as well as the Group's total order book as at 31 December 2025.

In FY2025, the Group continued to reinforce its standing as a trusted infrastructure consultancy partner across Malaysia and selected overseas markets, securing approximately RM300.0 million in new contract wins during the year. These wins spanned a broad range of sectors including rail and transportation, water and irrigation, water treatment, flood mitigation, data centres and pipe replacement works.

Among the notable projects announced and highlighted during the year were the development of Container Terminal at Tuna Tekra, India – Design and Build (Package 2) and the Davao Public Transport Modernisation project in the Philippines, both of which further strengthened the Group's regional presence in transport and logistics infrastructure. The Group also continued to make progress in recurring-income initiatives, including its Corporate Green Power Programme ("CGPP"), which achieved financial close during the year.

The Group's unbilled order book for FY2025 was RM2.2 billion, providing earnings visibility of up to eight years. This continues to support the Group's long-term revenue outlook and underscores the breadth of its project portfolio across transportation, water infrastructure, flood mitigation, data centres, aviation-related assignments and selected overseas markets.

Key Projects Completed in FY2025

Project description	Contract value (RM' million)
1. Proposed Metro Project in Northern State	6.7
2. Proposed Construction and Completion of Remaining Infrastructure Works in Precinct 11, Phase 2, Putrajaya	4.0
3. Principal Consultant for the Detailed Design and Supervision of Infrastructure Works for the Proposed Pasir Mas Halal Park (Phase 2), Pasir Mas, Kelantan Darul Naim for the East Coast Economic Region Development Council	2.8
4. Civil & Structural Engineer as Lead Consultant for The Preparation, Submission and Approval for The Amendment to The Master Layout Plan (Pelan Induk Perancangan) of Lapangan Terbang Sultan Abdul Aziz Shah and The Subsequent Infrastructure Works and Associated Services for Malaysia Airports Sdn. Bhd.	2.4
TOTAL	15.9

MANAGEMENT DISCUSSION & ANALYSIS

Key Projects Secured in FY2025

No	Project Description	Contract value (RM'mil)	Accumulated billings up to December (RM'mil)	Unbilled as at 31 December 2025 (RM'mil)	Commencement/Completion Date
1.	Development of Container Terminal at Tuna Tekra, India – Design and Build (Package 2)	10.0	4.8	5.2	Q2 2025/Q4 2027
2.	Davao Public Transport Modernisation Project, Philippines	18.2	-	18.2	Q2 2025/Q4 2028
3.	Consultancy Services Contract for Proposed Modification Works of Indah Water Konsortium Sdn. Bhd. Sewerage Treatment Plant	12.7	-	12.7	Q4 2025/Q2 2031
4.	WTP, Kg Barisan Fasa 1 & System Agihan, Port Dickson, Negeri Sembilan	17.0	-	17.0	Q3 2025/Q4 2028
5.	Tertiary Irrigation System in Muda Region	16.5	2.6	13.9	Q2 2025/Q4 2029
6.	Rancangan Tebatan Banjir Sg Kelang	32.2	9.6	22.6	Q3 2025/Q2 2029
7.	Bayan Lepas LRT – Packages 3, 4 and 5	29.7	0.3	29.4	Q3 2025/Q2 2030
TOTAL		136.3	17.3	119.0	

The Tuna Tekra project was secured in June 2025 with a contract value of approximately RM10.0 million for BIM and engineering design consultancy services, with an estimated project duration of 28 months. The Group has received a 30% mobilisation payment, and the preliminary design milestone was completed in October 2025.

The Davao Public Transport Modernisation project carries an allocated contract value of approximately RM18.2 million, with an estimated duration of 42 months. The Group's project team had been mobilised since June 2025, with 10% advance payment received and monthly progressive billings ongoing.

The Group's FY2025 wins also included assignments related to Indah Water Konsortium works, multiple data centre projects in Selangor and Johor, Pan Borneo Phase 1A extension, water and irrigation projects, water treatment plants, Sungai Klang flood mitigation works, Bayan Lepas LRT, Trans Borneo Railway, Northern and Southern Sentral feasibility studies and pipe replacement works.

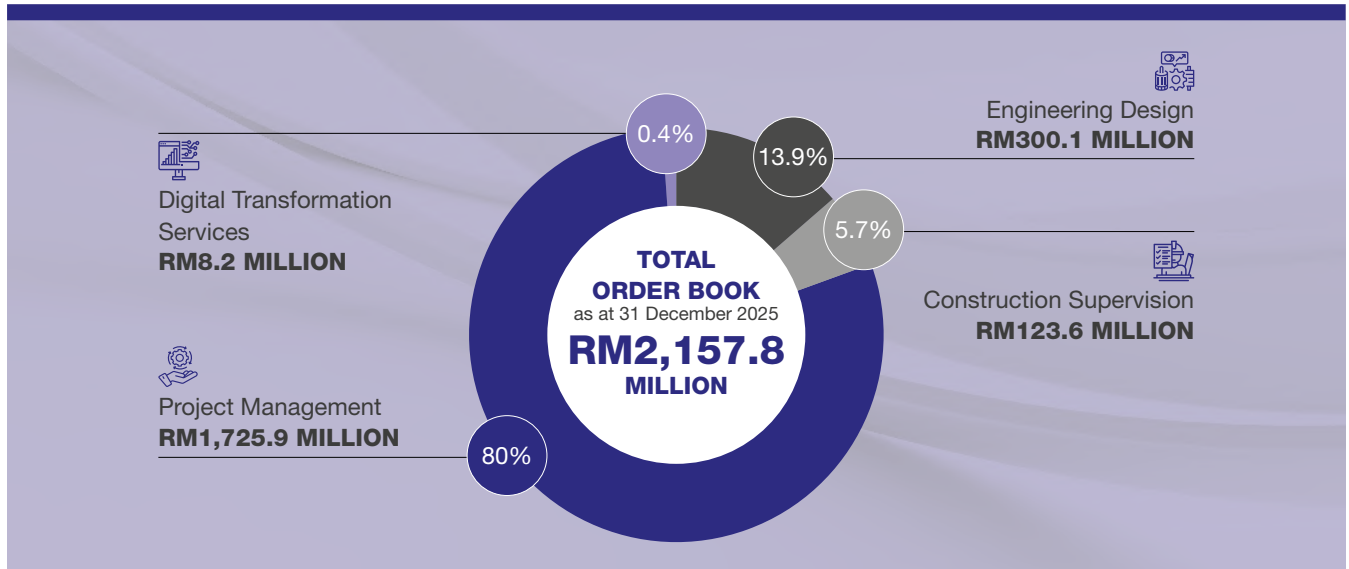


Klang Valley Mass Rapid Transit Line 2

MANAGEMENT DISCUSSION & ANALYSIS

Total Order Book as at 31 December 2025

The Group's total unbilled order book as at 31 December 2025 is set out below:



RISK FACTORS

The Group is constantly monitoring risks that may be adverse to its business, which necessitates taking proactive steps to mitigate them while preserving long-term operational resilience.

Risks of Cancellation or Deferment of Infrastructure Projects and Single Project Concentration

As Malaysia moves into the implementation phase of the 13th Malaysia Plan ("13MP"), with continued emphasis on transportation, water security, flood mitigation, digital infrastructure and energy transition, we believe the risk of infrastructure projects being cancelled or deferred remains manageable. The Group's project pipeline is supported by assignments across multiple sectors and geographies, which help cushion the impact of delays in any single project.

In FY2025, the Group recorded a healthy unbilled order book of approximately RM2.2 billion, providing earnings visibility of up to eight years. While MRT 3 and the Baghdad Metro project remain the two largest projects within the order book, the Group continues to diversify its earnings base through a broader mix of assignments in water infrastructure, flood mitigation, aviation, data centres, rail systems and overseas transport projects. In addition, we have an active tender book of RM510 million as at 31 December 2025, which supports continued replenishment of our project pipelines moving forward.

Apart from MRT 3 and Baghdad Metro, the Group's order book includes a wide range of medium-sized projects such as Bayan Lepas LRT, Pan Borneo Sabah, Rancangan Tebatan

Banjir Sungai Kelang, water treatment plants, data centre-related works, and transport projects in the Philippines, Cambodia and India. This diversity helps reduce concentration risk and supports a more balanced revenue profile over time.

Risks Relating to Overseas Expansion

While the Group remains focused on expanding its international footprint to capture infrastructure opportunities in emerging and developing economies, we remain mindful of the bureaucratic, regulatory, cultural and logistical challenges that may arise when operating outside our home market.

The Group's current overseas exposure includes projects in Iraq, the Philippines, Cambodia and India, among others. To manage these risks, the Group continues to adopt a measured approach to overseas expansion by working with established local and regional partners, strengthening on-the-ground execution capabilities, and maintaining close coordination with project stakeholders and relevant authorities. The Group also continues to monitor payment collection and project execution milestones carefully, particularly for larger overseas assignments.

We believe these measures are important in reducing operational disruptions and improving execution certainty as we deepen our regional presence.

Risks Relating to Diversification into Other Sectors

Expanding into new sectors such as data centres, digital services and renewable energy-related recurring income projects remains an important part of the Group's strategy to diversify its revenue base beyond traditional infrastructure consultancy.

MANAGEMENT DISCUSSION & ANALYSIS



SUKE Elevated Expressway

Given that transportation and water infrastructure continue to be the Group's traditional strongholds, we remain mindful of the execution, technical and commercial challenges that may arise when entering newer sectors. To address these risks, the Group continues to work closely with experienced clients, technology partners and specialist consultants, while strengthening its internal capabilities and talent base to support delivery in these emerging areas.

The Group believes this measured approach will allow it to broaden its operating base while remaining anchored to its core technical strengths, risk management discipline and long-term value creation objectives.

■ MARKET OUTLOOK AND GROUP PROSPECTS

Global Outlook

The global economy is expected to remain resilient in 2026, supported by continued technology investment, accommodative financial conditions and the relative strength of several emerging markets. The International Monetary Fund ("IMF") projected global growth of 3.3% in 2026 and 3.2% in 2027¹, broadly in line with the estimated 3.3% outturn in 2025. That said, uncertainties relating to trade policy shifts, geopolitical tensions and uneven regional recovery remain key risks to the global outlook.

The Group remains confident that its international expansion efforts will continue to gain traction, as infrastructure investment remains a priority across a number of emerging and developing economies in Asia and the Middle East. This is particularly relevant to the Group's growing presence in markets such as the Philippines, Cambodia, India and Iraq,

where transport, urban connectivity and logistics-related infrastructure continue to see long-term development demand.

Domestic Outlook

Malaysia's domestic outlook remains constructive as the country enters the implementation phase of the Thirteenth Malaysia Plan ("13MP"). The 13MP provides RM611 billion in total public investment over the five-year period from 2026 to 2030², comprising RM430 billion in government development expenditure, RM120 billion from government-linked companies and government-linked investment companies, and RM61 billion through public-private partnership mechanisms. These allocations are expected to support a broad range of infrastructure opportunities across transportation, water security, digital infrastructure, renewable energy and flood mitigation.

Separately, under Budget 2026, Malaysia allocated RM81 billion for development expenditure in 2026, marking the first year of the 13MP³, with the economic sector accounting for the largest share. Within this, the transport subsector remains a major recipient, alongside environment and trade- and industry-related infrastructure spending. Bank Negara Malaysia has also indicated that Malaysia's growth momentum is expected to continue in 2026, supported by resilient domestic demand and exports.

These policy priorities align closely with HEB Group's established areas of expertise, particularly in transportation and transit systems, roads and highways, water and flood mitigation, digital infrastructure and energy transition-related engineering services.

MANAGEMENT DISCUSSION & ANALYSIS



The Group remains confident that its international expansion efforts will continue to gain traction, as infrastructure investment remains a priority across a number of emerging and developing economies in Asia and the Middle East.

■ GROWTH STRATEGIES

The Group remains confident of sustaining long-term growth, supported by its diversified project portfolio, strong technical credentials and improving market opportunities across both traditional and emerging infrastructure sectors.

We will continue to replenish and expand our order book through tenders across our core sectors of water infrastructure, roads and highways, rail and transit, flood mitigation and sewage projects, while also building our presence in newer growth areas such as data centres, renewable energy and technology-enabled engineering solutions. The Group continues to see the water sector as a major area of opportunity, alongside roads, highways, rail and transit, flood mitigation and data centre-related infrastructure.

As at 31 December 2025, the Group's order book was approximately RM2.2 billion, while its tender book was approximately RM510 million. This provides a strong base for future replenishment and supports the Group's continued revenue visibility over the medium term.

Reinforcing its role in transportation infrastructure

Transportation remains one of the Group's core strongholds. In Malaysia, the Group continues to be involved in major transport-related projects such as Pan Borneo Sabah (Phase 1A), East Coast Rail Link (ECRL), Klang Valley Double Tracking Phase 2, Trans Borneo Railway feasibility studies, and the Gua Musang-Tumpat railway rehabilitation project.

In addition, the Group continues to see longer-term opportunities arising from urban transit and rail connectivity projects, including rail systems in Malaysia, as well as future transportation initiatives linked to urbanisation and cross-border connectivity.

Reinforcing prominent role in water infrastructure and flood mitigation

The Group continues to see significant opportunities in the water sector, which management has identified as one of its key growth areas moving forward. This is supported by the government's continued focus on water treatment plants, pipe replacement, flood mitigation and irrigation-related works, both under Budget 2026 and the broader 13MP framework. The transport and environmental infrastructure remain major components of development spending, which is positive for HEB Group's positioning in water, flood mitigation and related engineering services³.



Pan Borneo Highway, Sabah

MANAGEMENT DISCUSSION & ANALYSIS



Milau Dam

The Group's current and prospective involvements in projects such as water treatment plants, flood mitigation packages, irrigation schemes and water infrastructure for data centre developments, reinforce its role as an established engineering consultant in this segment.

Capitalising on data centres and digital engineering capabilities

The Group remains optimistic on opportunities linked to data centre expansion, given the continued growth of Malaysia's digital infrastructure ecosystem. As data centre developments require engineering design, project management, utility infrastructure and related technical services, the Group is well positioned to participate in this growing segment. The sustained momentum in data centre and cloud-related investments is expected to generate further digital infrastructure opportunities over time.

Against this backdrop, the Group continues to strengthen its digital engineering capabilities through its involvement in data centre-related project management consultancy services, as well as the development of technology-enabled engineering solutions, including digital transformation initiatives under HSS Propick Technologies Sdn. Bhd. These capabilities are expected to enhance project delivery efficiency while supporting the Group's participation in higher-growth infrastructure segments.

Building up Sarawak presence and regional expansion

HSS Alliance (Sarawak) Sdn. Bhd. provides the Group with a stronger platform to tap into Sarawak's long-term infrastructure requirements, including roads, flood mitigation, rail-related studies and renewable energy-linked works. This supports the Group's ambition to deepen its participation in state-level infrastructure projects in high-growth regions.

At the same time, the Group remains committed to expanding selectively in overseas markets through strategic partnerships and localised operating structures. Its current regional footprint and project exposure across the Philippines, Cambodia, India, Iraq and selected Middle Eastern markets continue to support its target of growing international revenue contribution over time.

Mobilising opportunities in renewable energy and recurring income

The Group intends to deepen its participation in recurring and long-term income-based contracts, particularly in the renewable energy segment. Malaysia's ongoing energy transition agenda, including its target of achieving 70% renewable energy capacity by 2050⁴, continues to provide a supportive backdrop for renewable energy-related engineering, project management and implementation opportunities.

MANAGEMENT DISCUSSION & ANALYSIS



The Group intends to deepen its participation in recurring and long-term income-based contracts, particularly in the renewable energy segment.

The Group's participation in CGPP and Large Scale Solar (LSS) related initiatives, together with its related engineering and project management roles, reflects its intention to build a more diversified and recurring income stream over time.

Overall, the Group believes that its strong order book, diversified sector exposure, growing regional footprint, and continued investment in digital and renewable energy capabilities position it well to capture the next wave of infrastructure opportunities in Malaysia and the region.

■ ACKNOWLEDGEMENTS

On behalf of Management, I would like to express my deepest appreciation to our employees for their dedication and professionalism in delivering complex infrastructure projects.

I would also like to thank our clients, partners and shareholders for their continued trust and support.

As we move into the next phase of Malaysia's infrastructure development cycle, HEB Group remains committed to delivering engineering excellence, strengthening its capabilities and creating long-term value for all stakeholders.

Tan Sri Ir. Kunasingam A/L V.Sittampalam

Co-Founder, Executive Vice Chairman / Acting Group Chief Executive Officer

- 1 <https://www.imf.org/en/publications/weo/issues/2026/01/19/world-economic-outlook-update-january-2026>
- 2 <https://www.mof.gov.my/portal/en/news/press-citations/13mp-the-catalyst-for-malaysia-to-achieve-madani-economy-aspirations-amir-hamzah>
- 3 <https://belanjawan.mof.gov.my/pdf/belanjawan2026/revenue/section3.pdf>
- 4 <https://ekonomi.gov.my/sites/default/files/202308/National%20Energy%20Transition%20Roadmap.pdf>



Westport 2 Expansion Development

BOARD OF DIRECTORS' PROFILE



DATO' SRI IR. HJ. ISMAIL BIN MD.SALLEH

Acting Chairman/Senior Independent
Non-Executive Director

→ Malaysian
Age 68
Male

Date of Appointment
6 July 2018

Number of Board Meeting
Attended during FY2025:
5/5 ■■■■■

Dato' Sri Ir. Hj. Ismail Bin Md.Salleh, a Malaysian male, aged 68, is the Senior Independent Non-Executive Director of the Company. He was appointed to the Board of Directors of the Company on 6 July 2018. He currently serves as the Acting Chairman of the Board with effect from 1 August 2025. He is also the Chairman of the Nomination and the Remuneration Committee and a member of the Audit and Risk Management Committee.

He graduated from University of Technology MARA, Malaysia with B.Sc in Civil Engineering in 1981. He obtained his Master of Science in Highway Engineering from the University of Strathclyde, United Kingdom in 1994. He is a registered Professional Engineer with the Board of Engineers Malaysia, a Fellow of the Institution of Engineers Malaysia, a Past Council Member of Road Engineering of Malaysia, the President of the Intelligent Transport System Association of Malaysia and Past President of the Chartered Institution of Highways and Transportation (Malaysia Branch).

Dato' Sri Ir. Hj. Ismail has accumulated over 40 years of working experience in the government sector and was principally responsible for planning, construction, operation and monitoring of all privatised highways such as the North-South Expressway, Penang Bridge and the KL-Karak Highway.

He started his career in the Malaysian Highway Authority ("MHA") in 1981 as a Civil Engineer, then moved on as a Project Supervisor for the Lebuhraya Senai-Johor Bahru and in 1990, he was promoted to Northern Region Director. In 1995 he served as the Southern Region Director until 1997. In 1997, he served as the Director of Monitoring for all privatised toll highways and in 2006, he was promoted to Deputy Director General of Development. In 2009, he was promoted again to Director General of MHA, a post he held until his retirement in June 2018.

Other than the Company, he is not a Director of any other public company or listed issuer.

He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has not been convicted of any offences (other than traffic offences, if any) within the past five (5) years and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

He attended all five (5) Board meetings of the Company held during the financial year 2025.

BOARD OF DIRECTORS' PROFILE



TAN SRI IR. KUNASINGAM A/L V.SITTAMPALAM

Executive Director

→ Malaysian
Age 73
Male

Date of Appointment
17 April 2015

Number of Board Meeting
Attended during FY2025:
5/5 ■■■■■

Tan Sri Ir. Kunasingam A/L V.Sittampalam, a Malaysian male, aged 73, is the co-founder of the Company. He was appointed as Executive Director on 17 April 2015 prior to his re-designation as Executive Vice Chairman of the Company on 13 February 2018. He is also a Director of HSS Integrated Sdn. Bhd. He is currently the Executive Vice Chairman and the Acting Group Chief Executive Officer of the Company.

He graduated from the University of Sheffield, UK with a Bachelor of Engineering and obtained his Masters in Engineering at the same university. He is a Fellow of the Institution of Engineers, Malaysia, and a Professional Engineer with the Board of Engineers, Malaysia. In 1979, as an undergraduate at the University of Sheffield, he received the Miller Prize from the Institution of Civil Engineers, UK. He was schooled at the prestigious Royal Military College, Malaysia and was awarded OP of the year, 2015. He also graduated from the OPM programme, Harvard Business School (OPM 28) and is a member of the Harvard Business School Alumni. In October 2020, he became the first Malaysian to be elected as an International Fellow of the Royal Academy of Engineering, UK.

His contributions to the field were further recognised in 2021 when he was bestowed with the prestigious “Tokoh Teknikal Negara 2021” award, a testament to his outstanding achievements in conjunction with the National Technical Profession Day (HPTN).

Tan Sri Ir. Kuna has accumulated over 46 years of experience within the engineering and project management services market. He started his career in 1980 as a Civil Engineer in C. H. Teoh & Partnership and was attached to the company up to 1981. He co-founded HSS Consult Partnership in 1984 which was thereafter incorporated into HSS Consult Sdn. Bhd. in 1985. HSS Consult Sdn. Bhd. was principally involved in the provision of engineering design and project management services, but has since been struck off. During his tenure at HSS Consult Sdn. Bhd., he was mainly involved in the design and project implementation of various infrastructure and construction projects. In 1988, he co-founded HSS Integrated Sdn. Bhd., an engineering consultancy company registered under the Registration of Engineers Act 1967, and in 2001, he co-founded HSS Engineering Sdn. Bhd.

Other than the Company, he is not a director of any other public company or listed issuer.

Tan Sri Ir. Kuna is a major shareholder of the Company. He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has not been convicted of any offences (other than traffic offences, if any) within the past five (5) years and has not been imposed of any public sanction or penalty by the relevant regulatory bodies during the financial year.

He attended all five (5) Board meetings of the Company held during the financial year 2025.

BOARD OF DIRECTORS' PROFILE



DATUK IR. TEO CHOK BOO

Executive Director

→ Malaysian
Age 72
Male

Date of Appointment
15 May 2018

Number of Board Meeting
Attended during FY2025:
5/5 ■■■■■

Datuk Ir. Teo Chok Boo, a Malaysian male, aged 72, is an Executive Director of the Company. He was appointed to the Board of Directors of the Company on 15 May 2018. He is also the Managing Director of SMHB Engineering Sdn. Bhd. and SMHB Sdn. Bhd. and provides leadership to the top management of these companies.

He graduated from the University of Aston, Birmingham, UK with a Degree in Civil Engineering in 1978. He obtained his Masters in Engineering from the Asian Institute of Technology, Bangkok in 1981. He is a Professional Engineer with the Board of Engineers, Malaysia, registered as a Qualified Person with Suruhanjaya Perkhidmatan Air Negara, member of the Association of Consulting Engineers Malaysia, a Fellow of the Institution of Engineers Malaysia, and a member of the Malaysian Water Association.

Datuk Ir. Teo is also a Fellow of the Institution of Civil Engineers UK, a Fellow of the Chartered Institution of Water and Environmental Management UK and a member of the American Water Works Association.

Datuk Ir. Teo has accumulated 48 years of experience in various sectors of engineering, particularly in dams and water-related projects and had been the project director for several mega water supply projects in Malaysia, including the Raw Water Supply to the Pengerang Integrated Petroleum Complex in Johor, the Sungai Selangor Water Supply Scheme and the Interstate Water Transfer Schemes from Pahang to Selangor. He also oversees high profile rail projects including the Klang Valley Mass Rapid Transit (KVMRT) Line 1 and Line 2 projects and the Penang Light Rail Transit (LRT) Project.

He started his career with SMHB Sdn. Bhd., formerly known as Syed Muhammad, Hooi dan Binnie Sdn. Bhd., in 1978 as an Engineer. Subsequently, he moved up the ranks to Associate Director, Director and Executive Director. In 2000, he became Managing Director, a position that he holds to this day.

Other than the Company, he is not a Director of any other public company or listed issuer.

He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has not been convicted of any offences (other than traffic offences, if any) within the past five (5) years and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

He attended all five (5) Board meetings of the Company held during the financial year 2025.

BOARD OF DIRECTORS' PROFILE



PUAN IR. SHARIFAH AZLINA BT RAJA KAMAL PASMAM

Executive Director

→ Malaysian
Age 59
Female

Date of Appointment
1 January 2018

Number of Board Meeting
Attended during FY2025:
5/5 ■■■■■

Puan Ir. Sharifah Azlina Bt Raja Kamal Pasmah, a Malaysian female, aged 59, is an Executive Director of the Company. She was appointed to the Board of Directors of the Company on 1 January 2018. She is also a Director and Chief Executive Officer of HSS Engineering Sdn. Bhd. and BIM Global Ventures Sdn. Bhd. In addition to that she is also a Director of HSS Integrated Sdn. Bhd., HSS International Sdn. Bhd., HSS Technologies Sdn. Bhd., HSS ProPick Technologies Sdn. Bhd., Opus HSS Sdn. Bhd. and HSS Joint Venture Sdn. Bhd.

She graduated from the Christian Brothers University, Memphis, USA with a Bachelor of Science in Civil Engineering in 1990 and subsequently, she completed her Master of Business Administration at Cardiff Metropolitan University, UK in 2012.

She is a Professional Engineer with Practising Certificate (PEPC) with the Board of Engineers Malaysia (BEM), a Fellow of the Institution of Engineers Malaysia (FIEM), an ASEAN Chartered Professional Engineer, and a certified Principal Interviewer for the Professional Assessment Examination. She is an appointed Corporate Member who provides advisory role to the Committee of IEM Women Engineers and was conferred the prestigious ASEAN Federation of Engineering Organisation (AFEO) "Honorary Member" in 2020 for her contribution to Women in Science, Engineering & Technology.

Puan Ir. Sharifah Azlina is a Board Member of the Board of Engineers Malaysia for the 2025-2026 session. She also chairs BEM's Professional Practice Committee, the Working Group on BEM ESG, and the Working Group on International Trade. She is also a committee member of the BEM National Monitoring Committee, the BEM Strategic Plan 2021-2025 (Initiative 2.2 on Integrity & Ethics), the Working Group on HRDF Levy. Additionally, she is a Council member of the Malaysian Rail Industry Corporation (MARIC) and serves as an Industry Advisory Panel member to Monash University Malaysia, University Technology Petronas (UTP) and Tunku Abdul Rahman University of Management and Technology (TAR UMT). She is also an adjunct lecturer at the UTP's Faculty of Civil Engineering.

Puan Ir. Sharifah Azlina has over 36 years of experience within the engineering and project management services sector. She started her career in 1990 with the Memphis City Council in USA and joined HSS Integrated Sdn. Bhd. as an Engineer in 1991. She has been involved in the team rendering design and Project Management for various highways and expressways privatisation projects, rail and transit projects and infrastructure development projects. She also leads the BIM projects undertaken by HEB Group.

Other than the Company, she is not a Director of any other public company or listed issuer.

She has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. She has not been convicted of any offences (other than traffic offences, if any) within the past five (5) years and has not been imposed of any public sanction or penalty by the relevant regulatory bodies during the financial year.

She attended all five (5) Board meetings of the Company held during the financial year 2025.

BOARD OF DIRECTORS' PROFILE



IR. PREM KUMAR A/L M VASUDEVAN

Executive Director

→ Malaysian

Age 66

Male

Date of Appointment

15 May 2018

Number of Board Meeting
Attended during FY2025:

5/5 ■■■■■

Ir. Prem Kumar A/L M Vasudevan, a Malaysian male, aged 66 is an Executive Director of the Company. He was appointed to the Board of Directors of the Company on 15 May 2018. He is also a Director of SMHB Engineering Sdn. Bhd. and SMHB Sdn. Bhd. and is responsible for Business Development.

He graduated from University Malaya, Malaysia with a degree in Electrical Engineering in 1985. He is a Professional Engineer with the Board of Engineers Malaysia (BEM) and is registered as a Qualified Person with Suruhanjaya Perkhidmatan Air Negara. Ir. Prem was the President of the Association of Consulting Engineers Malaysia from 2014 to 2016. He was a Board member of BEM from 2012 to 2016, Chairman of the Professional Competency Examination Committee from 2016 to date, and has served in the Engineers' Act Committee since 2010, the Management Committee since 2012 and the Examination & Qualification Committee since 2014.

Ir. Prem has over 41 years of experience in mechanical and electrical engineering design, construction and supervision and project management, in particular within the water, wastewater and transportation industries. He has managed several mega projects, notably the Klang Valley Mass Rapid Transit Line 2 Project and the Langat 2 Water Supply Project. He started his career with SMHB Sdn. Bhd., formerly known as Syed Muhammad, Hooi dan Binnie Sdn. Bhd., in 1985 and rose through the ranks from Engineer to Associate Director, Technical Director and Executive Director, a position he still holds today.

Other than the Company, he is not a Director of any other public company or listed issuer.

He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has not been convicted of any offences (other than traffic offences, if any) within the past five (5) years and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

He attended all five (5) Board meetings of the Company held during the financial year 2025.

BOARD OF DIRECTORS' PROFILE



VANESSA A/P SANTHAKUMAR

Non-Independent
Non-Executive Director

→ Malaysian
Age 35
Female

Date of Appointment
21 August 2020

Number of Board Meeting
Attended during FY2025:

5/5 ■■■■■

Vanessa A/P Santhakumar, a Malaysian female, aged 35, is a Non-Independent Non-Executive Director of the Company. She was appointed to the Board of Directors of the Company on 21 August 2020. She is a member of the Nomination and Remuneration Committee and was appointed as a member of the Audit and Risk Management Committee on 15 October 2025.

She graduated from Oxford Brookes University, UK with a Bachelor of Medical Science in 2013 and subsequently obtained her Master of Public Health in 2014 from the University of Warwick, UK, and her Master of Science International Health Policy from the London School of Economics and Political Science, UK in 2016.

Since graduating, Ms Vanessa has built an international career spanning strategy, pharmaceuticals, clinical research and health technology. She began her career at PricewaterhouseCoopers and The Boston Consulting Group before joining Novo Nordisk, where she held cross-regional roles in marketing, corporate affairs and market access across Malaysia, Denmark (Global Headquarters) and Mexico, specialising in diabetes and obesity. She later joined Novartis Oncology as a Value and Access Manager, focusing on health policy and health system strengthening initiatives to improve access to cancer care in Malaysia. She subsequently held a role as a Clinical Research Project Manager at Brigham and Women's Hospital (Harvard Medical School), leading research in nutritional epidemiology related to cancer and obesity. She later joined Massachusetts General Hospital (Harvard Medical School), where she led a research team and managed complex clinical trials focused on developing treatments for children with rare neurological diseases. Ms Vanessa currently serves as Chief Operating Officer of EnergyPoints, a National Institutes of Health (NIH) and National Cancer Institute (NCI)-funded digital health initiative focused on personalized, evidence-based supportive care interventions for cancer patients in the United States.

Ms. Vanessa is the daughter of the late Datuk Santhakumar Sivasubramaniam, a co-founder of the Company. She was also the co-promoter of the Company at the time of listing of the Company on the ACE Market of Bursa Malaysia Securities Berhad on 10 August 2016.

Other than the Company, she is not a Director of any other public company or listed issuer.

She has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. She has not been convicted of any offences (other than traffic offences, if any) within the past five (5) years and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

She attended all five (5) Board meetings of the Company held during the financial year 2025.

BOARD OF DIRECTORS' PROFILE

**MR TAI KEAT CHAI**

Independent Non-Executive Director

→ Malaysian

Age 72

Male

Date of Appointment

26 July 2021Number of Board Meeting
Attended during FY2025:**5/5** ■■■■■

Mr Tai Keat Chai, a Malaysian male, aged 72, is an Independent Non-Executive Director of the Company. He was appointed to the Board of Directors of the Company on 26 July 2021. He is the Chairman of the Audit and Risk Management Committee and a member of the Nomination and Remuneration Committee.

He passed the examinations of The Institute of Chartered Accountants in England and Wales in 1976 and is a member of the Malaysian Institute of Accountants.

Mr Tai began his career with KPMG in London where he worked for a year. Later in 1978, he joined PricewaterhouseCoopers (PwC Malaysia) in Kuala Lumpur for three years. In 1981, he joined Alliance Investment Bank Berhad and worked for seven years, eventually becoming a Senior Manager of the Corporate Finance department.

Thereafter, Mr Tai spent one year at PwC Consulting Sdn. Bhd. as a Manager providing management consultancy services before joining Berjaya Group Berhad as General Manager of Investment. He was subsequently seconded to SJ Securities Sdn. Bhd. as a General Manager and was involved in the revival of the suspended stockbroking operations.

For a few years from 1991, Mr Tai served as an Executive Director of A.A. Anthony Securities Sdn. Bhd. and subsequently, worked as dealer's representative at Kenanga Investment Bank Berhad. Currently, he is a Director of Fiscal Corporate Services Sdn. Bhd.

Other than the Company, he is a Director of Marine & General Berhad and Talam Transform Berhad.

He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has not been convicted of any offences (other than traffic offences, if any) within the past five (5) years and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the year.

He attended all five (5) Board meetings of the Company held during the financial year 2025.

BOARD OF DIRECTORS' PROFILE



IR. SYED MOHAMED ADNAN BIN MANSOR ALHABSHI

Alternate Director to
Datuk Ir. Teo Chok Boo

→ Malaysian
Age 66
Male

Date of Appointment
21 February 2019

Number of Board Meeting
Attended during FY2025:
N/A

Ir. Syed Mohamed Adnan Bin Mansor Alhabshi, a Malaysian male, aged 66, is an Alternate Director to Datuk Ir. Teo Chok Boo since 21 February 2019. He is also a Director of SMHB Engineering Sdn. Bhd. and SMHB Sdn. Bhd., and is responsible for all the engineering services provided by the company.

He graduated from the University of Adelaide, Australia with a Bachelor degree in Civil Engineering in 1983. He is a Professional Engineer with the Board of Engineers Malaysia, registered as a Qualified Person with the Suruhanjaya Perkhidmatan Air Negara, a member of the Institution of Engineers Malaysia, a member of the Association of Consulting Engineers Malaysia and a Corporate Representative of the Road Engineering Association Malaysia. Ir. Syed Mohamed Adnan was the President of the Malaysian Water Association from 2013 to 2017.

In 2019, he was elected by the Minister of Education to be a member of the Industry Advisory Council of the Ministry of Education, Malaysia on Technical and Vocational Education and Training (TVET) initiatives.

In 2023, he was elected by the Minister of Energy, Green Technology and Water to be a Commission Member (Anggota) of Suruhanjaya Perkhidmatan Air Negara (SPAN).

Ir. Syed Mohamed Adnan has over 42 years of experience in planning, design, project management and construction supervision in particular within the water, highway and rail sectors, urban traffic dispersal schemes, common utility tunnels and land development projects. He started his career in 1983 with SMHB Sdn. Bhd., formerly known as Syed Muhammad, Hooi dan Binnie Sdn. Bhd., and he moved up the ranks from an Engineer to Associate Director, Technical Director and since 2000, he was appointed as Executive Director of SMHB Sdn. Bhd.

Other than the Company, he is not a Director of any other public company or listed issuer.

He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has not been convicted of any offences (other than traffic offences, if any) within the past five (5) years and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

SENIOR MANAGEMENT'S PROFILE

Dato' Ir. Khairudin Bin Sidek

→ Malaysian | Age 75 | Male

1

Having served as a Director since 7 June 2011, he was elevated to the role of Executive Chairman of the Group's associate company, HSS Mekanikal & Elektrikal Sdn. Bhd., with effect on 1 January 2024.

He is a member of the Institution of Engineers, Malaysia, and a Professional Engineer with the Board of Engineers, Malaysia, and a Steam Engineer Grade II. He is also a member of the Association of Consulting Engineers, Malaysia. He is a Member of Institution of Engineer and member of ASEAN Chartered Professional Engineers and a Qualified Person with Suruhanjaya Perkhidmatan Air Negara.

Dato' Ir. Khairudin has accumulated over 52 years' experience in the field of mechanical and electrical engineering. He started his career in 1974 as a Pupil Engineer in Lembaga Letrik Negara, Port Dickson and was subsequently promoted to Shift Engineer in 1978. He left Lembaga Letrik Negara in 1980. From 1980 to 1987, he was attached to Jurutera Konsultant (SEA) Sdn. Bhd. as a shareholder and director with the title of Mechanical Engineering Partner where he was the registered consultant for mechanical and electrical and civil and structural engineering projects. Between 1988 and 1990, he was attached to Hyco Worldwide (M) Sdn. Bhd., which is principally involved in the oil-water emulsion technology for application in combustion of fuel used in power generation as its Managing Director.

In 1991, he became the Regional Manager in South East Asia for Wahlco Environment Systems Incorporated and was attached to the company up to 1993. In 1991, he also became the principal partner for Perunding IMS, which provides mechanical and electrical consultancy services. From 2000 to 2005 he was the Executive Director and shareholder for Zelan Construction Sdn. Bhd., a power plant civil specialist in more than 12 major power plant construction for Independent Power Plants (IPP) and Tenaga Nasional Berhad in Malaysia for both combined cycle and coal-fired Power Plants. This includes coal supply, expansion joints, pollution control and putting together proposals for IPP development in Malaysia. He left Perunding IMS to join HSS Integrated Sdn. Bhd., HSS Mekanikal & Elektrikal Sdn. Bhd. in 2011. He served as Chairman of HSS Integrated Sdn. Bhd. until 1 January 2018. Dato' Ir. Khairudin was an Executive Director of the Company from 17 April 2015 to 1 January 2018.

He does not hold any directorship in public companies or listed issuers and has no conflict of interest with the Group and has no family relationship with any Director and / or major shareholder of the Group. He has also not been convicted of any offences (other than traffic offences, if any) within the past five (5) years and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

Ir. Vimalanathan A/L R. Perumal

→ Malaysian | Age 69 | Male

2

He is currently a Director of HSS Engineering Sdn. Bhd., a subsidiary of the Group since his appointment on 26 August 2024. In this role, he provides strategic direction, guidance and advisory services on technical, financial, procurement, and contractual matters on large-scale civil infrastructure projects, including highways, airports, ports, railways, power plants, mixed developments and township infrastructure.

He graduated with a Bachelor of Engineering (Civil) from the University of Madras, India in 1981 and obtained a Master of Engineering (Civil/Structural Engineering) from the University of Canterbury, New Zealand in 1986.

He is a Registered Professional Engineer with a Practising Certificate from the Board of Engineers Malaysia, a Fellow of the Institution of Engineers Malaysia and a Chartered Professional Engineer with the Institution of Engineers Australia. He is also a member of the Project Management Institute, the Chartered Institution of Highways & Transportation (UK) and the Technical Association of Malaysia. In addition, he serves as a Principal Interviewer for Corporate Membership applicants with the Institution of Engineers Malaysia.

Ir. Vimalanathan has over 45 years of experience in engineering consultancy, project management, and contract advisory services. He has been involved in numerous major infrastructure projects in Malaysia, Brunei, India, South Africa, Philippines, Cambodia, Australia and New Zealand.

He does not hold any directorships in other public companies or listed issuers and has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has also not been convicted of any offences (other than traffic offences, if any) within the past five (5) years and has not been imposed of any public sanction or penalty by the relevant regulatory bodies during the financial year.

SENIOR MANAGEMENT'S PROFILE

Anandanayagam A/L Sharvanandan

→ Malaysian | Age 52 | Male

3

Mr. Anand Sharvanandan currently serves as the Chief Operating Officer of HSS Engineering Sdn. Bhd., with effect from 1 January 2026, having previously served as the Group General Manager of HSS Engineers Berhad since 1 August 2023 and General Manager of Corporate Communications from June 2018 until August 2023. He leads the Group's operational engine and translates strategy into measurable business results. He oversees the Group's day-to-day administrative and operational functions. His portfolio also includes Strategic Business Planning, Corporate Communications, Investor Relations and Business Development. He is also a Director of HEB Energy Sdn. Bhd., HSS International Sdn. Bhd., HSS Integrated (India) Private Limited (formerly known as HSS BIM Solutions Private Limited), HSS ProPick Technologies Sdn. Bhd., HSS Engineering (Cambodia) Co., Ltd. and Unique HEB Energy Sdn. Bhd.

He graduated from Loughborough University, UK with a Bachelor of Engineering (Hons.) in Civil Engineering in 1996 and subsequently, completed his Master of Business Administration at Taylors University, Malaysia in 2020.

He has more than 25 years of experience in the engineering field working in multiple geographical locations covering Malaysia, Sri Lanka and the Middle East. During his 12 years tenure in the Middle East, mainly in Dubai, Abu Dhabi, Ajman, Kuwait, Qatar and Oman, he was involved in several key infrastructure projects in the MENA region.

He began his career as a Graduate Engineer with HSS Integrated Sdn. Bhd. in 1996 and was transferred to HSS Engineering Sdn. Bhd. in 2002. In 2006, he joined Dynasty Developments Pvt Ltd in Sri Lanka as a Project Manager for a housing development project in Kandy, Sri Lanka. Prior to joining HSS Engineers Berhad, he worked as the Chief Operating Officer at Consultant HSS, an engineering consultant firm based in Dubai, starting in May 2007.

He does not hold any directorship in public companies or listed issuers and has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has also not been convicted of any offences (other than traffic offences, if any) within the past five (5) years and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

Ir. Md Jamil Bin Hj Ishak

→ Malaysian | Age 57 | Male

4

He was first appointed as General Manager (Infrastructure) of HSS Engineering Sdn. Bhd. on 1 July 2014 and was elevated to Senior General Manager (Infrastructure), effective 1 January 2026. He is responsible for managing the Infrastructure Division, coordinating the design teams as well as providing technical supervision, guidance and reviewing design works. In addition, he also manages clients and acts as liaison with the relevant authorities and sub-consultants. He is also a Director of BIM Global Ventures Sdn. Bhd., HSS Integrated Sdn. Bhd., HSS Engineering Sdn. Bhd., HSS Joint Venture Sdn. Bhd. and Opus HSS Sdn. Bhd.

He graduated with a Bachelor of Engineering (Civil Engineering - Honours) degree in 1992 from Universiti Teknologi Malaysia. He is a Professional Engineer (PEPC) with the Board of Engineers Malaysia (BEM), a Corporate Member of the Institution of Engineers Malaysia (MIEM), an Interviewer for IEM's Professional Assessment Examination, a member of the Association of Consulting Engineers Malaysia and a member of ASEAN Chartered Professional Engineer and registered as a Qualified Person with Suruhanjaya Perkhidmatan Air Negara (SPAN).

Ir. Md Jamil has accumulated over 35 years of experience in the engineering and project management services market locally and overseas, particularly in planning, design, design management, construction supervision and project management. He started his career at Kedeco Berhad as a Civil Engineer in 1992, and subsequently joined HSS Integrated Sdn. Bhd. in 1993 as a Civil Engineer and was promoted to Senior Engineer in 1997. In 2002 he was transferred to HSS Engineering Sdn. Bhd. as a Principal Engineer, promoted to Chief Engineer (Civil) in 2008 and became General Manager (Infrastructure) in 2014. In January 2026, he was promoted to Senior General Manager.

He does not hold any directorship in public companies or listed issuers and has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has also not been convicted of any offences (other than traffic offences, if any) within the past five (5) years and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

SENIOR MANAGEMENT'S PROFILE

Ir. Zulkiflee Bin Ab. Hamid

→ Malaysian | Age 64 | Male

5

He is a Director of SMHB Engineering Sdn. Bhd. He was appointed on 9 April 2018 to the Board of SMHB Engineering Sdn. Bhd. and is responsible for the Environmental and Process Division.

He graduated from Portsmouth Polytechnic (now Portsmouth University), UK with a Bachelor of Science in Civil Engineering in 1984.

He is a Professional Engineer with the Board of Engineers Malaysia, registered as a Qualified Person with Suruhanjaya Perkhidmatan Air Negara, and a member of both the Association of Consulting Engineers Malaysia and the Institution of Engineers Malaysia. He was the Vice President of the Malaysian Water Association (MWA) from 2015 to 2017, the Honorary Secretary of MWA from 2017 to 2021 and a Council Member from 2021 to 2023. He served as the Vice President of MWA for the term 2023 - 2025.

Ir. Zulkiflee has over 42 years of experience in water supply, sewerage and sewage treatment works, water re-use, urban drainage and pollution control works, infrastructure and mass rail transit projects. He started his career as an Engineer at B-W Perunding Sdn. Bhd. in 1984. In 1988, he joined SMHB Sdn. Bhd. (formerly known as Syed Muhammad, Hooi dan Binnie Sdn. Bhd.) as an Engineer and was thereafter promoted to Senior Engineer in 1991. He joined Ranhill Bersekutu Sdn. Bhd. as a Senior Engineer in 1993 before rejoining SMHB Sdn. Bhd. in 1995 as an Associate Director. He was promoted to Technical Director in 1997, to Director in 2008 and to Executive Director in 2021.

He does not hold any directorship in public companies or listed issuers and has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has also not been convicted of any offences (other than traffic offences, if any) within the past five (5) years and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

Ir. Mathew Philip A/L V.c Philip

→ Malaysian | Age 67 | Male

6

He is the Associate Director (Railways) of HSS Engineering Sdn. Bhd. He was appointed on 29 March 2014 and is responsible for leading and managing railway projects undertaken by HSS Engineering Sdn. Bhd.

He graduated from Universiti Malaya in 1983 with a Bachelor's degree in Engineering and successfully completed his Master of Science in Highways and Transportation Engineering at Universiti Putra Malaysia in 2001. He is a Fellow and PAE Examiner for Corporate Membership applicants with the Institution of Engineers Malaysia, a Professional Engineer with the Board of Engineers Malaysia, and Fellow of the Chartered Institution of Highways and Transportation.

Ir. Mathew Philip has over 43 years of experience in design, design management and project management in mass rail transit, light rail transit, monorail, heavy rails, expressways and highways. He began his career in 1983 with Minconsult Sdn. Bhd. as a Highway Engineer where he was involved in various infrastructure design projects as a graduate engineer. He left Minconsult Sdn. Bhd. in 1991 and joined HSS Integrated Sdn. Bhd. in the same year as a Principal Design Engineer. In 2003, he was transferred from HSS Integrated Sdn. Bhd. to HSS Engineering Sdn. Bhd. as General Manager, and was subsequently promoted to become the Group General Manager.

He does not hold any directorship in public companies or listed issuers and has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has also not been convicted of any offences (other than traffic offences, if any) within the past five (5) years and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

SENIOR MANAGEMENT'S PROFILE

Ir. Rabindranath S. Vethakkan

→ Malaysian | Age 54 | Male

7

Ir. Rabindranath S. Vethakkan is the Senior General Manager of HSS Engineering Sdn. Bhd., responsible for the planning, design management, construction supervision and delivery of the Group's railway and rail-based transportation projects. His responsibilities span heavy rail, metro, LRT and integrated transport systems, including railway scheme development, civil infrastructure design, authority submissions, construction supervision and project management.

He holds a Bachelor of Engineering (Honours) (1995) from the University of Malaya and a Master of Science in Highways & Transportation Engineering (2001) from Universiti Putra Malaysia. He is a Professional Engineer registered with the Board of Engineers Malaysia, a member of both the Institution of Engineers Malaysia, and the Chartered Institution of Highways & Transportation, and an Associate Member of the Association of Consulting Engineers Malaysia.

With over 30 years of experience, Ir. Rabindranath has been extensively involved in major transportation infrastructure projects, particularly in the railway sector. His key assignments include the East Coast Rail Link (ECRL), Klang Valley MRT Lines 1, 2 and 3, Ampang LRT Extension, PUTRA LRT, and related rail and highway developments, covering the full project lifecycle from feasibility and scheme design through detailed design, construction supervision and regulatory approvals.

He began his career with HSS Integrated Sdn. Bhd. in 1995 and has since progressed through senior technical and management roles within the Group. He was appointed as Senior General Manager on 1 January 2026.

He does not hold any directorship in a public company or listed issuer and has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has also not been convicted of any offences (other than traffic offences, if any) within the past five (5) years and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

Wang Thee Kit, Austin

→ Malaysian | Age 49 | Male

8

He is currently the General Manager, Finance for the Group, having served the Group since 3 August 2021. He is responsible for the Group's overall finance functions including the monitoring of business performance and results, profitability and cash flow, executions of financial reporting, treasury management and tax compliance to ensure that the Group meets its business objectives in terms of returns, profitability, and cash flow.

He is a Fellow member of the Association of Chartered Certified Accountants since November 2007. After graduating with a Bachelor's degree in Accounting & Finance from University of London as an external student in 1999, he became a member of the Malaysian Institute of Accountants in 2004. He obtained his Master of Business Administration from the University of Malaya in 2012.

Mr Wang has over 26 years of experience in accounting and finance functions. He started his career with PricewaterhouseCoopers in 1999 and was involved in auditing companies in various industries such as property development, construction, manufacturing, shipping, trading, healthcare and logistics. He was also engaged in special projects such as corporate restructuring, mergers and acquisitions, corporate due diligence and group accounting for clients.

He left PricewaterhouseCoopers as an assistant manager to join the commercial industry. Prior to joining HSS Engineering Sdn. Bhd. in 2021, he was attached to a private hospital, property developers and an electronic payment system company.

He does not hold any directorship in public companies or listed issuers and has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has also not been convicted of any offences (other than traffic offences, if any) within the past five (5) years and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

SENIOR MANAGEMENT'S PROFILE

Roobini Stephanie Sittampalam

→ Malaysian | Age 35 | Female

9

She is currently the General Manager, Legal for the Group, having served the Group since 9 June 2022. She is responsible for providing services in the areas of legal, corporate governance and corporate administrative matters within the Group. She graduated with a Bachelor of Laws from King's College London in 2013. She was called to the Bar of England as a Barrister-at-Law in 2015 and to the Malaysian Bar as an Advocate and Solicitor of the High Court in 2018. She also obtained her Master of Science in Management from Birkbeck College, University of London in 2014.

She has almost 9 years of experience in legal, commercial, banking and corporate matters. She is also experienced in construction and engineering projects, where she has advised on a spectrum of issues from procurement and construction to contract administration. She began her career in the construction department of Messrs Skrine before joining Messrs Kumar Partnership in 2018, focusing on civil and commercial litigation, and company law. In 2022, she left Messrs Kumar Partnership to join HSS Engineers Berhad.

She is the daughter of Tan Sri Ir. Kunasingam A/L V.Sittampalam, the current Executive Vice Chairman and Acting Group Chief Executive Officer of the Company. She does not hold any directorship in public companies or listed issuers and has no conflict of interest with the Group. She also has not been convicted of any offences (other than traffic offences, if any) within the past five (5) years and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.





SUSTAINABILITY STATEMENT

ABOUT THIS STATEMENT

■ Purpose of this Statement

HSS Engineers Berhad (“HEB”, the “Company” or the “Group”) is proud to publish our 2025 Sustainability Statement (“Statement”), marking our decade of sustainability reporting. This Statement reflects our continued focus on embedding sustainability in our operations, decision-making and long-term growth strategy, while supporting Malaysia’s broader development agenda.

Through this Statement, we provide a transparent account of how the Group identifies, manages and responds to its material environmental, social, and governance (“ESG”) matters. It also outlines how sustainability considerations shape our value creation approach and guide our engagement with stakeholders across the value chain.

■ Scope and Boundary

The disclosures in this FY2025, statement cover the Group’s operations and activities in Malaysia, encompassing the following subsidiaries and associates, unless stated otherwise:

- HSS Engineering Sdn. Bhd. (“HSSE”)
- BIM Global Ventures Sdn. Bhd. (“BGV”)

- SMHB Engineering Sdn. Bhd. (“SMHBE”)
- HSS Integrated Sdn. Bhd. (“HSSI”)
- HSS Mekanikal & Elektrikal Sdn. Bhd. (“HSSME”)
- HSS Alliance (Sarawak) Sdn. Bhd. (“HSSA”)
- HSS Propick Technologies Sdn. Bhd. (“HSSPT”)
- SMHB Sdn. Bhd. (“SMHB”)

Entities not included within the scope of this Statement comprise joint ventures, investment holding companies, and the Group’s energy development wholly-owned subsidiary, HEB Energy Sdn. Bhd. (“HEBE”).

■ Reporting Period

This Statement reports on sustainability-related information for the period from 1 January 2025 to 31 December 2025 (“FY2025”). Where relevant and practicable, up to three years of historical quantitative data are presented to provide context and enable trend analysis.

■ Reporting Frameworks

This Statement has been prepared with reference to the following recognised frameworks and guidelines:

- Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Sustainability Reporting Guide Third Edition
- Global Reporting Initiative (“GRI”) Standards

- United Nations Sustainable Development Goals (“UN SDGs”)
- FTSE4Good Bursa Malaysia (“F4GBM”)
- Task Force on Climate-related Financial Disclosures (“TCFD”)

■ Independent Party Verification

The information disclosed in this Statement has undergone internal review and validation processes while the data provided have been approved by the Company management. HEB has not obtained an external assurance for FY2025. The Group acknowledges the value of independent verification and will progressively consider external assurance for selected material sustainability indicators in future reporting cycles.

■ Stakeholder Feedback

We welcome feedback from our stakeholders to strengthen the quality, relevance and clarity of our sustainability disclosures, as well as to enhance our sustainability practices over time. Enquiries may be directed to:

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B1(1–4), Block B, Plaza Dwtasik
No. 21, Jalan 5/106,
Bandar Sri Permaisuri
56000 Kuala Lumpur
Tel: +603 9173 0355
E-mail: ssc-heb@hss.com.my

SUSTAINABILITY STATEMENT

■ Forward-Looking Statements

This Statement includes forward-looking statements relating to the Group's sustainability aspirations, targets, plans and anticipated performance. These statements are based on reasonable assumptions and current expectations. As the Group's operations may be affected by external factors and uncertainties beyond its control, actual outcomes may differ from those expressed or implied. There is no restatement of data from the previous reporting year for FY2025 Statement.

➔ Sustainability Highlights in FY2025

15,347 kg

of scheduled and general waste diverted from landfill via recycling and proper disposal



29.07 MWh

reduction in energy consumption compared to FY2024



Zero

cases of non-compliance with relevant laws and regulations



9.2

average training hours



100%

of operations assessed for corruption-related risks



Scored **86%**

on our Client Satisfaction Index



Zero

work-related fatalities for four consecutive years



Zero

non-conformance report



14

new Protégé hires



Zero

cases of data privacy and security breach



100%

local procurement spending



➔ SUSTAINABILITY AT HEB

■ Sustainability Governance

We take a structured approach to managing sustainability across our Group, guided by established standards and regulatory expectations. Our governance practices are designed to embed sustainability into everyday operations, ensuring that responsibility and transparency are consistently applied throughout the organisation.

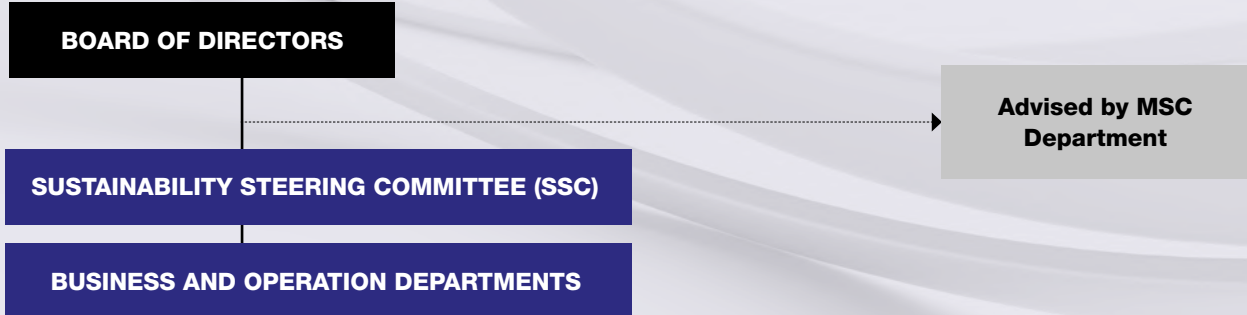
➔ HEB Sustainability Governance Structure

BOARD OF DIRECTORS

SUSTAINABILITY STEERING COMMITTEE (SSC)

BUSINESS AND OPERATION DEPARTMENTS

Advised by MSC Department



SUSTAINABILITY STATEMENT

As outlined in the Sustainability Policy, the roles and responsibilities of our sustainability governing bodies are detailed in the table below.

Governance Body	Roles and Responsibilities
Board of Directors (“BoD”)	<ul style="list-style-type: none"> • Provide guidance and set the overall sustainability strategy to achieve the Group’s goals and objectives • Monitor and review the progress of the Group’s sustainability initiatives • Hold ultimate accountability for reviewing and approving all sustainability strategies, policies, and initiatives submitted by the SSC
Sustainability Steering Committee (“SSC”)	<ul style="list-style-type: none"> • Report directly to the BoD to ensure sustainability priorities, commitments, and issues are reviewed, approved, and implemented • Develop and coordinate sustainability initiatives in collaboration with Business and Operations Departments, aligning with HEB’s values and strategic objectives
Management System Compliance (“MSC”)/ Integrated Management System (“IMS”) Department	<ul style="list-style-type: none"> • Operate independently to ensure sustainability practices comply with the Company’s IMS and support long-term organisational sustainability
Business and Operation Departments	<ul style="list-style-type: none"> • Plan and execute annual ESG initiatives in partnership with the SSC to meet targets • Implement approved sustainability strategies and initiatives within respective areas • Provide regular data, progress updates, and reports to the SSC on a quarterly basis

Sustainability risks and opportunities are integrated into the Group’s Enterprise Risk Management (“ERM”) framework, enabling ESG-related risks to be systematically identified, assessed, and managed alongside other business risks.

Relevant sustainability risks, including regulatory compliance, occupational safety and health, climate-related risks, and ethical business conduct, are evaluated through the Group’s established risk management processes. The Sustainability Steering Committee (“SSC”) works closely with the Risk Management function to monitor these risks and ensure that appropriate mitigation measures and internal controls are implemented across the organisation.

The SSC provides regular updates to the Board of Directors on the Group’s sustainability performance, key ESG risks, and progress against sustainability initiatives. These updates are typically presented on an ad-hoc basis, enabling the Board to review developments, provide strategic guidance, and ensure that sustainability considerations remain integrated into the Group’s business strategy and decision-making processes.



HSS Engineering Berhad’s sustainability policy can be accessed on the link below
https://hssgroup.listedcompany.com/misc/SUSTAINABILITY_POLICY.pdf

■ Ethical Business Conduct

HEB operates on the principles of honesty, integrity, and respect, which guide both strategic decisions and day-to-day actions. We prioritise embedding ethical practices into all levels of the organisation, ensuring that governance standards are upheld and that stakeholder interests are protected over the long term. Policies and procedures are reviewed annually/biannually to adapt to evolving risks and regulatory expectations.



HSS Engineering Berhad’s Corporate Governance Overview Statement can be accessed on the link below
https://hssgroup.listedcompany.com/corp_governance.html

SUSTAINABILITY STATEMENT

Regulatory Compliance

With the increasing emphasis on corporate governance and regulatory oversight, we continuously strengthen our internal controls and embed structured processes to ensure that all operations adhere to applicable laws and regulations. In line with that, we comply with a comprehensive list of laws and regulations, including but not limited to the following:



In FY2025, we recorded 0 instances of non-compliance.

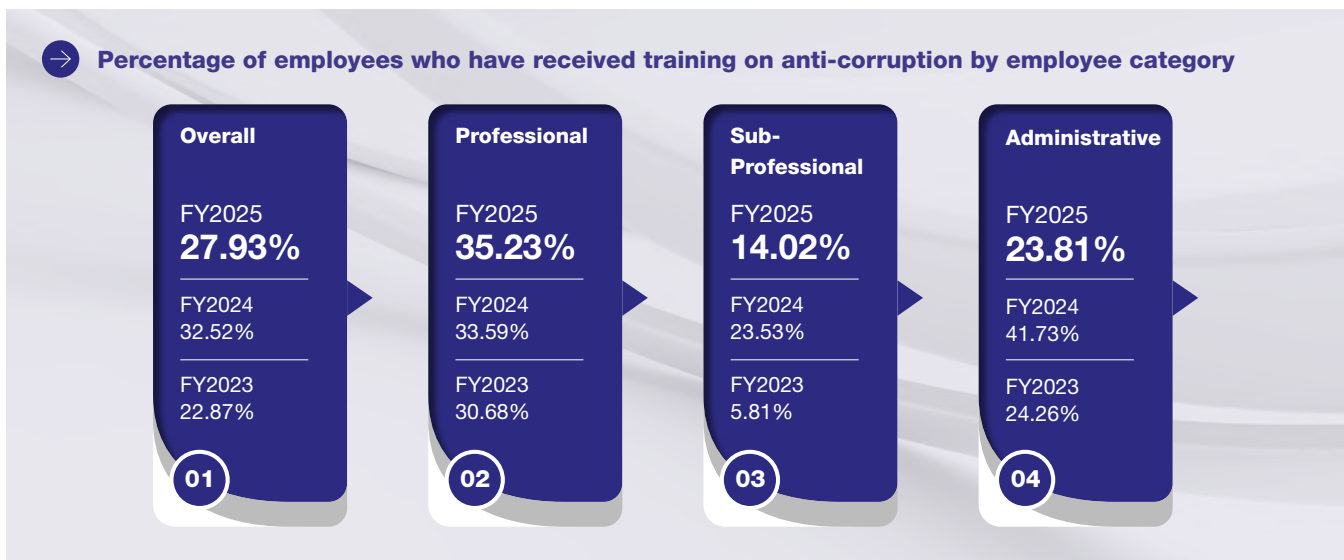
Anti-Corruption and Bribery

We maintain zero tolerance for corruption and bribery in any form. Understanding the risks associated with unethical practices, we regularly assess all operations for potential corruption vulnerabilities by engaging an independent internal auditor. In FY2025, 100% of our operations underwent corruption risk assessments, demonstrating our proactive approach to safeguarding the integrity of the Group.

Our Anti-Bribery Policy ("AB Policy") aligns with Section 17A(5) of the Malaysian Anti-Corruption Commission Act ("MACC") 2009. Oversight is provided by an independent committee supported by the Anti-Bribery Management System ("ABMS"), which reports directly to the Board of Directors and Executive Committee. The Board plays a central role in approving, reviewing, and refining anti-bribery initiatives to reinforce governance standards. In FY2025, there were 0 confirmed corruption incidents.

Beyond regulatory compliance, we cultivate a culture of ethics through structured onboarding programmes for new employees and annual refresher training for all staff. By keeping ethics and integrity at the forefront of our operations, we ensure that anti-corruption principles are embedded across every aspect of the Group's activities.

In FY2025, 27.93% of our employees have undergone anti-corruption training.



SUSTAINABILITY STATEMENT

■ Whistleblowing Mechanism

At HEB, we actively cultivate a culture that encourages transparency and accountability while protecting those who speak up. In line with that, we maintain our Whistleblower Policy that allows both internal and external stakeholders to report issues, including matters related to human rights.

Concerns raised through this mechanism are treated with the highest level of confidentiality. We commit to investigate all reports thoroughly, addressing any issues identified, and implementing appropriate corrective actions. Investigation findings, recommendations, and agreed remediation measures are reported directly to the Chairman of the Audit and Risk Management Committee or the Executive Vice Chairman. The Group's Internal Audit team typically conducts investigations unless an alternative investigator is appointed by the Committee. Where necessary, disciplinary action is applied to ensure accountability and reinforce our ethical standards.

In FY2025, no whistleblowing cases were reported.



HSS Engineering Berhad's Whistle-blower Policy can be accessed on the link below
https://hssgroup.listedcompany.com/misc/WHISTLE_BLOWER_POLICY.pdf

■ Sustainability Framework

We drive our sustainability efforts through a clear Sustainability Framework, built around four core pillars. These pillars guide how we conduct business responsibly, embed innovation and sustainable practices across our operations, and contribute positively to the communities where we operate.



Valuing/ Developing Human Capital

We value our people and recognise that delivering exceptional outcomes starts with having an exceptional workforce. Our workforce comprises individuals who are highly respected experts with talent, experience and passion in their fields. Challenging boundaries, they look beyond the project scope to help shape a better future.



Connecting Community

People and communities benefit from our engineering solutions allowing better connectivity and improved accessibility. Our innovative engineering solutions enhance livelihoods and have a clear objective: making the world more liveable, sustainable and inclusive.



Transforming the Nation

We are dedicated to providing engineering solutions that go beyond conventional thinking. Our projects are enablers to Malaysia's economic advancement and showcase Malaysia's engineering expertise.





















Sustaining the Environment

Our engineering solutions always prioritise sustainability principles. We are committed to sustainability that is unparalleled in its scope and reach within our industry, regionally and internationally.




SUSTAINABILITY STATEMENT

■ Stakeholder Engagement

Acknowledging that our stakeholders have diverse interests and expectations shaped by the ways our business activities impact them, we are dedicated to fostering regular and meaningful dialogues to understand and address their needs. We ensure our stakeholders remain informed about our sustainability initiatives, goals, and achievements by maintaining open communication channels. This engagement allows us to gain valuable insights into their perspectives, needs, and concerns, which in turn help refine our sustainability strategy and enhance our overall efforts. The following outlines our engagement practices with various stakeholder groups:

Stakeholder Group	Why We Engage	Engagement Method	Related Material Matters
Shareholders and Investors 	Aligning with our shareholders' expectations is key to ensuring business performance, maintaining transparency, and creating sustainable value through sound governance, risk management, and internal controls.	<ul style="list-style-type: none">  Financial Result Announcements  Annual General Meetings  Extraordinary General Meetings 	<ul style="list-style-type: none"> • Sustainable Solutions • Ethical Business Conduct • Employee and Public Safety • Quality and Client Satisfaction
Employees 	Fostering strong relationships with employees is crucial to building an inclusive and motivating work environment that drives high performance, satisfaction, and long-term loyalty.	<ul style="list-style-type: none">  Employee Grievance System  Employee training  Email communication  Management meetings  Other events, including functions and informal gatherings 	<ul style="list-style-type: none"> • Employee Management • Employee and Public Safety • Ethical Business Conduct
Regulatory Authorities 	Maintaining close collaboration with regulators supports national development initiatives, ensures compliance, and advances Malaysia's sustainability objectives, including the Malaysian Green Agenda and Green Technology Master Plan.	<ul style="list-style-type: none">  Reports and compliance 	<ul style="list-style-type: none"> • Sustainable Solutions • Ethical Business Conduct
Clients 	Building trust with clients is central to understanding their needs and providing clear, reliable guidance across all engineering and project management services.	<ul style="list-style-type: none">  Customer satisfaction survey  Customer complaints platform 	<ul style="list-style-type: none"> • Sustainable Solutions • Quality and Client Satisfaction
Analysts and Media 	Maintaining regular communication with analysts and media ensures timely sharing of project information and strengthens transparency during corporate events and launches.	<ul style="list-style-type: none">  Analysts' briefings  Media interviews, press releases and website postings 	<ul style="list-style-type: none"> • Ethical Business Conduct

SUSTAINABILITY STATEMENT

Stakeholder Group	Why We Engage	Engagement Method	Related Material Matters
Community and Public 	Building strong relationships with communities allows us to deliver innovative engineering solutions while engaging them meaningfully through our project activities.	 Community engagement activities	<ul style="list-style-type: none"> Local Communities Employee and Public Safety
Suppliers 	Supporting local suppliers and fostering their development strengthens our supply chain and promotes shared growth across our operations.	 Contract bidding and procurement management	<ul style="list-style-type: none"> Sustainable Solutions Quality and Client Satisfaction

Legend: ● Annually ▲ Quarterly ● Per project basis ● As and when required — Throughout the year

MATERIALITY

Materiality assessments play a central role in helping us identify and prioritise the environmental, social and governance (“ESG”) matters that have the most significant impact on our business and stakeholders. Through this process, the Group is able to focus on key sustainability issues that influence long-term value creation, risk management and strategic decision-making.

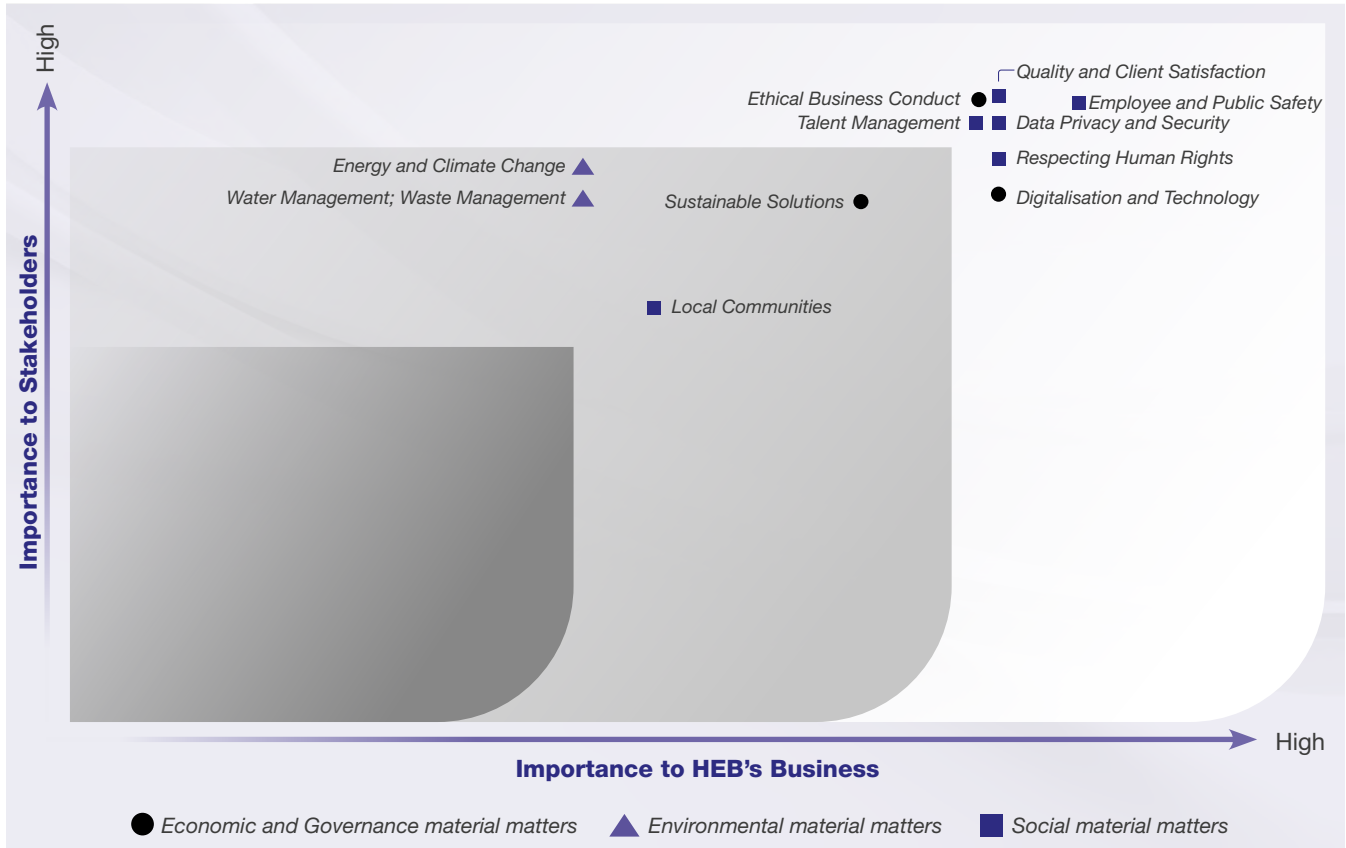
In FY2025, we reviewed the 11 material matters identified in the previous assessment and considered internal inputs and stakeholder perspectives to determine whether there were any changes in the significance of impacts.

The review was conducted through a structured materiality assessment process consisting of the following steps:



SUSTAINABILITY STATEMENT

Based on this review, the Group confirmed that the 11 material matters previously identified remain relevant and continue to have significant economic, environmental, and social impacts on the organisation and its stakeholders.



Materiality Matters Management Approach

To effectively address the sustainability matters identified through our materiality assessment, the Group adopts a structured management approach to guide how these issues are managed across our operations. This approach outlines why each matter is important to the Group and its stakeholders, the policies and practices in place to manage the issue, the initiatives undertaken during the year, and the indicators used to monitor performance.

By applying this approach, the Group seeks to integrate sustainability considerations into its business practices, manage associated risks and opportunities, and continuously improve its sustainability performance.

■ Economic & Governance matters ■ Environmental matters ■ Social matters

01 Quality and Client Satisfaction

Why It Matters

Delivering high-quality engineering consultancy services is essential for maintaining client trust and ensuring successful project outcomes.

Our Approach

The Group implements quality management practices and continuous improvement processes to ensure that projects meet client expectations and regulatory requirements.

Key Initiatives

- Client satisfaction surveys
- Continuous improvement of project delivery processes
- Professional training for engineers
- Obtained ISO 9001 Quality Management System certificate

Key Indicators

- Client satisfaction index
- Number of non-conformance reports

SUSTAINABILITY STATEMENT



02 Employee and Public Safety

Why It Matters

Ensuring the safety of employees and the public is fundamental to responsible project delivery and operational excellence.

Our Approach

The Group adopts safety management practices aligned with applicable occupational health and safety regulations and promotes a safety culture across all operations.

Key Initiatives

- Safety awareness and training programmes
- Compliance with occupational safety regulations
- Safety monitoring and reporting
- Obtained ISO 45001 Occupational Health and Safety (OH&S) Management System certificate

Key Indicators

- Number of work-related incidents
- Number of fatalities
- Safety training participation



03 Ethical Business Conduct

Why It Matters

Ethical conduct is essential for maintaining stakeholder trust and ensuring compliance with laws and regulations.

Our Approach

The Group maintains a zero-tolerance policy towards corruption and unethical practices and promotes transparency through governance policies and internal controls.

Key Initiatives

- Anti-Bribery Management System (ABMS)
- Anti-corruption training programmes
- Whistleblowing mechanism
- Obtained ISO 37001 Anti-bribery Management System certificate

Key Indicators

- % employees trained on anti-corruption
- Number of corruption incidents
- Number of whistleblowing cases



04 Data Privacy and Security

Why It Matters

Protecting sensitive information related to projects, clients, and employees is essential for maintaining trust and business continuity.

Our Approach

The Group implements data protection measures and internal controls to safeguard confidential information and minimise cybersecurity risks.

Key Initiatives

- Secure IT infrastructure and data protection practices
- Staff awareness on information security
- Monitoring of data access and usage

Key Indicators

- Number of data breach incidents

SUSTAINABILITY STATEMENT

05 Talent Management



Why It Matters

A skilled and motivated workforce is critical to delivering high-quality engineering consultancy services and supporting long-term business growth.

Our Approach

The Group focuses on attracting, developing and retaining talent through training programmes, career development opportunities and employee engagement initiatives.

Key Initiatives

- Training and professional development programmes
- Protégé and graduate development programmes
- Employee engagement initiatives

Key Indicators

- Average training hours per employee
- Employee turnover rate
- Number of employees

06 Respecting Human Rights



Why It Matters

Respecting human rights supports fair employment practices and promotes a safe and inclusive workplace.

Our Approach

The Group adheres to applicable labour laws and promotes equal opportunity, fair treatment and respect for employees.

Key Initiatives

- Employee grievance mechanism
- Compliance with labour laws
- Workplace diversity and inclusion practices

Key Indicators

- Number of human rights violations
- Number of grievance cases reported

07 Digitalisation and Technology



Why It Matters

Digital technologies enhance engineering efficiency, improve design accuracy and strengthen project coordination.

Our Approach

The Group promotes the adoption of digital engineering tools and technologies to enhance operational efficiency and innovation.

Key Initiatives

- Adoption of Building Information Modelling (BIM)
- Digital collaboration tools for project management
- Technical training programmes

Key Indicators

- Number of employees trained in digital tools

SUSTAINABILITY STATEMENT



08 Energy and Climate Change

Why It Matters

Energy consumption contributes to greenhouse gas emissions and environmental impact. Managing energy use helps reduce the Group's carbon footprint and operating costs.

Our Approach

The Group monitors energy consumption across its operations and promotes energy-efficient practices.

Key Initiatives

- Energy efficiency initiatives in office operations
- Monitoring electricity consumption

Key Indicators

- Energy consumption (MWh)
- Scope 1 & 2 carbon emissions



09 Sustainable Solutions

Why It Matters

The Group's engineering and project management services influence the sustainability performance of infrastructure projects.

Our Approach

Sustainability considerations are incorporated into project design and management to improve resource efficiency and environmental performance.

Key Initiatives

- Sustainable design considerations in projects
- Collaboration with clients on sustainable engineering solutions

Key Indicators

- % projects incorporating sustainable design practices



10 Water Management and Waste Management

Why It Matters

Responsible management of water and waste helps reduce environmental impact and promotes resource efficiency.

Our Approach

The Group implements responsible waste disposal practices and encourages resource efficiency within office operations.

Key Initiatives

- Recycling initiatives
- Proper disposal of scheduled waste
- Monitoring waste generated
- Adhering to ISO 14000 Environmental Management System guidelines

Key Indicators

- Total waste generated
- Waste recycled or diverted from landfill

SUSTAINABILITY STATEMENT



11 Local Community

Why It Matters

Infrastructure development and engineering activities may impact surrounding communities. Supporting local communities contributes to inclusive development.

Our Approach

The Group engages with local communities through project activities and social initiatives that contribute to community wellbeing.

Key Initiatives

- Community engagement initiatives
- Participation in community programmes

Key Indicators

- Community investment amount
- Number of community initiatives

The Group is progressively strengthening its sustainability management practices and monitoring key performance indicators related to its material sustainability matters. At this stage, the Group is focused on establishing consistent data collection and monitoring processes to better understand its sustainability performance. As these processes mature, the Group intends to progressively develop measurable targets to further enhance its environmental, social and governance performance.

Sustainability Risks and Opportunities



As part of our sustainability agenda, we continuously assess risks and opportunities that may affect our business, operations, and the industry in which we operate. This approach allows us to anticipate emerging challenges while identifying opportunities that support our competitive position, access new market opportunities, and reinforce our long-term value creation.

Economic and Governance Pillar






Related UN SDGs	Risks	Opportunities	Management Action Plan
	<ul style="list-style-type: none"> • Increasing regulations which can escalate costs • Non-compliance will result in tarnished reputation and regulatory fines 	<ul style="list-style-type: none"> • Strong compliance and risk management practices can enhance organisational credibility, reduce regulatory uncertainty, and support sustainable business growth • Evolving regulatory frameworks create opportunities to strengthen governance practices, enhance operational resilience, and build long-term stakeholder confidence • Collaboration with universities and research institutions presents opportunities to advance sustainable engineering capabilities, foster innovation, and support future-ready infrastructure solutions 	<ul style="list-style-type: none"> • Conduct risk assessment and develop crisis management plan, monitoring and reviewing project performance and compliance with regulations • Identify regulatory risks, conducting gap analysis, creating compliance policies and internal controls, implementing training, and conducting compliance audits

SUSTAINABILITY STATEMENT

Environmental Pillar

Related UN SDGs	Risks	Opportunities	Management Action Plan
 	<ul style="list-style-type: none"> Climate change can lead to extreme weather events, such as floods, storms, and heatwaves, disrupting construction schedules, damaging infrastructure, and increasing project costs Increasing environmental regulations related to carbon emissions and sustainability may require costly adjustments to construction practices, technologies, and materials to meet new standards 	<ul style="list-style-type: none"> Increased demand for eco-friendly, energy-efficient buildings presents opportunities to lead in sustainable construction practices, offering innovative solutions and attracting environmentally conscious clients Rising awareness of climate change creates opportunities to develop infrastructure that is resilient to extreme weather, enhancing long-term project value and ensuring safer, more durable construction 	<ul style="list-style-type: none"> Implement energy-efficient technologies, reduce waste, and use sustainable materials across projects to minimise the company's carbon footprint and contribute to environmental conservation Regularly assess climate-related risks, develop strategies to address potential impacts, and ensure all projects are designed to be resilient to climate change effects, such as extreme weather and rising sea levels

Social Pillar

Related UN SDGs	Risks	Opportunities	Management Action Plan
    	<ul style="list-style-type: none"> Ineffective talent management will lead to knowledge deficits, project holdups and increased turnover expenses Poor customer service would lead to losing customers' interest and damaging our reputation and branding 	<ul style="list-style-type: none"> Strong employer branding and a positive work culture can enhance talent attraction and retention, supporting workforce stability and long-term competitiveness Delivering consistent, high-quality work and service excellence can strengthen customer trust, enhance reputation, and create opportunities for repeat business and new client growth Effective talent acquisition and development can position the Group as an employer of choice, enabling access to a wider and more diverse talent pool 	<ul style="list-style-type: none"> Streamlining talent acquisition strategy to enhance the Group's image as an employer of choice Customer feedback through customer service surveys

SUSTAINABILITY STATEMENT

ECONOMIC AND GOVERNANCE

■ SUSTAINABLE SOLUTIONS

Sustainable solutions continue to play a central role in our engineering and construction project management services, supporting efforts to minimise environmental impacts, manage costs effectively, and deliver long-term value for clients and communities. In managing this material matter, the Group integrates sustainability considerations into project planning and delivery to optimise economic performance, strengthen business resilience and create shared value for stakeholders.



■ Business Scale

Segment	Unit	FY2025	FY2024	FY2023
Revenue	RM mil	221	201	187
Total Equity		298	292	259

The Group monitors and reports the economic value generated and distributed through its operations, including revenues derived from engineering and project management services, operating costs, employee wages and benefits, payments to providers of capital and the government.

■ Economic Value Generated and Distributed

Segment	Unit	FY2025	FY2024	FY2023
Economic Value Generated	RM mil	221	201	187
Revenue		221	201	187
Economic Value Distributed		182	164	156
Operating Cost		70	57	52
Employee Wage and Benefits		112	108	105
Tax Payment		4	7	6

The Group also contributes to broader socio-economic development by supporting infrastructure and development projects that enhance connectivity, efficiency and service delivery for communities and industries. Significant infrastructure investments and services supported by the Group are evaluated for their long-term benefits to stakeholders, including local communities and project beneficiaries.

As part of our indirect economic contributions, we prioritise engaging qualified local suppliers and service providers where feasible through our procurement processes. In FY2025, we allocated 100% of our total procurement spend to local suppliers, demonstrating our commitment to supporting the local economy and strengthening surrounding communities.

Through these practices, we reinforce our commitment to responsible business conduct, sustainable economic value creation, and positive economic contributions in the areas where we operate.

SUSTAINABILITY STATEMENT

01

Development of a Solar Photovoltaic Plant with an export capacity of 29.99 MWAC in Kuala Muda, Kedah (“Plant”) under the Corporate Green Power Programme launched by the Energy Commission of Malaysia.



Description: The project involves the development of a 29.99 MWAC Solar Photovoltaic (PV) power plant located in Kuala Muda, Kedah, implemented under the Corporate Green Power Programme (CGPP) by the Energy Commission of Malaysia. The plant is designed to generate renewable energy for corporate off-takers, contributing to sustainable energy development and the reduction of carbon emissions. The services provided include project planning and coordination, engineering design and technical review of civil and electrical works, preparation of statutory and regulatory submissions, environmental and sustainability considerations in line with applicable requirements, construction support and monitoring, as well as testing, commissioning, and grid interconnection coordination. All services are carried out in accordance with applicable standards, regulatory requirements, and organisational management systems to ensure compliance and continual improvement

Key impact:

ENVIRONMENT

The project significantly reduces carbon emissions by replacing fossil fuel-based electricity generation with clean solar energy. We adopt environmentally responsible practices such as:

- ✓ Conducting Environmental Impact Assessments (EIA)
- ✓ Minimising land disturbance and preserving local biodiversity
- ✓ Implementing erosion and sediment control measures
- ✓ Using recyclable and low-impact materials where possible

SOCIAL

The project promotes local economic development by creating job opportunities during construction and operation phases. We prioritise hiring local workforce and engaging local suppliers where feasible. We also ensure health and safety compliance, provide proper training, and maintain continuous stakeholder engagement to address community concerns.

ENERGY EFFICIENT

We optimise system design using high-efficiency PV modules and inverters to maximise energy yield. Smart monitoring systems are implemented to ensure optimal performance and early fault detection



SUSTAINABILITY STATEMENT

02

The Implementation of Penang Transport Master Plan (PTMP) - Penang Light Rail Transit (PLRT) for Package P3, P4 & P5

The proposed Penang Transport Master Plan (PTMP) Penang Light Rail Transit (PLRT) project covers an approximate distance of 23.7km and is the first urban rail line which will be the backbone of the rail network in Penang state. The implementation demonstrates the Government's commitment to provide better public transportation services for Penang state, uplifting the standard of living among the island citizens and turning Penang into a choice destination for investment and commerce.

SMHB Sdn. Bhd. has been appointed as the Detailed Design Consultant for 3 out of its 7 packages. The client recognises the importance of ESG elements intent to incorporate at the project's design and planning stage to achieve a sustainable development and promote low-carbon options for this project. The inclusion of ESG elements in the project design will also lead to achieve a higher level of Sustainable Development Goals (SDGs).



Key Sustainability Highlights

1 BUILDING INFORMATION MODELLING (BIM) FOR OPTIMISATION

Enhance coordination between Civil & Structural (C&S), Architectural, and Mechanical & Electrical (M&E) disciplines and provides significant project value.

Waste Reduction:

Clash detection during the design phase minimises material rework and construction waste.

Resource Efficiency:

Optimises structural design, ensuring materials (like steel and concrete) are used efficiently without compromising safety.

Performance Simulation:

Allows for the simulation of energy efficiency and structural integrity prior to construction, ensuring the building performs as per the design.

2 WATER CONSERVATION

Implementation of rainwater harvesting systems where practical that reduces demand for municipal treated water by collecting and storing rainwater for non-potable uses.

3 INDUSTRIALISED BUILDING SYSTEM (IBS) / PREFABRICATION




Adoption of off-site fabrication for key structural and architectural components significantly reduces material wastage (e.g., concrete formwork, off-cuts) compared to traditional cast-in-situ methods.

SUSTAINABILITY STATEMENT

DIGITALISATION AND TECHNOLOGY

Digitalisation continues to be a key enabler of HEB's sustainability agenda and long-term growth, supporting our ability to adapt to economic, environmental, and social changes within the built environment. As our operating context evolves, digital tools and technologies allow us to respond more effectively to emerging challenges while improving efficiency, resilience, and delivery outcomes across our projects.

Advancing our digital capabilities also creates opportunities to deploy innovative solutions and foster productive, high-value employment, which remain central to our business focus. By increasing demand for skilled professionals, digitalisation enhances productivity, optimises costs, and accelerates project timelines, while contributing to broader economic value creation. It also supports improved design accuracy, collaboration, and resource management, resulting in more efficient, sustainable, and high-quality infrastructure outcomes.

<h1>01</h1> <h3>Digital Workflow & Document Management</h3>  <ul style="list-style-type: none"> • Implementation and expanded use of DocuSign for approvals and signatures in non-technical departments • Reduction in manual, paper-based processes and improved turnaround time for approvals • Ongoing improvements to document control practices (registers, version control, access standardisation) 	<h1>02</h1> <h3>Enterprise Systems & Operational Digitalisation</h3>  <ul style="list-style-type: none"> • Rollout of a company-wide timesheet system to track staff utilisation and project performance • Strengthening of project and financial data structures in preparation for ERP integration • Improvements in internal data consistency (e.g. project master data alignment across departments) 	<h1>03</h1> <h3>Cybersecurity & Digital Awareness</h3>  <ul style="list-style-type: none"> • Implementation of ThriveDX for organisation-wide security awareness training • Conducted phishing simulation exercises to assess and improve staff awareness • Increased focus on information security practices and compliance readiness
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01

Development of Container Terminal at Tuna Tekra, India - Design & Build (Package 2)



Engineering design for a container terminal in India, utilising Building Information Modelling (BIM) services. BIM technology allows for precision in design and construction, reducing material waste and improving the long-term operational efficiency of the terminal.

02

Cadangan Pembangunan Pusat Data Di Atas Lot 9205, Bagan Datuk, Perak (Phase 1-10MW Facility F1)



The project site is located on a 49.956 acre plot of land in Bagan Datuk, Perak. The client intends to develop a Tier IV Data Centre with an IT Load of 10MW-12MW with ancillary support facilities adhering to the highest standards (uptime standard) of reliability, efficiency and security. The project involves the design of a Tier IV Data Centre, designed to the "highest standards of reliability and efficiency" (Tier IV/Uptime standard), which minimizes energy waste and maximizes operational resilience