



**ENGINEERS**

**HSS ENGINEERS BERHAD**

Registration No. 201501003232 (1128564-U)

**FULLY INTEGRATED PROFESSIONAL SERVICES &  
PROJECT MANAGEMENT COMPANY**



# HSS ENGINEERS BERHAD

## “Silently Surpassing Expectations, Poised for Growth”

### Q2 2024 INVESTOR OVERVIEW



CERTIFIED TO ISO 37001:2016  
CERT. NO.: ABMS 00158



ENGINEERING NEWS -  
RECORD (ENR) 2022

*“The Engineering DNA of Malaysia”*



**26 AUGUST 2024**

# 1. OPERATIONAL HIGHLIGHTS



**COMMENDABLE ORDER BOOK (RM)**
**OUTSTANDING  
(30<sup>th</sup> JUNE 2024)**
**RM 2.1  
Billion**
*As of 30<sup>th</sup> June 2024*
**CONSUMPTION  
(1H 2024)**
**RM 82\***
*\*Delayed and In line with project progress & CPs to be fulfilled for international project*
**NEW ORDERS SECURED  
(YEAR TO DATE)**
**RM 850  
Million**
**ACTIVE TENDER  
BOOK**
**RM 483\***  
**Million**
*\* Does not include projects under the privatization mode & direct negotiation*
**• Imminent & Prospective Projects (2024)**
**Local**

- GDS PMC (KTP)
- Westport 2 (in Phases)
- Pan Borneo Phase 1A (Extension)
- RASAU Package A & B
- Jeniang Transfer

**International**

- Najaff –Karbala HSR, Iraq
- ADB Dawao BRT, Philippines



# 2. “HOLISTIC ACTION PLAN FOR GROWTH & FUTURE INITIATIVES”



V1



**Engineering Services**

- Engineering Design
- Construction Supervision

V2



**Project Management**

V3



**Digital Transformation**

V4



**Recurring & Long Term Income Based Contracts**

**A New Service development**  
 ➤ Digital Tech (Data Centre & Telco services) - Locally & Regionally

**B Expansion to Sarawak (New -Setup) – Set up is ready**

**C New Service Development (Digital Transformation)**  
 ➤ Construction Management Integrated System (CMIS) – “Site Buddy”  
 ➤ Expansion of BIM Services to Philippines  
 ➤ HSS Propick Technologies

**D Strategic Partnership**  
 ➤ Initiatives with Japanese consultants & Government authorities to participate in JICA & Non-JICA projects globally

**E Expansion into ASEAN region (Indonesia, Philippines & India) through smart partnership & acquisition**

**G Strategic Partnership**  
 • Initiatives with Shizen Energy

# HOLISTIC ACTION PLAN FOR GROWTH & FUTURE INITIATIVES

## A) NEW SERVICES DEVELOPMENT – DIGITAL TECH (DATA CENTRE)

- Diversified in the Data Centre sector in 2023.
- Order Book (Data Centre) RM 60 mil.
- Tender Book Data Centre: RM 30.0 mil (30 Jun 2024)
- **Upcoming opportunities (PMC Services) for HSS in DC Space:-**
  - K2 (Total 300MW, Phase 1 40 MW being Handed Over)
  - Princeton DG (Total 150MW, Completed 15MW)
  - DC (China Investor) in Negeri Sembilan (100MW)
- **Exporting our PMC Services for DC to Indonesia (540MW – Committed & 650MW Planned)**

Proposed Data Centre at Cyberjaya for **Infinaxis Data Centre**



PMC for a New Data Centre for **Basis Bay at Cyberjaya**



PMC for a New **K2 Data Center (JHR01-03) at Sedenak Tech Park (Step), Johor**



PMC Services for **GDS KTP Data Centre Development (Building E, D and C) in Johor**



**Yellowwood Data Centre Phase 2**



PMC for (Site) for **GDS KTP Starhill, Kempas Lama, 81330, Skudai, Johor**



**275/33/11 KV SS Bridge Data Centres, landing station in Kidex, Johor for CBH Engineering**



**1<sup>st</sup> PMC only for substation 2023**

**Yellowwood Data Centre and its electrical substation at Sedenak Tech Park, Johor**



**1<sup>st</sup> Full PMC 2023**



### A) TELCO SECTOR

#### Currently

- DNB Phase 1A/1B & 2A (Total about 6500 Sites) :- Commercial Contract Management & Site Management) completed

#### Prospects

- Continuation of DNB :- Commercial Management Only
- SAQ & Consultancy Service for 500 Towers Nationwide under a renowned NFP
- PMC for Jendela Phase 2
- 5G Enterprise Solution (Seeking Partners –System Integrator) - (Due Diligence On Going)



### B) INDUSTRIAL & MANUFACTURING SECTOR – “ HSS EPCMS”

### C) HEALTHCARE

- *Digital Healthcare :- Hospital Information System (HIS) / Electronic Medical Record (EMR) – Embarking*



## SARAWAK: "TRANSITIONING INTO AN ECONOMIC POWERHOUSE"

1. "Sarawak is elevating its game through advanced infrastructure." -State's Post COVID-19 Development Strategy (PCDS) 2030, which aims to reach a GDP of MYR 282 bn by 2030
  - **Water Resources**
    - Sarawak's overall water supply coverage in stood at 84.1%; 99% coverage for urban areas, and 66.9% coverage for rural areas, with the aim to achieve 100% water supply coverage by 2030 as per the Sarawak Water Supply and Water Grid Master Plan.
  - **Flood Mitigation Projects**
    - Phase 2 of the Kuching flood mitigation project/ Sibul/Flood Mitigation Project was one the 33 high priority nationwide flood mitigation projects
  - **Potential To Be a Data Centre Hotspot**
  - **Enhanced Road Connectivity In The Works**
  - **Ports**
2. Sarawak recorded MYR 14.6bn worth in terms of value of construction work done in 2023 (the fourth largest after Selangor, Federal Territory and Johor – representing a 5- year CAGR of 4.5%
3. **Potential Projects**
  - *Bintulu Bitumen Plant*
  - *Miri City Council – Solid Waste Management*
  - *Trans-Borneo Railway, Sarawak*



*Three (3) Key Areas we have embarked, and should generate us the money in 2025*

### **1) HSS PROPICK TECHNOLOGIES**

- *Identified as a Digital Technology Solution Partner to MPOB (Malaysian Palm Oil Board) and MCMC – December 2023*
- *Target Sector – Agricultural, Telecommunication and Construction*

### **2) EXPANSION OF BIM SERVICES TO PHILLIPINES – (Q1 2025)**

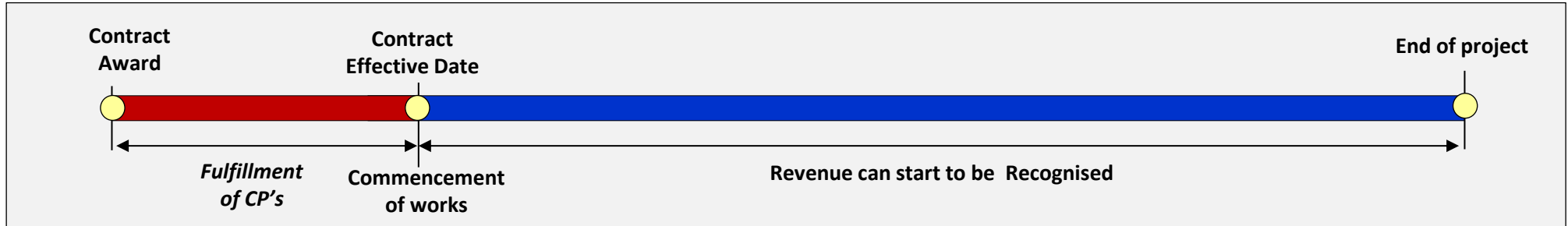
- *BIM sector in Philippines market relatively new, tremendous growth potential*
- *Platform to bring our seasoned expertise in BIM Technology to Philippines construction market*

### **3) CONSTRUCTION MANAGEMENT INTEGRATED SYSTEM (CMIS) – “SITE BUDDY”**

- *Site Diary / Quality Model & Environment Safety & Health*
- *Pilot testing on-going*
- *Embarked collaboration with JKR & CIDB*
- *Ready To Launch officially in Q4 2024 / Q1 2025*

## “JAPAN INVESTING US\$367 BILLION IN INFRASTRUCTURE OVERSEAS”

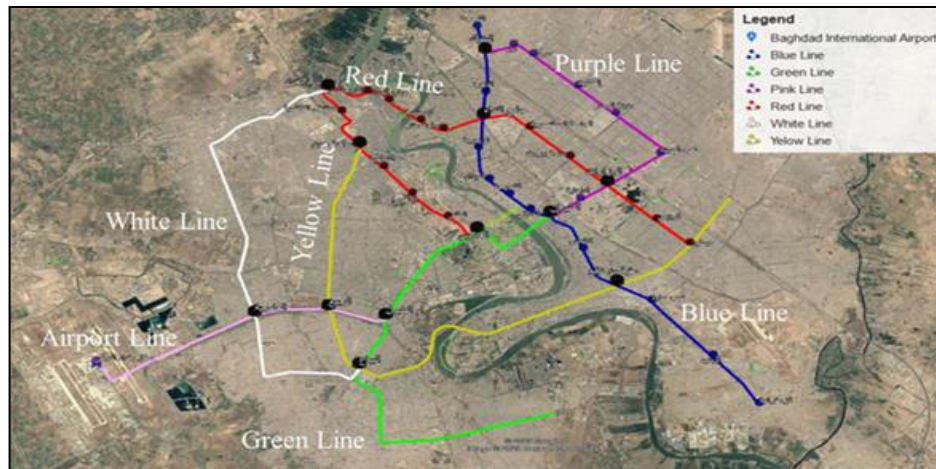
1. **Strategic Preferred Partner with Four (4) Japanese Consultants for Infrastructure Projects in Asean, MENA and India Region.**
  - *Oriental Consultants Global Co., Ltd . - (MOU Concluded on 19<sup>th</sup> July 2022)*
  - *Yachiyo Engineering Co., Ltd. - (MOU concluded on 15<sup>th</sup> September 2022)*
  - *Index Strategy, Inc. - (MOU concluded on 18<sup>th</sup> June 2023) –Mostly PPP/PFI Projects*
  - *CTI Engineering International Co., Ltd., - (MOU concluded on 6<sup>th</sup> July 2023)*
2. **Current Opportunities (PMC & Engineering):-**
  - *Access Road to Patimban port (mobilised on Nov 2023)*
  - *Dhaka Metro Line 1*
  - *Delhi Metro Phase-4*
  - *MRTJ Phase 4*
3. **Current Opportunities (PPP)**
  - *Waste to Energy Project (PPP Project In Palawan, Philippines)*
  - *Road in Indonesia*



### 1) BAGHDAD METRO, IRAQ

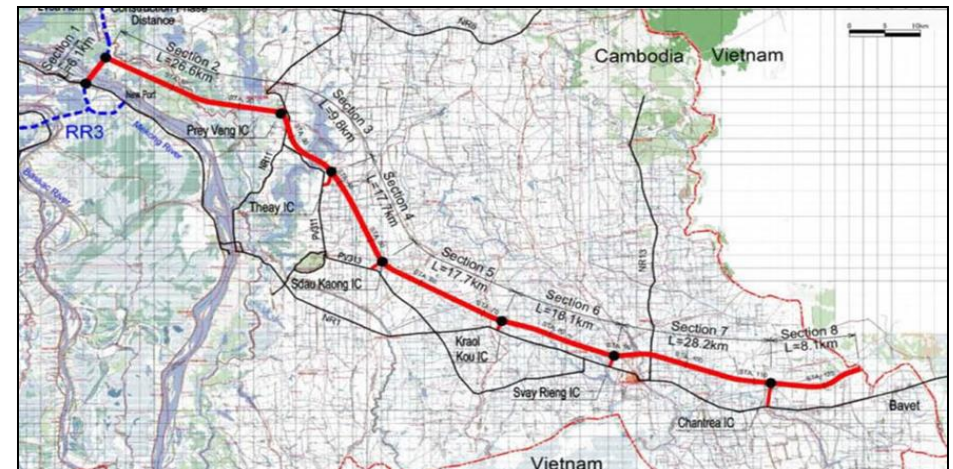
- Contract Signed on 30<sup>th</sup> June 2024
- Required to fulfill CPs as per contract
- Set-up JV Office in Iraq & UAE (Ongoing process)
- Bank Account advance payment
- Advance Payment Bank Guarantee (Ongoing process)

**Target: End September /Mid Oct**



### 2. PHNOM PENH BAVET EXPRESSWAY, CAMBODIA

- Contract signed on 30<sup>th</sup> May 2024
- Contract effective date: 29<sup>th</sup> July 2024 after fulfill CP's
- Work has commenced effective 1<sup>st</sup> August 2024
- 10% advance payment (Mid Oct)







### A) IRAQ

- HSS have been invited by the government to undertake the Project Management Consultancy (PMC) for the Najaf - Karbala Rail projects
- Contract negotiation on-going
- Total cost of Project: USD 5.35 billion
- Close to contract



### B) PHILIPPINES

- Ranked No 1 for ADB Davao BRT Project (JV with OCG)



### C) INDIA

- The market size of India's construction industry was estimated to be around \$778 billion in 2023. It is projected to grow at a compound annual growth rate of 6% from 2024 to 2033, reaching US\$ 1.393 trillion in 2033. (Rail / Water / Highway / Port)
- Expansion in India Through Acquisition ( Submitted a bid to purchase an Engineering Company



### D) SAUDI ARABIA

- Tendered for PMC Projects
  - Integrated PMC for Rail

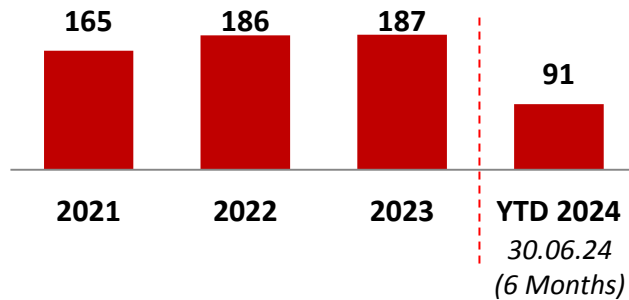
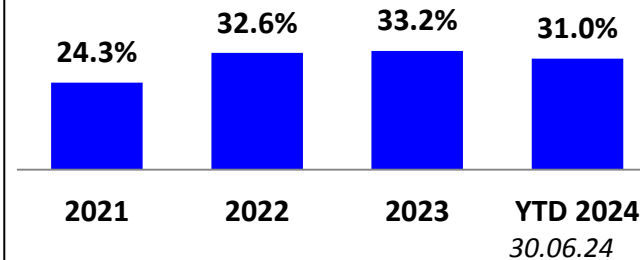
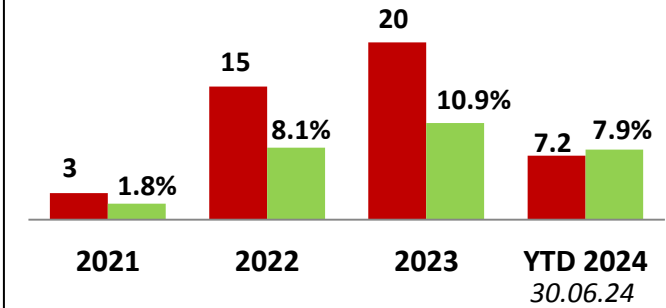
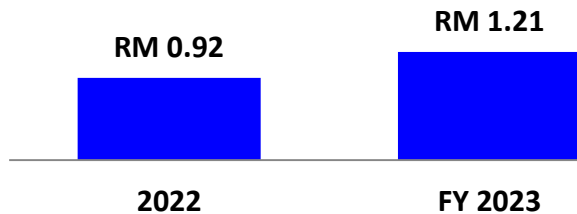
## "Sustained Focus on Developments in Recurring Revenue"

- Important part of our on-going strategy to provide a longer- term sight on revenue that is recurring
  - Renewable Energy / Water Concessions
  - O&M / FM Service Contract (Highly Skilled Engineering Sector)
- 10% stakeholder in 29.99MWP development project in Gurun Kedah (*Status: Finalising PPA*)
- LSS Petra : 95MWAC Perak (*Status: Tender Submitted*)
- Syarikat Air Melaka (SAMB) 150MW Floating Project in Durian Tunggal Reservoir, Melaka – FS Stage... Pilot Project 1.5MW – 2.00MW (*Pilot project to commence 1Q2025*)
- Tanjung Tualang Floating Solar Project (up to 35MW) (*Finalizing the Land*)
- Third Party Access (*Target Launch in Sept 2024*)

### 3. FINANCIAL HIGHLIGHTS (1H 2024)





**DELIVERING ON OUR STRATEGIC AND FINANCIAL COMMITMENTS**
**RM 91 Mil**

**REVENUE**
**31.0%**

**GP MARGIN**
**RM 7.2 Mil / 7.9%**

**PAT & PAT MARGIN**
**RM 1.21**

**DIVIDEND PER SHARE**
**RM1.19 \*22.08.2024**

**SHARE PRICE**
**RM604M \*22.08.2024**
**MKT CAP**



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# **THANK YOU**

IR Adviser



**AUGUST 2024**