



# **RAISING FUNDS THROUGH IPO- WHAT YOU NEED TO KNOW**

## **HEB IPO JOURNEY BY GCFO “MS. NG KUAN YEE”**

**ENGINEERS**

**Malaysia's Engineering DNA**



**18 SEPTEMBER 2020**



## MS NG KUAN YEE

**MS NG KUAN YEE**, is the Group Chief Financial Officer of HSS Engineers Bhd (HEB). She is also the Alternate Director to Dato' Ir. Nitchiananthan, the Group CEO of HEB and holds directorship in both HSS Engineering as well as HEB Energy Sdn Bhd, a subsidiary and associate of HEB respectively. Ms Ng is a fellow member of the Association of Chartered Certified Accountants, Malaysian Institute of Accountants and Malaysian Institute of Certified Public Accountants.

Prior to joining HSSE in 2011, she worked as a Chief Financial Officer in a reputable corporate services firm where she was responsible for the overall finance functions of the company. Ms Ng has over 26 years of experience in accounting and finance functions across various industries

from manufacturing, property development & construction, software technology and corporate services. She has also garnered extensive exposure in merger & acquisition, corporate restructuring and due diligence, risk management as well as integration of regional based finance shared services function and software implementation.

Ms Ng and the key management team was instrumental in the successful listing of HEB, the first listed engineering consultancy company in Malaysia, on the ACE market in August 2016 followed by a transfer to the Main Market in September 2017.



**ENGINEERS**

## HSS ENGINEERS BERHAD

Registration No. 201501003232 (1128564-U)



### RAISING FUNDS THROUGH IPO - WHAT YOU NEED TO KNOW

HEB IPO JOURNEY BY GCFO

1. WHO WE ARE

2. HEB – IPO JOURNEY

3. ARE YOU READY ?

4. WHY ACE FIRST?

5. WAS OUR IPO JOURNEY WORTHWHILE?

# WHO WE ARE



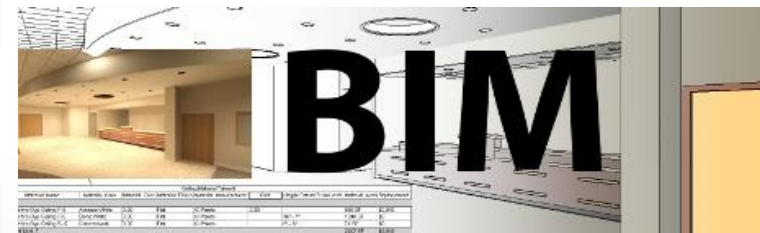


# 1. WHO WE ARE

## HSS ENGINEERS BERHAD (HEB)



- Strong Malaysian homegrown company with specialists industry skills and know-how in Infrastructure. We are the country's first listed on the main market of Bursa Malaysia entity providing engineering consultancy and project management services.
- Provides a full range of comprehensive engineering services
- Has played an integral role in the success of many major iconic Infrastructure projects in Malaysia & abroad for over 58 years
- Recent acquisition of SMHB Sdn Bhd boosts staff strength to almost 1,000 personnel (64% Bumiputra) (Sept 2017 to Mar 2018)
- Pioneer in Malaysia to adopt BIM technology with offices in Malaysia & India



# HEB – IPO JOURNEY





## 2. HEB – IPO JOURNEY

### LISTING OPTIONS

- Singapore, Hong Kong were considered*

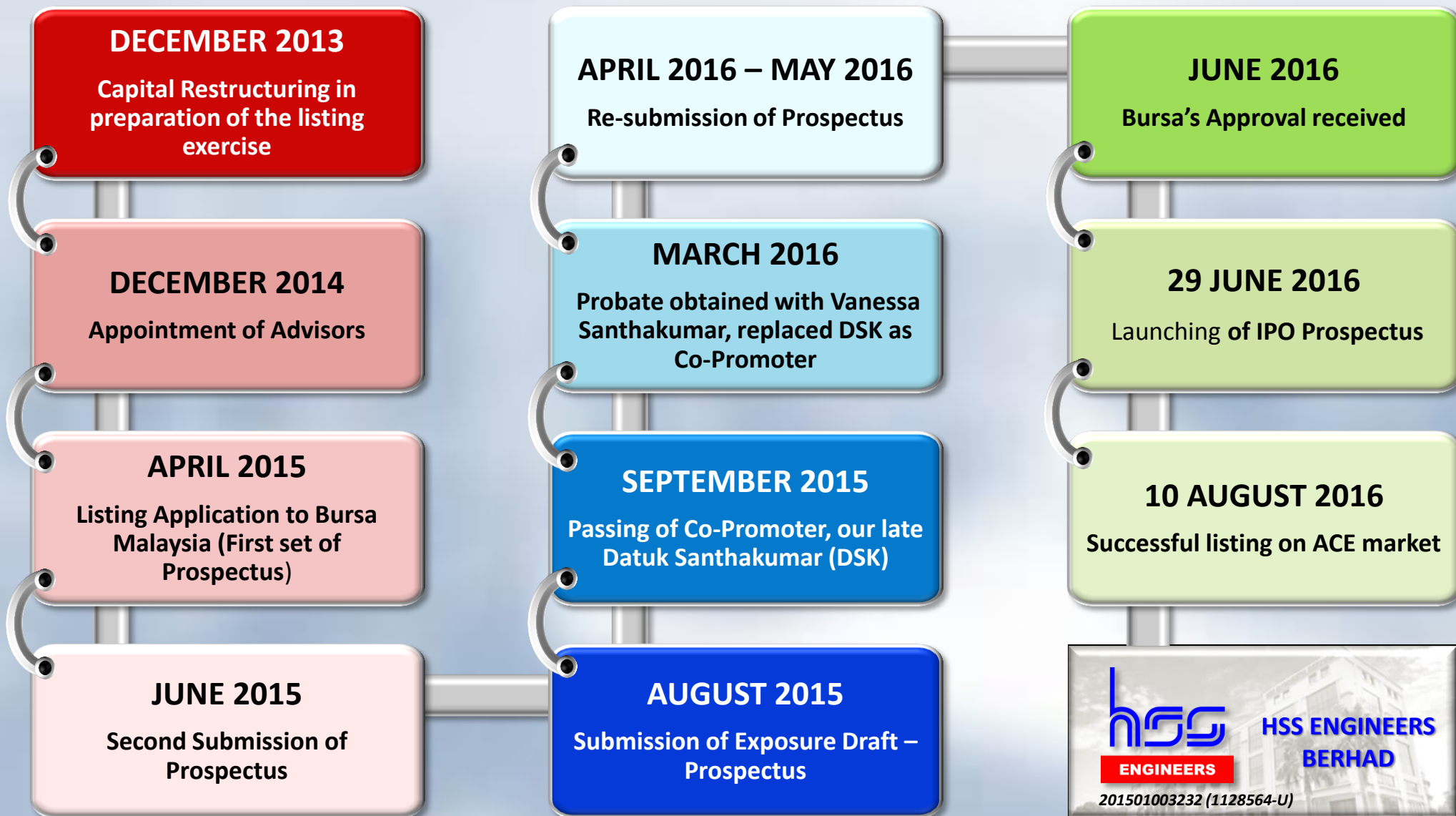
#### BURSA MALAYSIA

- Securities Commission has been supportive in our listing exercise
- Dominant market presence in Malaysia in the transportation infrastructure space in both Rail and Highways. Now, water with the acquisition of SMHBE
- To gain corporate visibility before venturing out to other listing platforms



## 2. HEB – IPO JOURNEY

### KEY MILESTONES - PRE IPO





## 2. HEB – IPO JOURNEY

### THE DAY IT BECAME A REALITY

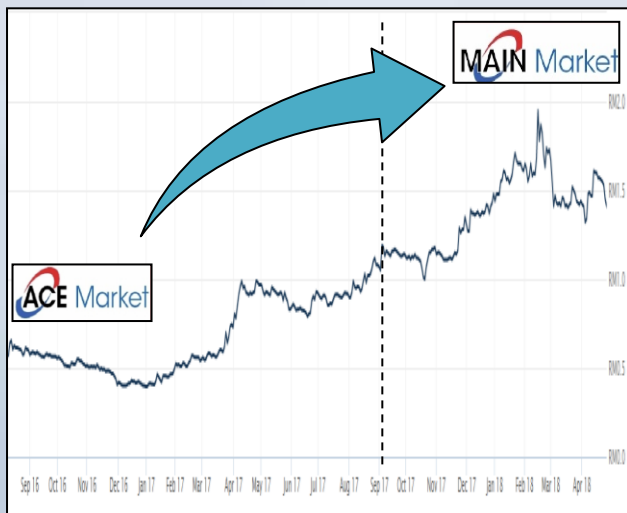


Listing of HSS Engineers  
Berhad in ACE Market,  
Bursa Malaysia  
**10 AUGUST 2016**



# 2. HEB – IPO JOURNEY

## KEY MILESTONES - POST IPO



10 August 2016

Listed in ACE  
Market of Bursa  
Malaysia  
Securities  
Berhad

8-Sep 2017

Transferred to  
the Main Market  
of Bursa  
Malaysia  
Securities  
Berhad

29-Sep 2017

Signed Heads of  
Agreement for  
acquisition of  
SMHB  
Engineering

27-Oct 2017

Signed Share  
Sale Agreement  
for acquisition of  
SMHB  
Engineering

24-Nov 2017

Achieved  
Syariah  
Compliant  
status

28-Mar 2018

Completed acquisition of  
SMHB Engineering  
(With enlarged share  
capital of 495.9 million  
shares with issuance of  
rights, bonus, warrants &  
private placement



## 2. HEB – IPO JOURNEY AWARDS AND ACCOLADES



**2019 & 2020**

**8<sup>th</sup> & 9<sup>th</sup> Malaysia Investor Relations Awards (Nominated)**

- Most Improved Service from IR
- HEB Quality of One-On-One Meetings
- Best CEO for IR
- Business Knowledge & Insights of IR Team
- Best IR Professional
- Best CFO for IR

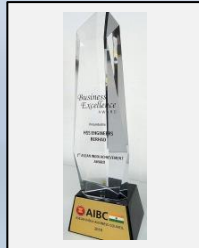
*Malaysian Investor Relations Association Berhad*



**2018**

**Best Under Billion Awards 2018 (BUBA 2018) by Focus Malaysia to HEB:**

- Category - Best Enterprise Value Growth



**2018**

**Business Excellence Award by Asean Indian Business Council to HEB :**

- Category – 3rd Asean India Achievement Award



**2017**

**World HRD Congress**

- Malaysia Best Employer Brand Awards

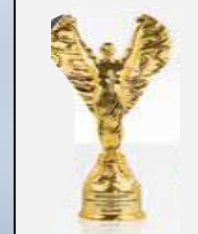


**2017**

**7<sup>th</sup> Malaysia Investor Relations Awards**

- HEB Best Company for IR(MICRO CAP)
- HEB Quality of One-On-One Meetings
- BEST CEO for IR (MICRO CAP)
- HEB Best IR Professional(MICRO CAP)

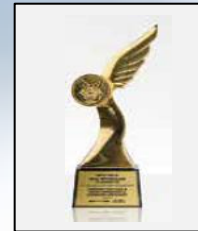
*Malaysian Investor Relations Association Berhad*



**2017**

**The BrandLaureate Brand ICON**

- Leadership Awards



**2017**

**My Events International Sdn Bhd**

- Global Leadership Awards



**2016**

**7<sup>th</sup> Middle East Business Leader Awards**

- Leased ship Excellence in Engineering



# ARE YOU READY ?



# 3. ARE YOU READY ? READY, SET & GO!!

# ARE YOU READY?



ENGINEERS

PUBLIC LISTED ENTITY



PRIVATE OWNED ENTITY



## Ready, Set & Go

Transformation from a Private Owned Entity  
into a Public Listed Entity



### 3. ARE YOU READY ? PRE-LISTING



## Shifting & Changing of Mindsets

- From entrepreneurs to professional managers with entrepreneur mindsets
- Readiness for Change – biz owners / founders / promoters, principal of key management & staff

## Due Diligence Working Group (DDWG)

- Selection based on track record



# 3. ARE YOU READY ? PRE-LISTING



**SUCCESSFUL  
IPO**



## • SHIFTING & CHANGING MINDSET

- Founders / Owners – Board of Directors
- Principal Officers - Employees



## • COMPLIANCE (RESTRUCTURING EXERCISE MAY TAKE FEW YEARS)

- Financial Perspective
- Tax Perspective
- Operational



## • BOARD OF DIRECTORS (BOD)

- Credible BOD Composition
- Independence of BOD



## • SUSTAINABLE BUSINESS MODEL

- Good track record
- Net Operating Cash Inflow



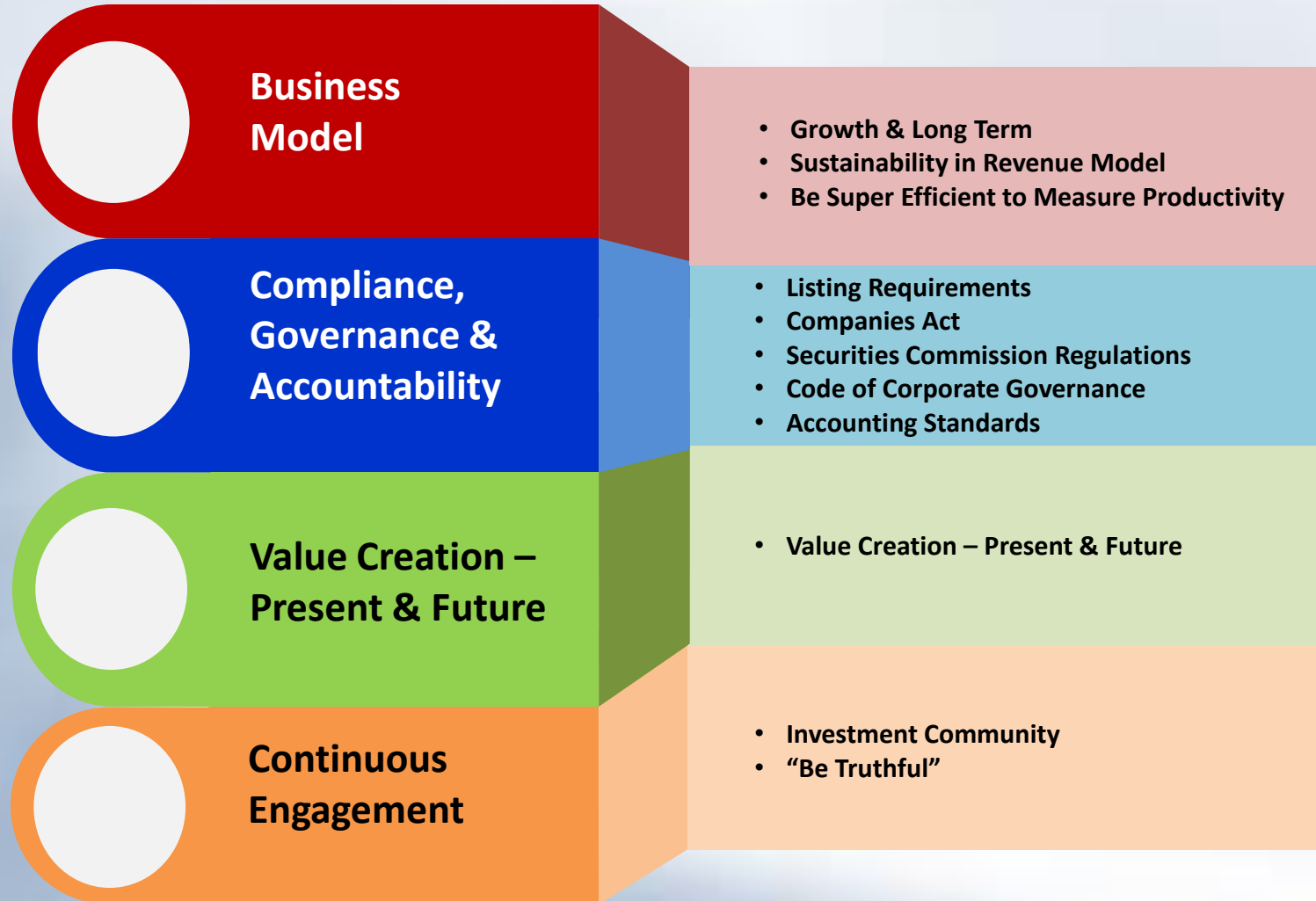
## • DDWG / ADVISERS

- |                        |                                       |
|------------------------|---------------------------------------|
| ➤ Investment Bank      | ➤ Issuing House                       |
| ➤ Reporting Accountant | ➤ Share Registrar                     |
| ➤ Company Secretary    | ➤ IR & PR                             |
| ➤ Legal Adviser        | ➤ Independent Market Research Adviser |

# 3. ARE YOU READY ? POST LISTING



## POST IPO



# WHY ACE FIRST?





## 4. WHY ACE FIRST? REASONS

- Pioneer listing structure for engineering consultancy firm via teaming agreement (Professional Services Firm).
- Market Perception and Acceptance
- Our journey into main market followed by Shariah Compliance

# **WAS OUR IPO JOURNEY WORTHWHILE?**





# 5. WAS OUR IPO JOURNEY WORTHWHILE?

## DIFFERENT YET SAME

**WE ARE DIFFERENT YET WE ARE ALL THE SAME.....**

- Listed under subsector:
  - Industrial Engineering under Industrial Products and Services Under Professional Services?
- Understanding our business and Listing structure
  - We are not contractors!!!





# 5. WAS OUR IPO JOURNEY WORTHWHILE?

## REASON FOR OUR LISTING

- For corporate profiling & visibility recognised both locally and internationally
- Consulting engineering firm, asset light
  - *Provides the brains and human capital cannot be valued in the balance sheet*
- Provides the competitive edge in tender submissions – financial strength like market capitalization
- Continue with the legacy, succession planning & long term sustainability
  - *Shares are tradeable on Bursa and price driven by market forces*
- Ability to attract and retain talent

# 5. WAS OUR IPO JOURNEY WORTHWHILE?

## PURPOSE DEFINITION

For new IPOs, define your purpose before listing :-



- Many IPOs gone inactive

- Continue profiling , numbers speak volumes (present and future)

- 3 core principles ( Governance, transparency & accountability)

- Avoid short termism vs long termism

## 5. WAS OUR IPO JOURNEY WORTHWHILE?

### ASPIRATION

A woman in a dark dress stands with her back to the camera, looking out over a vast city skyline from a high-rise office. The scene is bathed in warm, golden light, suggesting sunrise or sunset. The city below is a dense collection of skyscrapers and buildings. In the foreground, a large conference table and several chairs are visible, partially obscured by the woman's silhouette.

***ALWAYS ASPIRE  
10X HIGHER***

***“Now I will believe that  
there are unicorns”***

***- by William Shakespeare  
Billion Dollar dream***



# Q&A SESSION





# THANK YOU

**ENGINEERS**

**Malaysia's Engineering DNA**



**18 SEPTEMBER 2020**