



PRESS RELEASE

Gagasan Nadi Cergas secures RM110.0 million public residential development contract

- *Makes strong debut of RM0.39 registering a 9.0 sen premium above issue price of RM0.30*
- *Construction Group lists on ACE Market of Bursa Malaysia Securities*
- *Possesses stable foundation of recurring income from 4 long-term contracts*

Kuala Lumpur, Malaysia, 8 January 2019 - Construction and facilities management services provider **Gagasan Nadi Cergas Berhad** (Gagasan Nadi Cergas, the Group, 佳搏有限公司, BURSA: NADIBHD/0206) recently announced that its wholly owned subsidiary, Nadi Cergas Sdn Bhd received and accepted the letter of award for public residential development worth RM110.0 million from Putrajaya Homes Sdn Bhd (Putrajaya Homes).

The contract entails the proposed construction and completion of public residential development in Precinct 11, Putrajaya which consist of 2 blocks of 16 storey and 17 storey apartments (463 units), 3 storey multilevel car park and community facilities, and upgrading works.

The contract was secured competitively following an invitation to participate in a tender from Putrajaya Homes in August 2018.

The contract is for a duration of 34 months and is expected to complete by November 2021. The contract is expected to contribute positively to Gagasan Nadi Cergas from the financial year ending 31 December 2019 (FY2019) onwards.

Backed by the Group's track record of more than 20 years in completing sizable projects across Malaysia and core-specialisation in design and build, the Group is optimistic of its growth prospects on the back of sustained nation-building opportunities in the Malaysian construction sector.

Gagasan Nadi Cergas debuted at RM0.39, which is a 9.0 sen or 30% premium over the issue price of RM0.3 per share. The first trade was for 8.952 million shares.

At the Group's listing ceremony to ACE Market of Bursa Malaysia Securities today, Gagasan Nadi Cergas Group Managing Director Wan Azman bin Wan Kamal said that the Group intends to continue its efforts in actively tendering for both public and private sector projects.



Transforming Tomorrow Today

Wan Azman bin Wan Kamal, Group Managing Director of Gagasan Nadi Cergas Berhad said:

“Going forward, we remain positive of the Malaysian construction sector outlook and believe that there are many more projects, such as education institutions, affordable housing, and medical centers, to be built in the near future.

Leveraging on our long track record and management team experience, we believe our listing today places us in a good position to support these nation-building initiatives.

Additionally, our long-term contracts provide us with a stable foundation of recurring income, as we concurrently endeavour to secure new jobs and deliver on-going works.”

As at 15 November 2018, Gagasan Nadi Cergas’s construction order book comprising projects namely Rumah Selangorku in Putra Heights and Bukit Raja, 1Malaysia People’s Housing (PR1MA) in Pasir Mas, Cardiology Centre for Hospital Serdang and Maktab Rendah Sains Mara (MRSM) in Bagan Datuk.

Gagasan Nadi Cergas currently holds four long-term contracts, namely a 20-year facility management concession for hostels of International Islamic University Malaysia (IIUM) in Kuantan, Pahang till 2034; a 20-year facility management concession for hostels of Universiti Teknikal Malaysia Melaka (UTeM) in Durian Tunggal, Melaka till 2037; a 20-year operation contract for a District Cooling System (DCS) to supply chilled water to the German-Malaysian Institute, Bangi till 2028 and upcoming 30-year operation contract for a DCS and electricity distribution under the Datum Jelatek development.

The IPO of Gagasan Nadi Cergas raised RM60.0 million via the Public Issue of new Shares to raise RM42.0 million and Offer for Sale of existing shares by its Offeror of RM18.0 million.

Of the total proceeds from the Public Issue of RM42.0 million raised, RM14.0 million would be allocated for funding of AFF mixed development; RM6.5 million for capital expenditure of DCS under the Datum Jelatek development; and RM16.5 million for working capital. The balance RM5.0 million is to defray estimated listing expenses. The total proceeds from the Offer for Sale of RM18.0 million accrued entirely to the Offeror.

TA Securities Holdings Berhad is the principal adviser, sponsor, underwriter and placement agent for the IPO exercise.

--



Transforming Tomorrow Today

About Gagasan Nadi Cergas Berhad (www.nadicergas.com)

Gagasan Nadi Cergas is primarily involved in four business segments, namely building construction, provision of facilities management services, operations of district cooling system for the supply of chilled water and electricity distribution, and property development.

Among notable projects completed by the Group include German-Malaysian Institute, the Malaysia Institute of Aviation Technology, 4th Military Camp for the General Operations Force, and seven student hostels in polytechnic campuses across six peninsular states. Gagasan Nadi Cergas has also participate in undertaking housing initiative programmes such as Rumah Selangorku, Federal Land Development Authority (FELDA) housing, 1Malaysia People's Housing (PR1MA) and Housing for Civil Servants (PPAM).

Gagasan Nadi Cergas currently holds two 20-year student hostel concession projects, namely International Islamic University Malaysia (IIUM) in Kuantan, Pahang and Universiti Teknikal Malaysia Melaka (UTeM) in Durian Tunggal, Melaka until 2034 and 2037 respectively.

Gagasan Nadi Cergas also operates a district cooling system for the supply of chilled water for the German-Malaysian Institute in Selangor until 2028.

In property development, the Group is currently undertaking the mixed development of the ASEAN Football Federation (AFF) headquarters and serviced apartments in Putrajaya.

The Group is registered with Pusat Khidmat Kontraktor (PKK) and Construction Industry Development Board (CIDB) as a Grade G7 contractor, which allows the Gagasan Nadi Cergas to tender for projects with unlimited value as well as Bumiputera allocated projects.

Issued for and on behalf of GAGASAN NADI CERGAS BERHAD by Aquilas Advisory (Malaysia)

For media enquiries, please contact:

Julia Pong julia@aquilas.com.my

T: +603- 2711 1391 / +6012-3909 258

Hanif Kamarudin hanif@aquilas.com.my

T: +603- 2711 1391 / +6011-2380 6132