



PRESS RELEASE

Gagasan Nadi Cergas posts 135% profit growth in FY2024 driven by property and construction

- *Benefits from completion of legacy construction projects previously impacted by high labour and material prices*
- *Developing affordable housing projects in Bukit Jelutong, Kwasa Damansara, and City of Elmina worth RM1.8 billion in GDV*
- *Construction order book remains strong at RM460 million*

Petaling Jaya, Malaysia, 27 February 2025 - Construction group Gagasan Nadi Cergas Berhad (Gagasan Nadi Cergas; the Group; 佳搏有限公司; Bloomberg: GNCB MK) posted a commendable net profit of RM5.7 million in the financial year ended 31 December 2024 (“FY2024”), marking a 134.5% increase from RM2.4 million in the previous year.

The improved profitability was achieved despite FY2024 revenue declining 17.4% to RM262.8 million from RM318.3 million previously. The lower revenue was primarily attributed to lower contributions from the property development segment following the completion of Antara Residence and Selindung Daun Ulu Yam in 2023.

The higher net profit was supported by the completion of legacy construction projects that had previously been affected by high material costs.

“FY2024 was a year of meaningful progress marked by significant milestones in our corporate journey. These included the launch of our Galeri Idaman showroom, the groundbreaking of Idaman Amani in City of Elmina, and the signing of a development rights agreement for our second affordable housing project in Kwasa Damansara. We also initiated the acquisition of land in Bandar Rimbayu this year for a new affordable homes project.

We remain steadfast in our commitment to meet the growing demand for high-quality yet affordable homes, contributing to the nation’s sustainable social and economic progress while strengthening our financial position for the years ahead.

At the same time, our construction segment is gradually improving in tandem with improved prospects of the Malaysian construction sector. Meanwhile, our concession and facility management segment is poised for significant growth led by our strategic acquisition of a student hostel concession in FY2024.”

***Dato’ Sr. Hj. Wan Azman bin Wan Kamal,
Group Managing Director, Gagasan Nadi Cergas Berhad***

For the fourth quarter ended 31 December 2024 (“4Q24”), the Group recorded a revenue of RM72.2 million, a 31.4% decline from the same quarter last year, a result of the timing of revenue recognition from the property development segment. Subsequently, the Group recorded a profit after tax of RM1.1 million, compared to a loss after tax of RM0.1 million previously.



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The Group is currently developing nearly 7,000 units of Rumah Idaman affordable homes in both Bukit Jelutong and Kwasa Damansara, along with the Idaman Amani affordable housing project in City of Elmina, representing a total gross development value of RM1.8 billion. Idaman Bukit Jelutong is near completion with targeted handover to purchasers by July 2025.

The property development segment has total unbilled sales of RM241 million, which are expected to be recognised as revenue over the next four years.

The Group's construction sector achieved a turnaround in FY2024, recording a profit before tax of RM9.4 million in FY2024, recovering from a loss before tax of RM3.7 million previously. The Construction segment's RM460 million order book includes Phase 1 of The Atera, a high-rise residential project in Petaling Jaya, for Paramount Corporation Berhad.

Furthermore, the Group also initiated the acquisition of facility management firm Konsortium PAE Sepakat Sdn Bhd for RM185 million. The strategic takeover expands its portfolio significantly by adding a concession to manage student hostels across seven polytechnic campuses, boosting the Group's concession and facility management segment.

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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, utility services, and property development.

Among notable projects completed by the Group include German-Malaysian Institute, the Malaysia Institute of Aviation Technology, 4th Battalion Camp for the General Operations Force, and seven student hostels in polytechnic campuses across six peninsular states.

Gagasan Nadi Cergas has also participated in undertaking housing initiative programmes such as Rumah Selangorku, Federal Land Development Authority (FELDA) housing, and Housing for Civil Servants (PPAM).

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

Nadi Cergas Sdn Bhd, a wholly owned subsidiary of the Group, is registered with Pusat Khidmat Kontraktor (PKK) and CIDB as a Grade G7 contractor. The certification allows 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) Sdn Bhd**

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