



PRESS RELEASE

Gagasan Nadi Cergas secures shareholder approval for RM127.3 million student hostel concession takeover

- *To secure controlling interest in concession-holding company responsible for managing student hostels at seven polytechnic campuses*
- *New concession to be earnings-accretive and deliver positive contributions over 10.5 years*

Petaling Jaya, Malaysia, 4 December 2025 - Construction and property group **Gagasan Nadi Cergas Berhad** (Gagasan Nadi Cergas; the Group; 佳搏有限公司; Bloomberg: GNCB MK) today received shareholders' approval at an Extraordinary General Meeting to acquire a 69.4% equity interest in Konsortium PAE Sepakat Sdn Bhd ("KPSSB"), a concession-holding company responsible for managing student hostels across seven polytechnic campuses.

KPSSB is currently 55.6%-owned by Seri Delima Anggun Sdn Bhd ("SDASB"), while the remaining 44.4% equity interest is held by Serata Ehsan Sdn Bhd ("SESB") through its wholly owned subsidiary, PAE Builders Sdn Bhd.

The proposed acquisition for RM127.3 million entails Gagasan Nadi Cergas acquiring 100% of SESB and a 45% stake in SDASB, giving the Group effective controlling interest of 69.4%.

The transaction received approval from the Public Private Partnership Unit of the Prime Minister's Department (UKAS) in September.

"The concession and facility management arm remains one of our most reliable performance drivers, providing consistent recurring income and reinforcing the strength of our diversified business model. The takeover of KPSSB represents a significant expansion of this segment, bringing in a well-established concession portfolio that will boost our recurring revenue through stable, long-term cash generation.

Meanwhile, the recent establishment of the Sukuk Wakalah facility is a strategic initiative that will support Gagasan Nadi Cergas' acquisition of a major facility management concession while optimising financing costs."

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

The Group through its wholly-owned subsidiary, GNCB Capital Sdn Bhd, has established a Sukuk Wakalah facility to partly fund the acquisition. The issuance will provide the Group flexibility to raise funds through the issuance of Sukuk Wakalah of up to RM330.0 million in nominal value. Maybank Islamic Berhad has provided its commitment to fully subscribe to the unrated sukuk up to the amount to be issued by the Group.



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The Sukuk Wakalah facility has a tenure of up to 12 years, with each tranche ranging from 1 to 12 years, provided all tranches mature on or before the facility's expiry. The Sukuk Wakalah is expected to be issued within 90 business days from lodgement with the Securities Commission, or such extended date as approved.

The strategic takeover of KPSSB will be earnings-accretive to the Group, adding RM155.2 million to its facility management order book over the duration of the concession. The transaction will also provide a bargain purchase gain of RM33.2 million and generate additional annual income from accretion of fair value amounting to RM19.0 million, before finance costs.

KPSSB entered into concession agreements with the Government of Malaysia in 2013 to develop and maintain student hostels at campuses in Banting, Ipoh, Port Dickson, Johor Bahru, Seberang Prai, Jeli, and Kota Bahru until 2036.

Maybank Investment Bank Berhad is the principal adviser of the proposed acquisition.

In addition, a portion of the proceeds from the Sukuk Wakalah will also be utilised as working capital for the rapidly growing property development segment. The affordable housing-focused arm is on track to deliver 15,000 units across four key townships in Selangor, representing a combined gross development value ("GDV") of RM4.0 billion, over the next eight years. The Group is also developing multiple property projects in Ulu Yam and Serendah with a combined GDV of about RM674.0 million. The robust pipeline also provides a steady flow of in-house works for the construction segment.



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

Gagasan Nadi Cergas Berhad is primarily involved in four business segments - construction, property development, concession and facility management, and utility services.

Among notable projects completed by the Group include Serdang Hospital Cardiology Centre, Masjid Al-Sultan Abdullah in Merdeka 118, Malaysian Institute of Aviation Technology, 4th Battalion Camp for the General Operations Force, and seven student hostels in polytechnic campuses.

Gagasan Nadi Cergas has also participated in undertaking housing initiatives such as Rumah Idaman, Rumah Selangorku, Federal Land Development Authority (FELDA) housing, Housing for Civil Servants (PPAM), and affordable housing projects in collaboration with Sime Darby Property Berhad and several other government-linked companies.

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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