



**PRESS RELEASE**

## **Gagasan Nadi Cergas to raise RM60.0 million from IPO**

- ***Group to move up in the construction value chain and transition business model to include recurring income stream***
- ***Construction order book of more than RM600.0 million to sustain Gagasan Nadi Cergas till 2021***
- ***Proceeds to be used mainly for expansion and working capital***

Kuala Lumpur, Malaysia, 13 December 2018 - Construction, facilities management services provider and holder of 2 concession projects, **Gagasan Nadi Cergas Berhad** (Gagasan Nadi Cergas, the Group, 佳搏有限公司) plans to raise RM60.0 million from its Initial Public Offering (IPO) on the ACE Market of Bursa Malaysia Securities Berhad 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. The Public Issue is mainly to fund its future expansion.

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

At the IPO prospectus launch today, Gagasan Nadi Cergas Group Managing Director Haji Wan Azman bin Wan Kamal said that the Group's proposed listing aimed to elevate Gagasan Nadi Cergas's profile, further extend its services in moving up in the construction value chain, and enhance the Group's business model.

“While we have achieved a track record of more than 20 years in the construction sector, we recognize the importance of moving up in the value chain and transitioning our business model to include a recurring income stream.

As such, part of the proceeds from our IPO would be allocated for our utilities segment in funding our DCS under the Datum Jelatek development, which is in line with our strategic direction to expand recurring income from long-term contracts.

Additionally, this exercise also enables us to secure partial funding for the development of our ASEAN Football Federation (AFF) mixed development, which houses the new AFF headquarters and the 458-units of serviced apartments in Putrajaya. This would establish Gagasan Nadi Cergas's mark as a quality-centric property developer, extending our capability within the construction value chain.

All said, we at Gagasan Nadi Cergas know that the upcoming IPO will kickstart a new and exciting phase to reach even greater heights.”

***Haji Wan Azman bin Wan Kamal,  
Group Managing Director of Gagasan Nadi Cergas Berhad***



*Transforming Tomorrow Today*

The Group currently holds three long-term recurring income 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; and a 20-year operation contract for a DCS to supply chilled water to the German-Malaysian Institute, Bangi till 2028.

Haji Wan further reiterated that the Group is mindful of the opportunities in the Malaysian construction sector and intends to actively tender for both public and private sector projects.

As at 15 November 2018, Gagasan Nadi Cergas' construction order book stood at more than RM600.0 million 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's IPO entails a public issue of 140.0 million new shares and offer for sale of 60.0 million existing shares at RM0.30 sen per share.

Out of the 140.0 million new shares, 20.0 million shares will be for application by the Malaysian public and 20.0 million shares for application by eligible directors, employees and persons who have contributed to the success of the Gagasan Nadi Cergas Group. The remaining 100.0 million shares under the public issue are allocated for private placement to identified investors.

Meanwhile, 60.0 million existing shares would be allocated for private placement to identified investors.

Of the total proceeds from the Public Issue of RM42.0 million to be 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 will accrue entirely to the Offeror.

With the prospectus launch, applications for Gagasan Nadi Cergas's IPO will open today and close on Monday, 24 December 2018 at 5.00 p.m. Barring unforeseen circumstances, Gagasan Nadi Cergas targets to list on the ACE Market of Bursa Malaysia on 8 January 2019.

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](http://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](mailto:julia@aquilas.com.my)

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

Hanif Kamarudin [hanif@aquilas.com.my](mailto:hanif@aquilas.com.my)

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