

Company Name : NexG Berhad
Date : 24 September 2025
Source : New Straits Times

NexG To Expand Into Asean, Africa With Secure ID Technology Plan



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CYBERJAYA: NexG Bhd (NexG) is accelerating its expansion into ASEAN and Africa under a RM250 million two-phased growth plan aimed at positioning Malaysia as a global leader in secure identity solutions.

Executive chairman and group chief executive officer Datuk Abu Hanifah Noordin said the company's new investments will not only strengthen Malaysia's passport and MyKad production but also prepare NexG to capture rising demand in international markets.

"These contracts are not an endpoint but a platform for us to accelerate expansion.

"With phase one upgrades doubling annual passport production and enhancing MyKad and other identity document (ID) cards with greater efficiency and security, and with phase two delivering a new advanced facility, NexG will be ready to serve both domestic and international markets," he told reporters at a press conference here today.

He said the company is now targeting ASEAN and Africa, where demand for secure identity and digital solutions is rising.

NexG, formerly known as Datasonic Group Bhd, has been listed on Bursa Malaysia Securities Bhd since 2012. It is backed by a RM1.73 billion long-term government contract for passport solutions and is transitioning from secure ID printing to digital identity platforms.

Abu Hanifah said the first phase focuses on upgrading existing facilities to support the new passport contract and secure growth opportunities locally and abroad.

This includes advanced laser and colour personalisation printers from Italy-based IXLA SRL to improve passport security with precision engraving and high-security colour features. The company has also acquired Komori Lithrone SX29 high-security offset presses from Japan-based Komori Corporation to set benchmarks in automation, inline inspection and eco-efficient printing.

These technologies, he said, will double passport production capacity and significantly improve the efficiency, security and reliability of Malaysia's secure ID production.

"The second phase of the plan involves the construction of a new advanced facility equipped with the latest secure printing technologies, automation and integrated digital systems.

"Upon completion, this facility is expected to deliver three times the Phase 1 capacity annually, providing Malaysia with the scale to serve both local requirements and international markets," he added.

Revenue to surge from Digital ID

Meanwhile, chief strategy officer Jorrine Ang Pei Gaik said NexG's strong financial track record allowed it to deliver significant shareholder returns even during the COVID-19 pandemic.

She said that over the past five years, from financial year 2021 to 2025, the company distributed an average of 66.3 per cent of its net profit as dividends.

"This relatively high payout was possible because the secure ID contract with the government had been extended annually without requiring heavy capital expenditure," she said.

She explained that with the recent award of the six-year RM1.73 billion passport contract and total project order books standing at about RM2.3 billion, NexG is now shifting focus toward strategic investments.

These include secure ID and digital ID infrastructure, which will support long-term competitiveness and deliver sustainable earnings growth, new revenue streams and stronger shareholder value.

She said an RM85 million investment in secure ID technology for the current phase is expected to double revenue, with the first impact to be seen in financial year 2027.

"Over the longer term, digital identity projects could lift revenue by up to 80 per cent compared to financial year 2025 levels," she said.

Ang also highlighted NexG's planned expansion into Africa, where demand for secure ID systems is driven by unmet needs.

She said the company will be appointed as an agent in the African continent, an emerging region where more than 850 million people still do not have identity cards.

She added that NexG sees Africa as a key growth frontier complementing its ASEAN strategy, positioning the company to contribute not only to Malaysia's digital identity transformation but also to global inclusion in secure ID access.

At the time of writing, NexG's share price was up 0.98 per cent to 52 sen.