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NexG Secures Third Public Contract; More Directors Resign



KUALA LUMPUR (Oct 15): NexG Bhd (KL:NEXG) has secured a hat-trick of government contract wins since late August, following an announcement on Wednesday that it has secured an 18-month contract extension from the Immigration Department for the continued supply of foreign worker cards.

This marks the company's third government contract in less than two months.

According to its latest bourse filings, the original contract, valued at RM140 million, was awarded on Nov 1, 2022 for a duration of 36 months. The extension will take effect from Nov 1, 2025 to April 30, 2027. The extension is not subject to the sales and service tax, it added.

On Aug 29, NexG's wholly-owned subsidiary, Datasonic Technologies Sdn Bhd (DTSB), was awarded a fresh six-year contract worth RM1.73 billion by the Ministry of Home Affairs to supply Malaysian passports.

The news came roughly three weeks after its share price tanked by nearly one third, amid the company's acquisition of a 32.61% stake in Classita Holdings Bhd, which is now known as NexG Bina Bhd (KL:NEXGBINA).

DTSB will supply passports to the Immigration Department starting June 1, 2026 until May 31, 2032.

About two weeks ago, NexG, formerly known as Datasonic Group Bhd, secured a separate six-year contract worth RM732.72 million from the Ministry of Home Affairs to supply Malaysia's national identity cards, including MyKad and MyTentera.

That contract will commence on June 1, 2026 and run through May 31, 2032, after the expiry of the six-month extension of its current contract.

Five board members resign

Having secured three major public contracts, NexG has also seen an exodus in its board members.

Separately, NexG announced the resignation of two independent directors — Datuk Seri Mohd Sopiyan Mohd Rashdi and Datuk Zainal Abidin Abu Hassan — both citing a desire to pursue other interests.

Mohd Sopiyan, appointed to the board just a month ago, has extensive experience in financial institutions, including roles at Maybank Finance, Bank Negara Malaysia, Edaran Digital Systems and various advisory firms.

Zainal Abidin, who joined the board in November 2024, previously held senior positions in the public sector, including as the secretary general of the Ministry of Science, Technology and Innovation (October 2021-August 2022) and the Ministry of Housing and Local Government (March 2020-October 2021).

Their departures follow the resignation of former executive deputy chairman Tan Sri Mohd Khairul Adib Abd Rahman and former executive director Datuk Puvanesan Subenthiran on Wednesday (Oct 14).

The group now has five board members, namely chairman and CEO Datuk Hanifah Noordin, who is the company's single largest shareholder with 9.28% stake, executive directors Datuk Ab Hamid Mohamad Hanipah and Erna Ismail, and independent directors Datuk Ibrahim Abdullah and Datuk Che Nazli Jaapar.

NexG's share price closed down one sen or 2.2% to 45 sen on Wednesday, giving the company a market capitalisation of RM1.67 billion. The stock has more than doubled from this year's low of 22 sen in April.