Company Name : NexG Berhad

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## NexG allocates RM250m to scale secure ID capacity



From left: NexG Bhd chief strategy officer Jorrine Ang, deputy chairman Tan Sri Mohd Khairul Adib Abd Rahman and executive chairman and group CEO Datuk Abu Hanifah Noordin (Photo by Suhaimi Yusuf/The Edge)

KUALA LUMPUR (Sept 24): NexG Bhd (KL:NEXG), formerly Datasonic Group Bhd, has unveiled a RM250 million two-phase expansion plan to scale up its passport and secure ID production capabilities.

The initiative begins with RM85 million in machinery and facility upgrades aimed at doubling current passport output and enhancing operational efficiency.

At a press conference, executive chairman and group chief executive officer Datuk Abu Hanifah Noordin detailed the capital investment strategy, which supports the supply of Malaysian passports and MyKad while positioning NexG for growth in the secure ID sector across domestic and international markets.

The event also marked signing ceremonies with key technology partners, including Italy-based IXLA SLR and Japan's Komori Corporation.

Phase 1 focuses on immediate infrastructure enhancements, including the acquisition of IXLA's Xprint laser and colour personalisation printers for the personalisation of the next generation Malaysian ePassport.

NexG will also deploy Komori Lithrone SX29 high-security offset presses, introducing automation, inline inspection, and eco-efficient printing standards.

"These upgrades will not only double our passport production capacity but also significantly enhance the efficiency, security and technological sophistication of our secure ID operations. This ensures Malaysia can meet rising demand without compromising on quality or reliability," said Hanifah.

He added that the expansion is anchored by NexG's recently secured RM1.73 billion sixyear contract from the Ministry of Home Affairs to supply Malaysian passports.

Phase 2 will involve the construction of a new advanced facility equipped with next-generation secure printing technologies, automation, and integrated digital systems.

Once completed, the facility is expected to triple Phase 1's annual output, enabling Malaysia to serve both domestic and global markets at scale.

Chief strategy officer Jorrine Ang noted that Phase 2 is contingent on the successful execution of Phase 1, allowing NexG to calibrate its expansion in line with market demand and contract flow. She added that governments must first see demonstrable capacity before awarding further mandates.

"Our focus now extends to Asean and Africa — vast regions where secure identity and digital solutions are in high demand.

"Backed by Malaysia's track record and competitiveness, NexG is ready to bring worldclass innovations to the global stage," said Hanifah.

He also emphasised the industry's high barriers to entry.

"Secure printing requires significant capital investment and years of proven performance before new players can gain traction."

Ang added that NexG has appointed an African agent and is actively engaging several governments to secure new contracts, with Phase 2 targeting foreign markets, particularly in Africa.

At the time of writing, NexG shares were unchanged at 51 sen, valuing the company at RM1.89 billion.