

**Company Name** : NexG Berhad  
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## NexG plunges, Classita surges on RM77mil deal

**PETALING JAYA:** In what appears to be a protest to NexG Bhd acquiring a major stake in Classita Holdings Bhd, shareholders dumped the shares of the MyKad supplier, causing the stock to plunge nearly 30% and lose over half-a-billion ringgit in market capitalisation.

In contrast, the share price of construction firm Classita jumped by 12.5%, reaching nine sen a share – a level last seen two years ago.

Cautious on the RM77mil equity acquisition in Classita, BIMB Research downgraded its rating on NexG to “sell”, pointing out that the immediate risk-reward ratio had turned unfavourable.

“We believe investors should be mindful of the slow-burn nature of property earnings recognition, integration complexity, and the drag of non-core diversification.

“We keep our target price at 45 sen,” stated the research house in an early morning note to clients yesterday.

This was before the stock plunged to 37.5 sen by market close yesterday, making it the second top loser on Bursa Malaysia.

On Aug 8, NexG – formerly known as Datasonic Group Bhd – announced the acquisition of a 32.61% stake and 414.31

million warrants C in Classita for RM76.78mil.

With this acquisition, NexG emerged as the single largest major shareholder of Classita. It also marked NexG’s entry into the construction and property development sectors.

NexG chairman and chief executive officer Datuk Hanifah Noordin said, in a statement earlier, that the entry into the property and construction sectors is a “strategic and timely move” for the company.

“We intend to play a more active and visible role in Malaysia’s national development by leveraging our financial strength, government networks, and proven track record in mission-critical projects to support the country’s housing and infrastructure agenda.

“We view Classita as a strong fit for this ambition, given its credentials and readiness to participate in government-linked projects,” he said.

NexG also highlighted Classita’s collaboration with Lion Pacific Sdn Bhd to jointly participate in the mass rail transit three project.

Lion Pacific, an engineering firm with an

extensive track record in railway systems and civil works, will lead the overall system package.

Classita, under the proposed arrangement, is expected to undertake the SY303 work package, which involves the supply, testing, and commissioning of electric trains and supporting systems.

“Should the project be awarded to the parties, this strategic partnership will mark Classita’s entry into high-value transport infrastructure delivery and strengthen its credentials as a credible contender for long-term public-sector engineering contracts. This is fully aligned with the Madani development agenda.

“In parallel, Classita is advancing plans for a proposed Perumahan Penjawat Awam Malaysia housing project on its Ulu Klang land, providing affordable and quality homes for civil servants. This aligns closely with Madani’s emphasis on equitable housing access and targeted community upliftment.”

BIMB Research is “neutral” on NexG’s entry into Classita as the near-term earnings impact is minimal, while the long-term execution risk remains high given Classita’s volatile track record.