

AGX expanding to Vietnam

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AGX Group Bhd is expanding to Vietnam

KUALA LUMPUR: AGX Group Bhd is expanding to Vietnam via a shareholders' agreement which will see the company subscribing 180,000 shares or a 60 per cent stake in AGX Logistics (Viet Nam) Co., Ltd for 1.8 billion dong.

The remaining 40 per cent stake will be held by two local experts namely Dang Huynh Ba Thanh and Lam Minh Tu.

AGX Group chief executive officer Datuk Ponnudurai Periasamy said Vietnam's rapidly growing economy and favourable business environment will allow the company to grow its business by not only offering services but also to better serve its existing customers within the region.

"In addition, having local partners who have the local know-how of the market will mitigate some of the initial risks associated with penetrating a new market. We hope that this new venture will contribute positively to the future earnings of the group in the long-run," he said.

The company's share price dropped one sen or 3.23 per cent to 30 sen at closing bell for a market capitalisation of RM129.86 million.