

AGX Group's shares close midday 7.14pc higher on ACE-market debut

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By S. Joan Santani - February 7, 2024 @ 1:31pm



AGX Group Bhd's share price closed 7.14 per cent higher at RM0.375 a share midday, on its debut on the ACE Market of Bursa Malaysia.

KUALA LUMPUR: AGX Group Bhd's share price closed 7.14 per cent higher at RM0.375 a share midday, on its debut on the ACE Market of Bursa Malaysia.

It opened at a 17.14 per cent premium at RM0.41, over its issue price of RM0.35 per share, with an opening volume of 6.87 million shares.

The company successfully raised a total of RM33.78 million through the public issue of 96.5 million new ordinary shares priced at RM0.35 per share.

Of the proceeds, a total of RM16.44 million was earmarked for working capital whilst RM8.70 million will be utilised expanding its business presence in Malaysia and South Korea via setting up new warehouses and offices in Penang and Johor Bahru as well as a new office in Busan, South Korea.

The remaining proceeds of RM4.14 million and RM4.50 million will be used for repayment of bank borrowings and listing expenses respectively, it said in a statement.

AGX Group has also adopted a dividend policy of at least 30.0 per cent of its annual profits attributable to shareholders and its listed shares are Shariah compliant.

AGX's Independent non-executive director and chairperson Datuk Rozalila Abdul Rahman said the recent successful initial public offering, raising RM33.8 million, marks a strategic step for business expansion and working capital.

"Our competitive position against multinational giants is evident, and the oversubscribed IPO reflects strong investor confidence in our potential for sustained growth," said Rozalila.

TA Securities, besides being the underwriter of AGX's IPO, is also the Principal Adviser, Sponsor and Placement Agent for this exercise.