


AGX makes debut 17.14% higher at 41c/share

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- Stock on the Move
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KUALA LUMPUR: AGX Group Bhd  made its debut on the ACE Market of Bursa Malaysia at 41 sen a share, representing a six sen or 17.14% premium over its initial public offering price of 35 sen a share.

As at 10.10am, the counter was trading at 37.5 sen a share, off an earlier high of 42.5 sen.

It was the second most heavily traded on Bursa Malaysia with 46.98 million shares changing hands.

The third-party logistics (3PL) service provider had a market capitalisation of RM151.5mil upon listing, based on an enlarged issued share capital of 432.87 million shares.

Executive director and chief executive officer Datuk Ponnudurai Periasamy said the majority of the proceeds gained from the IPO will be utilised for working capital, with an allocation of RM16.44mil or 48.7%.

AGX also intends to utilise the proceeds to work on expansion plans, amounting to RM8.7mil or 25.8%, with the remainder of the proceeds going towards repayment of bank borrowings and estimated listing expenses at RM4.14mil and RM4.5mil, respectively.

“The group will be expanding its presence in two of its key markets, Malaysia and South Korea, through the establishment of new warehouses and offices in Port of Tanjung Pelepas (PTP), Johor, Penang as well as in Busan, Korea.

“The PTP warehouse and office will allow us to support our business and coverage in both Malaysia and Singapore,” Ponnudurai said during AGB’s prospectus launch.