

AGX GROUP INKS UNDERWRITING AGREEMENT WITH TA SECURITIES FOR ITS IPO

 bernama.com/en/business/news.php

February 1, 2024



02/01/2024 04:17 PM

KUALA LUMPUR, Jan 2 (Bernama) -- AGX Group Bhd (AGB) has entered into an underwriting agreement with TA Securities Holdings Bhd for the company's initial public offering (IPO) en route to a listing on the ACE Market of Bursa Malaysia.

AGB said in a statement today that the IPO entails a public issue of 96.5 million new ordinary shares and an offer for sale of 30 million existing ordinary shares.

"Of the 96.5 million public issue shares, 21.65 million shares will be made available to the Malaysian public via balloting, 6.32 million shares will be allocated to the eligible directors and employees of AGB and its subsidiaries," it said.

Meanwhile, the remaining 68.53 million shares will be allocated by way of private placement to selected investors.

“Pursuant to the underwriting agreement, TA Securities will underwrite a total of 21.65 million public issue shares,” it said.

It noted that proceeds from the IPO would be utilised for business expansion locally and abroad in the form of setting up new warehouses and offices in Penang and Johor Bahru as well as setting up a new office in Busan, South Korea.

“Part of the proceeds from the IPO has also been earmarked to fund working capital, repayment of bank borrowings as well as for listing expenses,” it said.

AGB group chief executive officer and executive director Datuk Ponnudurai Periasamy said the IPO proceeds would assist in the group’s expansion locally as well as abroad to grow and expand services.

“We hope that our future listing status will further strengthen our regional presence while providing even further credibility to the services we provide such as our aerospace logistics services whereby our existing and target customers are airlines within the region,” he said.

The group is primarily a third-party logistics (3PL) service provider, comprising sea and air freight forwarding, aerospace logistics, warehousing and other 3PL, and road freight transportation services, with physical presence in Malaysia, the Philippines, South Korea, Myanmar, Singapore and Cambodia (via associate).

-- BERNAMA
