

# AGX Group Targets RM33.76 Million From IPO Exercise

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Editor

January 16, 2024



AGX Group Berhad has announced its Initial Public Offering prospectus in conjunction with its listing on the ACE Market of Bursa Malaysia Securities Berhad.

The IPO entails a public issue of 96,500,000 new ordinary shares and an offer for sale of 30,000,000 existing ordinary shares priced at RM0.35 per ordinary share of AGX. The Company is expected to raise approximately RM33.78 million from the issuance of Public Issue Shares, of which the majority of proceeds of RM16.44 million it said will be utilised for working capital and 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. T

The remaining proceeds of RM4.14 million and RM4.50 million the group added will be utilised for repayment of bank borrowings and listing expenses respectively. The offer for sale is expected to raise approximately RM10.50 million.

Based on its enlarged issued share capital of approximately 432.87 million Shares and IPO price of RM0.35 per Share, AGB will have a market capitalisation of approximately RM151.50 million upon its listing on Bursa Securities. AGX has also adopted a dividend policy of with a payout ratio of up to 30.0% of its profits to attributable to owners of the Company (to be approved by the board of directors of AGB at each of the financial year) and its listed shares will be Shariah compliant.

AGB is principally involved in the activities of holding companies. Through the subsidiaries, the AGX Group is primarily a third-party logistics service provider where its services comprise sea and air freight forwarding, aerospace logistics, warehousing and

other 3PL, and road freight transportation services.

For the 8-months financial period ended 31 August 2023, aerospace logistics was the largest contributor to the company's total revenue with at approximately 37.06% of total revenue for the FPE2023 followed by sea freight forwarding, air freight forwarding, warehousing and other 3PL services, and road freight transportation at 36.76%, 17.11%, 5.68% and 3.39% respectively.