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KUALA LUMPUR (Jan 16): ACE Market-bound freight forwarding and aerospace logistics provider AGX Bhd made a net profit of RM3 million on the back of revenue of RM47.3 million in its third quarter ended Sept 30, 2023 (3QFY2023).

The company, which is set to be listed on Feb 7, announced the results in a bourse filing on Tuesday, with earnings per share at 0.69 sen.

There are no comparative figures available for the preceding year's corresponding quarter, as this is the first interim financial report announced by the company.

For the nine months ended Sept 30, 2023 (9MFY2023), its net profit came in at RM9.16 million on the back of revenue of RM138.16 million.

Segmentally, its aerospace logistics segment is the largest revenue contributor, with RM51.67 million, followed by sea freight forwarding at RM49.78 million and air freight forwarding at RM23.59 million.

Other segments are warehousing and other third-party logistics services (RM8.12 million) and road freight transportation (RM5 million).

Geographically, the bulk of its business comes from the Philippines, which contributed 50.5% of its total revenue or RM69.79 million, followed by Malaysia (RM31.24 million), Singapore (RM15.8 million), Korea (RM13.37 million) and Myanmar (RM7.95 million).

On Tuesday, the group said it has set its initial public offering (IPO) price at 35 sen per share, which would be valued at about 11 times its price-earnings ratio based on a net profit of RM13.54 million for the financial year ended Dec 31, 2022 (FY2022).

Upon listing, AGX would have a market capitalisation of RM151.5 million based on its IPO price of 35 sen and an enlarged share capital of 432.87 million shares.

The group's IPO comprises a public issuance of 96.5 million new shares and an offer for sale of 30 million existing shares. It expects to raise RM44.26 million, of which RM33.78 million will be from the issuance of new shares and RM10.5 million from the offer for sale shares.

Under the public issue portion, 21.65 million shares will be made available to the Malaysian public through balloting, of which 50% or 10.83 million shares will be set aside for Bumiputera investors. Some 6.32 million shares will be allocated to eligible directors and employees of the group.

The remaining 68.53 million shares will be made available for private placement to selected investors.

The majority RM16.44 million in proceeds will be used for working capital and RM8.7 million for business expansion in Malaysia and South Korea by setting up new warehouses and offices in Penang and Johor Bahru, as well as a new office in Busan, South Korea. RM4.14 million will be utilised for repayment of bank borrowings, with the remaining RM4.5 million going towards listing expenses.

Edited By Tan Choe Choe