

DATE : 18 JAN 2024
PUBLICATION : THE SUN DAILY
SECTION : PROPERTY TAKE
HEADLINE : ACE MARKET-BOUND AGX POSTS RM3M NET PROFIT FOR Q3
CATEGORY : COMPANY
MEASUREMENT : 60 CM²
TONE : NEUTRAL
REMARKS : N/A

ACE Market-bound AGX posts RM3m net profit for Q3

PETALING JAYA: AGX Group Bhd, a third-party logistics solutions provider, recorded RM3 million profit after tax (PAT) on the back of revenue of RM47.3 million for its third quarter ended Sept 30, 2023 (Q3'23).

For the cumulative nine-month period (9M23), revenue amounted to RM138.16 million with PAT of RM9.17 million.

There are no comparative figures for the preceding corresponding period as this is the first interim financial report announced by the company ahead of its listing on the ACE Market of Bursa Malaysia Securities, slated for Feb 7.

For the quarter under review, the group's aerospace logistics segment was the largest



contributor, generating about RM19.71 million or 41.67% of total revenue. Sea freight forwarding was the second largest revenue contributor with 31.71% followed by air freight forwarding, warehousing and 3PL services and road freight transport with 16.18%,

6.21% and 4.23% respectively.

In terms of geographical segmental revenue, foreign operations accounted for about 79.24% of the total, with the Philippines being the group's largest business operation and accounting for about 54.08% of total revenue. This is followed by operations in Malaysia, Singapore, South Korea and Myanmar with 20.76%, 11.19%, 8.12% and 5.84% respectively.

AGX Group CEO Datuk Ponnudurai Periasamy said: "We will continue our focus on our key strengths namely in sea and air freight forwarding and the aerospace logistics segments. We believe that although revenue from the sea freight forwarding business

for the year has come off from the highs in 2021 and 2022 due to higher sea freight rates resulting from the pandemic, our aerospace logistics business has continued to grow and we expect this to spur our group moving forward."

He added that the group is excited about the prospects of its expansion plans pursuant to its initial public offering (IPO) and hopes to embark on its next stage of growth with part of the IPO proceeds expected to fund the setting up of new offices and warehouses in Johor and Penang as well as an office in Busan, South Korea.

The company has earmarked 48.66% of its IPO proceeds for working capital and 25.76% for business expansion.