DATE	**:**	**04 SEP 2026**
PUBLICATION	**:**	**THE SUN DAILY**
SECTION	**:**	**BIZ & FINANCE**
HEADLINE	**:**	**AGX GROUP BHD BUY. TARGET PRICE: RM0.84**
CATEGORY	**:**	**COMPANY**
MEASUREMENT	**:**	**40 CM²**
TONE	**:**	**NEUTRAL**
REMARKS	**:**	**N/A**

AGX Group Bhd

Buy. Target price: RM0.84

Source: Bloomberg, Phillip Capital Research

WE came away from AGX Group's 2Q26 briefing positive on its aerospace logistics growth prospects. MAS, VietJet and Sun PhuQuoc are all in ramp-up phase, which should see contributions to accelerate from 3Q26 onwards. Newly secured clients, AirBorneo, Firefly and SEAIR could drive further growth, with AGX targeting conversion into long-term service contracts before extending into Indonesia. Longer-term, AGX's key airline customers are expected to grow their combined fleet from the current 451 aircraft to 1,516 by 2035, underpinning strong visibility into organic growth.

We see a clear earnings recovery for All-Link in 2H26, with management expecting associate contribution to improve to RM3m per quarter in 2H26, almost matching the RM3.9m contribution for the entire 1H26. This is expected to be driven by seasonal demand and new customer contributions, with 3 wins secured over 2025-26 and another 1-2 targeted by end-26, alongside planned entry into Vietnam and Thailand. We see further upside from leveraging All-Link's China customer base with AGX's Asean network to develop cross-border freight flows. Potential bolt-on M&A in Malaysia and Singapore provides another growth lever.

We remain positive on AGX's earnings prospects, underpinned by improving aerospace logistics and contributions from All-Link. Key risks to our call include lower-than-expected freight demand, decline in freight rates, and loss of customers.

Maintain BUY with RM0.84 target price. – ***Phillip Capital Research, Sept 3***