



Press Release

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AGX GROUP BERHAD LAUNCHES IPO PROSPECTUS IN CONJUNCTION WITH LISTING ON ACE MARKET

KUALA LUMPUR, 16 January 2024 – AGX Group Berhad (“AGB” or the “Company”), launched its Initial Public Offering (“**IPO**”) prospectus today in conjunction with its listing on the ACE Market of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

The IPO entails a public issue of 96,500,000 new ordinary shares (“**Public Issue Shares**”) and an offer for sale of 30,000,000 existing ordinary shares priced at RM0.35 per ordinary share of AGX (“**AGX Share(s)**” or “**Share(s)**”). 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 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. The remaining proceeds of RM4.14 million and RM4.50 million 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. The Company 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 (“3PL”) service provider where its services comprise sea and air freight forwarding, aerospace logistics, warehousing and other 3PL, and road freight transportation services. The AGB provides services to assist senders or receivers to transport their goods from the point of origin to their final destinations. The Group is regional player with operations spanned across 6 countries, namely Malaysia, the Philippines, Korea, Myanmar, Singapore and Cambodia (via associate) with its majority of its earnings derived from overseas.

The aerospace logistics services involve organising air freight for aircraft parts, components, and equipment. These are project-based and carried out as and when required. In many situations, the Group carries out time-critical aerospace logistics services to bring crucial aircraft items from suppliers or vendors’ facilities in various parts of the world, to where the malfunctioning aircraft-on-ground (“AOG”) is located. The time-critical aspect of the aerospace logistics services is to facilitate AOG to be

repaired and return to service in the shortest time possible. Hence, the aerospace logistics services provide the Group with an additional area of business growth and differentiates the Group from other logistics companies.

For the 8-months financial period ended 31 August 2023 (“**FPE 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.

Dato’ Rozalila Binti Abdul Rahman, AGB’s Independent Non-Executive Director and Chairperson, said “We are very proud of our achievement today. In addition to our regional footprint, the Company has achieved many key milestones within our logistics business. Some of the notable recent achievements include the joint venture with All-Link China for logistics services in the Southeast Asia region, our Non-vessel Operating Common Carrier (NVOCC) status registration by the Federal Maritime Commission of the US (FMC) and International Air Transport Association (IATA) approved cargo agent status.

The journey would not be complete without our capable team made up of various professionals mainly from the logistics industry with decades of experience in this field. I am very proud to be able to say that this is a Malaysian company competing on a regional stage especially in our aerospace logistics business where our competitors are some of the giant multinational corporations (MNCs), we have managed to craft a position for ourselves, I am certain that this is one of the key reasons for our success in diversifying our physical presence in this region whilst delivering a wide suite of services to our customers and I am confident that the team’s dedication will continue to drive us forward, ensuring sustained growth and success,” she added.

Ku Mun Fong, TA Securities Holdings Berhad’s Head of Corporate Finance, said, “We are confident in the management of the Group to lead the group of companies in realising its regional growth plans particularly leveraging on the IPO as it provides additional funds, strengthening of its financial position and further enhancement of reputation in countries which the Group is operating in. This will certainly bode well in enhancing future shareholders’ value.”

Pursuant to the launch of AGB’s prospectus, applications for the Public Issue Shares are open from today and will close on 23 January 2024 at 5.00 p.m. AGB is scheduled to be listed on the ACE Market of Bursa Securities on 7 February 2024.

TA Securities, besides being the Underwriter of AGB’s IPO, is also the Principal Adviser, Sponsor and Placement Agent for this exercise.

ABOUT AGX GROUP BERHAD

AGX Group Berhad (“**AGB**” or the “**Company**”) is a third party logistics (3PL) service provider. Its full suite of services encompasses sea and air freight forwarding, aerospace logistics, warehousing and other 3PL services, and road freight transportation. The Company and its subsidiaries have physical presence in Malaysia, Singapore, Philippines, Korea, Myanmar and Cambodia (via associate).

To learn more, visit <https://agxlogistics.com/>

ABOUT TA SECURITIES HOLDINGS BERHAD

TA Securities Holdings Berhad (“**TA Securities**”) was incorporated in Malaysia on 1 July 1973 and is a wholly-owned subsidiary of TA Enterprise Berhad. Currently, the company has an issued and paid-up share capital of RM250 million.

TA Securities is a stockbroking company licensed by Securities Commission Malaysia under the Capital Markets and Services Act 2007. It is also a Participating Organisation of Bursa Malaysia, and its principal office is in Menara TA One, Kuala Lumpur with branches in Ipoh, Sibul, Kota Bharu, Subang Jaya, Damansara Utama, Melaka, Segamat, Penang, Johor Bahru and Bangsar South.

To learn more, visit <http://www.tasecurities.com.my/>

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