



• Air • Sea • Land

**AGX GROUP BERHAD**

(Registration No. 201901042663 (1351993-K))

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**

**AGX GROUP BERHAD****Registration No: 201901042663 (1351993-K)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023<sup>(1)</sup>**

	Note	<---Individual Quarter--->		<--Cumulative Quarter-->	
		Current year quarter 30.09.2023 RM'000	Preceding year quarter 30.09.2022 <sup>(2)</sup> RM'000	Current year-to-date 30.09.2023 RM'000	Preceding year-to-date 30.09.2022 <sup>(2)</sup> RM'000
Revenue	A9	47,301	N/A	138,159	N/A
Cost of sales		(32,481)	N/A	(93,217)	N/A
<b>Gross profit</b>		<b>14,820</b>	<b>N/A</b>	<b>44,942</b>	<b>N/A</b>
Other income		973	N/A	2,482	N/A
Administrative expenses		(7,967)	N/A	(29,162)	N/A
Other expenses		(3,646)	N/A	(7,061)	N/A
Finance costs		(331)	N/A	(1,006)	N/A
Share of results of associates		209	N/A	2,116	N/A
<b>Profit before tax</b>		<b>4,058</b>	<b>N/A</b>	<b>12,311</b>	<b>N/A</b>
Income tax expenses	B5	(1,061)	N/A	(3,145)	N/A
<b>Profit after tax</b>		<b>2,997</b>	<b>N/A</b>	<b>9,166</b>	<b>N/A</b>
<b>Other comprehensive (expenses)/income</b>					
Items that will be reclassified subsequently to profit or loss:					
- Foreign currency translation differences		(572)	N/A	742	N/A
<b>Total comprehensive income</b>		<b>2,425</b>	<b>N/A</b>	<b>9,908</b>	<b>N/A</b>
<b>Profit after tax attributable to:</b>					
Owners of the Company		2,995	N/A	9,160	N/A
Non-controlling interests		2	N/A	6	N/A
		<b>2,997</b>	<b>N/A</b>	<b>9,166</b>	<b>N/A</b>

**AGX GROUP BERHAD****Registration No: 201901042663 (1351993-K)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023<sup>(1)</sup>  
(continued)**

	Note	<---Individual Quarter--->		<---Cumulative Quarter-->	
		Current year quarter 30.09.2023 RM'000	Preceding year quarter 30.09.2022 <sup>(2)</sup> RM'000	Current year-to- date 30.09.2023 RM'000	Preceding year-to-date 30.09.2022 <sup>(2)</sup> RM'000
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		2,433	N/A	9,934	N/A
Non-controlling interests		(8)	N/A	(26)	N/A
		<b>2,425</b>	<b>N/A</b>	<b>9,908</b>	<b>N/A</b>
<b>Earnings per share (sen)</b>					
- Basic <sup>(3)</sup>	B12	0.69	N/A	2.12	N/A
- Diluted <sup>(4)</sup>	B12	0.69	N/A	2.12	N/A

**Notes:**

N/A – Not applicable

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the Accountants' Report dated 2 January 2024 ("**Accountants' Report**") as disclosed in the prospectus of AGX Group Berhad ("**AGX Group**" or "**Company**") dated 16 January 2024 ("**Prospectus**") and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the first interim financial report on the Company's unaudited condensed consolidated financial results for the third (3<sup>rd</sup>) quarter ended 30 September 2023 announced in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**Listing Requirements**"). There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period concerned.
- (3) Basic earnings per share ("**EPS**") is calculated based on the profit attributable to owners of the Company divided by the Company's enlarged issued share capital of 432,866,125 ordinary shares upon the Company's listing on the ACE Market of Bursa Securities.
- (4) The diluted EPS of the Company is equivalent to the basic EPS as the Company does not have any dilutive instruments as at the end of the financial period.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023<sup>(1)</sup>**

	<b>Unaudited 30.09.2023 RM'000</b>	<b>Audited 31.12.2022 RM'000</b>
<b>NON-CURRENT ASSETS</b>		
Investment in associates	4,465	2,349
Equipment	3,862	3,318
Right-of-use assets	10,040	6,924
Intangible assets	1,202	1,274
Deferred tax assets	3	-
	19,572	13,865
<b>CURRENT ASSETS</b>		
Trade receivables	46,445	38,873
Other receivables, deposits and prepayments	13,360	10,551
Contract assets	3,033	4,974
Amount owing by associates	23	3,941
Amount owing by related parties	17	4
Fixed deposits with licensed banks	1,070	1,205
Cash and bank balances	9,857	13,134
Tax recoverable	210	283
	74,015	72,965
<b>TOTAL ASSETS</b>	<b>93,587</b>	<b>86,830</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	27,120	27,120
Retained profits	26,185	17,025
Reserves	661	(113)
<b>Equity attributable to owners of the Company</b>	<b>53,966</b>	<b>44,032</b>
Non-controlling interests	125	1
<b>TOTAL EQUITY</b>	<b>54,091</b>	<b>44,033</b>

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

**AGX GROUP BERHAD****Registration No: 201901042663 (1351993-K)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023<sup>(1)</sup> (continued)**

	Note	Unaudited 30.09.2023 RM'000	Audited 31.12.2022 RM'000
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		59	261
Loans and borrowings	B8	5,337	3,513
Provisions		1,345	963
		6,741	4,737
<b>CURRENT LIABILITIES</b>			
Trade payables		13,718	15,143
Other payables and accruals		6,200	10,156
Amount owing to associate		-	3
Loans and borrowings	B8	12,038	12,407
Current tax liabilities		799	351
		32,755	38,060
<b>TOTAL LIABILITIES</b>		39,496	42,797
<b>TOTAL EQUITY AND LIABILITIES</b>		93,587	86,830
<b>Net assets per ordinary share attributable to owners of the Company (RM)<sup>(2)</sup></b>		0.12	0.10

**Notes:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus dated 16 January 2024 and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per share is calculated based on the net assets divided by the Company's enlarged issued share capital of 432,866,125 shares upon the Company's listing on the ACE Market of Bursa Securities.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

**AGX GROUP BERHAD****Registration No: 201901042663 (1351993-K)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023<sup>(1)</sup>**  
<sup>(2)</sup>

	<--Non-distributable-->			Distributable	Attributable to Owners of the Company	Non-Controlling Interests	Total Equity
	Share Capital	Foreign Exchange Translation Reserve	Remeasurement of Retirement Liability	Retained Profits	RM'000	RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2023	27,120	118	(231)	17,025	44,032	1	44,033
Profit after taxation for the financial period	-	-	-	9,160	9,160	6	9,166
Other comprehensive income/(expenses) for the financial period							
- Foreign exchange translation differences	-	784	(10)	-	774	(32)	742
Total comprehensive income/(expenses) for the financial period	-	784	(10)	9,160	9,934	(26)	9,908
Issuance of shares to non-controlling interests in a subsidiary	-	-	-	-	-	150	150
At 30 September 2023	27,120	902	(241)	26,185	53,966	125	54,091

**AGX GROUP BERHAD**

**Registration No: 201901042663 (1351993-K)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**

---

**Notes:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus dated 16 January 2024 and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the first interim financial report on the Company's unaudited condensed consolidated financial results for the third (3<sup>rd</sup>) quarter ended 30 September 2023 announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period concerned.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

**AGX GROUP BERHAD**  
**Registration No: 201901042663 (1351993-K)**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023<sup>(1)</sup>**

	<b>Current year-to-date 30.09.2023 RM'000</b>	<b>Preceding year-to-date 30.09.2022 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	12,311	N/A
<b>Adjustments for:</b>		
Amortisation of intangible asset	107	N/A
Bad debts written off	305	N/A
Depreciation of equipment	929	N/A
Depreciation of right-of-use assets	3,698	N/A
Impairment losses:		N/A
- trade receivables	1,766	N/A
- other receivables	256	N/A
Retirement expenses	382	N/A
Unrealised gain on foreign exchange	(141)	N/A
Gain on modification of leases	(51)	N/A
Reversal of impairment losses:		N/A
- trade receivables	(1,783)	N/A
- other receivables	(91)	N/A
Share of net profits of equity accounted associates	(2,116)	N/A
Gain on disposal of equipment	(4)	N/A
Interest expenses	580	N/A
Interest expenses on lease liabilities	426	N/A
Interest income	(34)	N/A
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>16,540</b>	<b>N/A</b>
Increase in trade and other receivables	(10,833)	N/A
Decrease in contract assets	1,941	N/A
Decrease in trade and other payables	(1,782)	N/A
Increase in amount owing by associate	(21)	N/A
Decrease in amount owing to associate	(3)	N/A
Increase in amount owing by related parties	(13)	N/A
<b>Cash from operations</b>	<b>5,829</b>	<b>N/A</b>
Interest paid	(5)	N/A
Interest received	34	N/A
Income tax paid	(3,008)	N/A
Income tax refunded	165	N/A
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>3,015</b>	<b>N/A</b>



**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023<sup>(1)</sup> (continued)**

	<b>Current year-to-date 30.09.2023 RM'000</b>	<b>Preceding year-to-date 30.09.2022 RM'000</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Addition to right-of-use assets	(175)	N/A
Changes in amount due from associates	3,938	N/A
Proceeds from disposal of equipment	8	N/A
Purchase of equipment	(1,136)	N/A
Withdrawal of fixed deposits with tenure more than 3 months	139	N/A
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>2,774</b>	<b>N/A</b>
<b>CASH FLOW FOR FINANCING ACTIVITIES</b>		
Dividend paid	(3,600)	N/A
Drawdown of trade financing	3,726	N/A
Interest paid	(1,001)	N/A
Proceeds from issuance of shares to non-controlling interest in a subsidiary	150	N/A
Repayment of trade financing	(4,030)	N/A
Repayment of lease liabilities	(3,720)	N/A
Repayment of term loans	(1,610)	N/A
<b>NET CASH FOR FINANCING ACTIVITIES</b>	<b>(10,085)</b>	<b>N/A</b>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,296)	N/A
EFFECTS OF FOREIGN EXCHANGE TRANSLATION	1,139	N/A
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	13,099	N/A
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD<sup>(3)</sup></b>	<b>9,942</b>	<b>N/A</b>

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**

**Notes:**

N/A – Not applicable

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus dated 16 January 2024 and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the first interim financial report on the Company's unaudited condensed consolidated financial results for the third (3<sup>rd</sup>) quarter ended 30 September 2023 announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period concerned.
- (3) Cash and cash equivalents at the end of the financial period consist of:

	<b>Current year- to-date 30.09.2023 RM'000</b>	<b>Preceding year corresponding year-to-date 30.09.2022<sup>(2)</sup> RM'000</b>
Fixed deposits with licensed banks	1,070	N/A
Cash and bank balances	9,857	N/A
	<u>10,927</u>	<u>N/A</u>
Less: Fixed deposits pledged and with tenure of more than 3 months	(985)	N/A
	<u>9,942</u>	<u>N/A</u>

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**

**NOTES TO THE INTERIM FINANCIAL REPORT**

**A. EXPLANATORY NOTES PURUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING**

**A1. Basis of preparation**

The interim financial statements of AGX Group Berhad and its subsidiaries ("**Group**") are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("**MFRS**") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards ("**MASB**") and Rules 9.22 and Appendix 9B of the Listing Requirements.

This is the Company's first interim financial statements on the unaudited condensed consolidated financial results announced by the Company in compliance with the Listing Requirements. As such, there are no comparative figures for the preceding year's corresponding period.

The interim financial statements should be read in conjunction with the Accountants' Report as disclosed in the Prospectus dated 16 January 2024 and the accompanying explanatory notes attached to this interim financial report.

**A2. Significant Accounting Policies**

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in preparation of the Accountants' Report as disclosed in the Prospectus dated 16 January 2024 except for the following new MFRSs and amendments to MFRSs that have been issued by the Malaysian Accounting Standards Board ("**MASB**").

**(a) MFRSs, Amendments to MFRSs and Interpretations adopted**

For the preparation of the financial statements, the following accounting standards and amendments of the MFRS framework issued by the MASB are mandatory for the first time for the current financial period:

	<b>Effective for financial periods beginning on or</b>
<b>MFRSs, Amendments to MFRSs and IC Interpretations</b>	
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 112: International Tax Reform - Pillar Two Model Rules	1 January 2023

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**

**A2. Significant Accounting Policies (continued)**

**(a) MFRSs, Amendments to MFRSs and Interpretations adopted (continued)**

The adoption of the abovementioned accounting standards and amendments are not expected to have any material impact on the financial statements of the Group.

**(b) Amendments to MFRSs not adopted**

As at the date of authorisation of the unaudited interim financial report, the following Standards were issued but not yet effective and have not been adopted by the Group:

	<b>Effective for financial periods beginning on or</b>
<b>MFRSs, Amendments to MFRSs and IC Interpretations</b>	
Amendments to MFRS 7 : Financial Instruments; Disclosures	1 January 2024
Amendments to MFRS 16: Lease Liability in a Sales and Leaseback	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-Current	1 January 2024
Amendments to MFRS 101: Non-Current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangement	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025

The initial application of the above Standards is not expected to have any material impact to the consolidated financial statements of the Group upon adoption.

**A3. Auditors' report of preceding annual audited financial statements**

There was no qualification on the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2022.

**A4. Seasonal or cyclical factors**

The business operations of the Group were not affected by any seasonal or cyclical trend during the current financial quarter under review and financial year-to-date.

**A5. Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no extraordinary and exceptional items of unusual nature affecting the assets, liabilities, equity, net income or cash flows of the Group during the current quarter under review and year-to-date.

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**

**A6. Changes in estimates**

There were no material changes in the estimates that have a material effect to the Group during the current quarter under review and year-to-date.

**A7. Debt and equity securities**

There were no issuances, cancellation, repurchases, resales and repayment of debts and equity securities during the current quarter under review and year-to-date.

**A8. Dividends Paid**

The Company did not pay any dividend for the current quarter under review and year-to-date.

**A9. Segmental information**

The segmental information based on the business segments and geographical location are as follows:-

(a) Analysis of revenue by business segments

	<---Individual Quarter--->		<--Cumulative Quarter--->	
	Current year quarter 30.09.2023 RM'000	Preceding year quarter 30.09.2022 <sup>(1)</sup> RM'000	Current year-to- date 30.09.2023 RM'000	Preceding year-to-date 30.09.2022 <sup>(1)</sup> RM'000
Sea freight forwarding	14,999	N/A	49,778	N/A
Air freight forwarding	7,653	N/A	23,588	N/A
Aerospace logistics	19,712	N/A	51,672	N/A
Warehousing and other 3PL services	2,936	N/A	8,120	N/A
Road freight transportation	2,001	N/A	5,001	N/A
<b>Total</b>	<b>47,301</b>	<b>N/A</b>	<b>138,159</b>	<b>N/A</b>

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**

**A9. Segmental information (continued)**

The segmental information based on the business segments and geographical location are as follows:- (continued)

- (b) Analysis of revenue by geographical location where our operating subsidiary companies are located.

	<--Individual Quarter-->		<--Cumulative Quarter-->	
	Current year quarter 30.09.2023 RM'000	Preceding year quarter 30.09.2022 <sup>(1)</sup> RM'000	Current year-to- date 30.09.2023 RM'000	Preceding year-to-date 30.09.2022 <sup>(1)</sup> RM'000
Malaysia	9,821	N/A	31,242	N/A
Singapore	5,293	N/A	15,804	N/A
Philippines	25,580	N/A	69,791	N/A
Korea	3,843	N/A	13,369	N/A
Myanmar	2,764	N/A	7,953	N/A
<b>Total</b>	<b>47,301</b>	<b>N/A</b>	<b>138,159</b>	<b>N/A</b>

**Notes:**

N/A – Not applicable

- (1) This is the first interim financial report on the Company's unaudited condensed consolidated financial results for the third (3<sup>rd</sup>) quarter ended 30 September 2023 announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period concerned.

**A10. Valuation of property, plant and equipment**

There was no valuation of property, plant and equipment in the current financial quarter under review.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**

**A11. Material events subsequent to the end of the current financial quarter**

Save for the corporate proposals disclosed below, there were no other material events subsequent to the end of the current financial quarter under review that have not been reflected in this interim financial report.

- (a) On 7 December 2023, AGX Express Philis. Inc. (a subsidiary of AGX Group) incorporated a 99.99% owned subsidiary namely, AGX Warehouse Solutions Inc.. The intended principal activities are warehousing and other 3PL services.
- (b) In conjunction with, and as an integral part of the Company's listing on the ACE Market of Bursa Securities, the Company had on 28 November 2023 completed a subdivision of all the existing 269,092,900 Shares in issue into 336,366,125 Shares (i.e., subdivision of every 4 existing Shares into 5 subdivided Shares).
- (c) In conjunction with the Company's listing on the ACE Market of Bursa Securities, the Company issued its Prospectus for its initial public offering ("**IPO**") entailing the following:
  - (i) Public issue of 96,500,000 new shares ("**Public Issue Shares**") at an IPO price of RM0.35 per share in the following manner:
    - a) 21,650,000 Public Issue Shares for application by the Malaysia Public;
    - b) 6,320,000 Public Issue Shares for application by our eligible Directors and employees of the Group;
    - c) 68,530,000 Public Issue Shares by way of private placement to selected investors; and
  - (ii) Offer for sales of 30,000,000 existing ordinary shares by way of private placement to selected investors.

Upon completion of the IPO, the Company is expected to be admitted to the Official List of Bursa Securities and the Company's entire enlarged issued share capital of 432,866,125 shares shall be listed and quoted on the ACE Market of Bursa Securities on 7 February 2024.

**A12. Changes in the composition of the Group**

There were no material changes to the composition of the Group during the current financial quarter under review.

**A13. Contingent liabilities and contingent assets**

There were no contingent liabilities and contingent assets in the Group as at date of this interim financial report.

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**

**A14. Capital commitments**

There were no other material capital commitments of the Group as at 30 September 2023.

**A15. Related party transactions**

Save as disclosed below, there were no other significant related party transactions during the current quarter and year-to-date under review:

	<----Individual Quarter-->		<--Cumulative Quarter-->	
	Current year quarter 30.09.2023 RM'000	Preceding year quarter 30.09.2022 <sup>(1)</sup> RM'000	Current year-to- date 30.09.2023 RM'000	Preceding year-to-date 30.09.2022 <sup>(1)</sup> RM'000
<u>Transactions with Related Parties</u>				
- Rendering of services	6	N/A	11	N/A
- Purchase of services	-	N/A	1	N/A
<u>Transactions with Associates</u>				
- Rendering of services	38	N/A	121	N/A
- Purchase of services	1	N/A	1	N/A

- (1) This is the first interim financial report on the Company's unaudited condensed consolidated financial results for the third (3<sup>rd</sup>) quarter ended 30 September 2023 announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period concerned.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]



**AGX GROUP BERHAD****Registration No: 201901042663 (1351993-K)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023****B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B1. Review of performance**

	<---Individual Quarter--->		<---Cumulative Quarter--->	
	Current year quarter 30.09.2023 RM'000	Preceding year quarter 30.09.2022 <sup>(1)</sup> RM'000	Current year-to- date 30.09.2023 RM'000	Preceding year-to-date 30.09.2022 <sup>(1)</sup> RM'000
Revenue	47,301	N/A	138,159	N/A
Gross profit (" <b>GP</b> ")	14,820	N/A	44,942	N/A
Profit before tax	4,058	N/A	12,311	N/A
Profit after tax	2,997	N/A	9,166	N/A

**Note:**

N/A – Not applicable

- (1) This is the first interim financial report on the Company's unaudited condensed consolidated financial results for the third (3<sup>rd</sup>) quarter ended 30 September 2023 announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period concerned.

The Group recorded revenue of RM47.30 million and RM138.16 million for the current financial quarter and year-to-date ended 30 September 2023 respectively.

The Group's revenue was mainly derived from the aerospace logistics and sea freight forwarding consists of approximately 41.67% and 31.71% of the total revenue for the current financial quarter ended 30 September 2023 and approximately 37.40% and 36.03% of the total revenue for year-to-date ended 30 September 2023.

The Group's cost of sales mainly constituted freight charges paid to the carriers for the transportation of our customers' goods by cargo ships and planes which accounted for RM14.26 million or 43.90% of the total cost of sales of RM32.48 million for the current financial quarter under review and RM42.49 million or 45.58% of the total cost of sales of RM93.22 million for the financial year-to-date ended 30 September 2023.

The Group recorded a GP of RM14.82 million (GP margin of 31.33%) and RM44.94 million (GP margin of 32.53%), respectively, for the current quarter and year-to-date ended 30 September 2023.

Further, the Group recorded a profit before tax of RM4.06 million and RM12.31 million, respectively, for the current quarter and year-to-date ended 30 September 2023 after deducting administrative expenses of RM7.97 million for the current financial quarter and RM29.16 million for the financial year-to-date under review. The administrative expenses mainly consist of staff costs.

## **AGX GROUP BERHAD**

**Registration No: 201901042663 (1351993-K)**

(Incorporated in Malaysia)

### **INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**

#### **B1. Review of performance (continued)**

This is the first interim financial report announced in compliance with the Listing Requirements. As such, there are no comparative figures for the corresponding preceding quarter results.

#### **B2. Comparison with immediate preceding quarter's results**

This is the first interim financial report announced in compliance with the Listing Requirements. As such, there are no comparative figures for the immediate preceding quarter results.

#### **B3. Prospects of the Group**

As disclosed in the Prospectus, the Group's business strategies and plans are as follows:

- (i) To set up a new warehouse and office at PTP in Johor Bahru, known as the PTP Warehouse and Office, to improve our coverage in the southern region of Peninsular Malaysia, and to support providing warehousing and 3PL services to customers in Singapore. In addition, establishing a physical presence in PTP, which is close to other seaports and the airport in Johor, will facilitate our dealings with the port and customs authorities at PTP, Johor Port, Tanjung Langsat Port, as well as with airport and customs authorities at the Senai International Airport.
- (ii) To set up a new operational facility comprising an office and warehouse in Penang, known as the Penang Warehouse and Office, to improve our coverage in the northern region of Peninsular Malaysia. The Penang Warehouse and Office will enable us to establish a physical presence close to the seaports and airports in Penang to facilitate dealings with the Port of Penang and the Penang International Airport. We intend to utilise the Penang Warehouse and Office to offer warehousing and other 3PL services to external customers, as well as to support our air and sea freight forwarding, and logistics services in the northern region.
- (iii) To set up a new office in Busan, South Korea, known as the Busan Office, to improve our coverage in the southern region of South Korea. Establishing a physical presence in Busan will support our sea freight forwarding services for the import and export of cargo through the Port of Busan by facilitating our dealings with port and customs authorities.

Based on the above, the Board of Directors ("**Board**") is optimistic of the Group's future prospects and expects the Group's expansion plans to contribute positively to its financial performance in the future.

#### **B4. Variance of actual profits from forecast profits**

The Group did not issue any profit forecast or profit guarantee in the current financial quarter under review and year-to-date.

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**

**B5. Tax expense**

	<----Individual Quarter-->		<--Cumulative Quarter-->	
	Current year quarter 30.09.2023 RM'000	Preceding year quarter 30.09.2022 <sup>(1)</sup> RM'000	Current year-to- date 30.09.2023 RM'000	Preceding year-to-date 30.09.2022 <sup>(1)</sup> RM'000
Current tax expense	1,061	N/A	3,145	N/A
Effective tax rate <sup>(2)</sup> (%)	26.15	N/A	25.55	N/A
Statutory tax rate (%)	24.00	N/A	24.00	N/A

**Notes:**

N/A – Not applicable

- (1) This is the first interim financial report on the Company's unaudited condensed consolidated financial results for the third (3<sup>rd</sup>) quarter ended 30 September 2023 announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period concerned.
- (2) The Group's effective tax rate is higher than the statutory income tax rate of Malaysia of 24.00%. For the cumulative period ended 30 September 2023, this was mainly attributable to add back of expenses not deductible for tax purpose, under provision of the previous year's current taxation, deferred tax assets not recognised and a subsidiary is being taxed at 25% tax rate which increased taxation.

**B6. Status of corporate proposals**

Save for the IPO as disclosed in A11 above, there are no other corporate proposals announced by the Company but not completed as at the date of this interim financial report.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**

**B7. Utilisation of proceeds**

The gross proceeds to be raised from the IPO amounting to RM33.78 million is intended to be utilised in the following manner:-

<b>Details of use of proceeds</b>	<b>RM'000</b>	<b>%</b>	<b>Estimated timeframe for utilisation from the date of listing</b>
Business expansion	8,700	25.8	Within 12 months
Repayment of bank borrowings	4,139	12.2	Within 3 months
Working capital	16,436	48.7	Within 24 months
Estimated listing expenses	4,500	13.3	Within 3 months
<b>Total</b>	<b>33,775</b>	<b>100.0</b>	

The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 16 January 2024. As at the date of this interim financial report, the IPO has yet to be completed and hence, the proceeds have yet to be raised and utilised by the Group.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**

**B8. Loans and borrowings**

The Group's loans and borrowings were as follows:

	<b>Unaudited</b>			
	<b>As at 30.09.2023</b>			
	<b>Current</b>		<b>Non-current</b>	
	<b>RM</b>	<b>Foreign</b>	<b>RM</b>	<b>Foreign</b>
	<b>Denomination</b>	<b>Denomination</b>	<b>Denomination</b>	<b>Denomination</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>Secured and guaranteed</u></b>				
<u>Denominated in RM</u>				
Term loans	99	-	-	-
Trade financing	312	-	-	-
<u>Denominated in PHP</u>				
Lease liabilities	-	279	-	248
Term loans	-	6,946	-	-
<b><u>Unsecured and unguaranteed</u></b>				
<u>Denominated in RM</u>				
Lease liabilities	1,178	-	4,592	-
<u>Denominated in PHP</u>				
Lease liabilities	-	1,558	-	362
<u>Denominated in SGD</u>				
Lease liabilities	-	1,603	-	24
<u>Denominated in KRW</u>				
Lease liabilities	-	63	-	111
<b>Total</b>	<b>1,589</b>	<b>10,449</b>	<b>4,592</b>	<b>745</b>
<b>Grand Total</b>	<b>12,038</b>		<b>5,337</b>	

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**

**B9. Derivative financial instruments**

The Group did not enter into any derivatives during the current financial quarter under review and year-to-date.

**B10. Material litigation**

As at the date of this report, the Group is not involved in any material litigations or arbitrations either as a defendant or plaintiff and the Board is not aware of any proceedings pending or of any fact likely to give rise to any proceedings.

**B11. Dividends Proposed**

No dividend has been proposed or declared for payment by the Board of the Company during the current financial quarter and year-to-date under review.

On 31 October 2023, the Company has declared and paid a single tier interim dividend of RM0.011 per ordinary share amounting to RM3,000,000 for the financial year ended 31 December 2023. This first interim financial report on the Company's unaudited condensed consolidated financial results for the third (3<sup>rd</sup>) quarter ended 30 September 2023 do not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriation of retained profits in the financial year ended 31 December 2023.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**

**B12. Earnings per share**

The basic and diluted earnings per share for the current quarter and financial period is calculated as follows:

	<---Individual Quarter--->		<---Cumulative Quarter--->	
	Current year quarter 30.09.2023	Preceding year quarter 30.09.2022 <sup>(1)</sup>	Current year-to-date 30.09.2023	Preceding year-to-date 30.09.2022 <sup>(1)</sup>
Profit attributable to owners of the Company (RM'000)	2,995	N/A	9,160	N/A
Number of ordinary shares ('000)	432,866	N/A	432,866	N/A
Basic earnings per share (sen) <sup>(2)</sup>	0.69	N/A	2.12	N/A
Diluted earnings per share (sen) <sup>(3)</sup>	0.69	N/A	2.12	N/A

**Notes:**

N/A – Not applicable

- (1) This is the first interim financial report on the Company's unaudited condensed consolidated financial results for the third (3<sup>rd</sup>) quarter ended 30 September 2023 announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period concerned.
- (2) Basic EPS is calculated based on the profits attributable to owners of the Company divided by the Company's enlarged issued share capital of 432,866,125 Shares upon the Company's listing on the ACE Market of Bursa Securities.
- (3) The diluted EPS of the Company is equivalent to the basic EPS as the Company does not have any no dilutive instruments as at the end of the financial period.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**

**B13. Notes to the statement of profit or loss and other comprehensive income**

Profit for the period was derived after taking into consideration of the following:-

	<---Individual Quarter--->		<---Cumulative Quarter--->	
	Current year quarter 30.09.2023 RM'000	Preceding year quarter <sup>(1)</sup> 30.09.2022 RM'000	Current year-to-date 30.09.2023 RM'000	Preceding year-to- date <sup>(1)</sup> 30.09.2022 RM'000
After charging/(crediting)				
Finance costs	331	N/A	1,006	N/A
Amortisation of intangible asset and depreciation of equipment and right-of-use assets	1,757	N/A	4,734	N/A
Net foreign exchange loss/(gain)	395	N/A	(95)	N/A
Impairment losses on receivables and bad debts written off	1,494	N/A	2,327	N/A
Interest income	(1)	N/A	(34)	N/A
Reversal of impairment losses on receivables	(844)	N/A	(1,874)	N/A

**Notes:**

N/A – Not applicable

- (1) This is the first interim financial report on the Company's unaudited condensed consolidated financial results for the third (3<sup>rd</sup>) quarter ended 30 September 2023 announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period concerned.

Other disclosure items as required under Appendix 9B of the Listing Requirements are not applicable.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]



**AGX GROUP BERHAD**

**Registration No: 201901042663 (1351993-K)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023**

**B14. Authorisation for issue**

The interim financial report was authorised for issue by the Board of Directors of the Company in accordance with a resolution passed by the Board of Directors on 15 January 2024.

**BY ORDER OF THE BOARD AGX GROUP BERHAD**

**16 January 2024**