

# YKGI, Ajiya to jointly sell safety glass, metal products in Sabah and Sarawak

Faiz Halim / [theedgemarkets.com](http://theedgemarkets.com)

April 30, 2018 19:54 pm +08



KUALA LUMPUR (April 30): Ajiya Bhd and YKGI Holdings Bhd have teamed up to jointly undertake the manufacturing and sale of safety glass, supply and installation of Ajiya green integrated building system (AGiBS), as well as trading of metal door frame, window frame, metal ceiling and sunshade products in Sabah and Sarawak.

In separate filings with Bursa Malaysia today, Ajiya and YKGI said they have entered into a subscription-cum-shareholders agreement (SSA) to form a joint venture (JV) company to be named ASTEEL Ajiya Sdn Bhd.

Ajiya will hold a 40% stake in ASTEEL Ajiya and the remaining 60% will be held by YKGI's wholly-owned subsidiary ASTEEL Resources Sdn Bhd (ARSB). ASTEEL Ajiya is expected to commence business in the second quarter of 2018.

Ajiya and YKGI said the proposed JV enables ARSB to expand its product range in Sabah and Sarawak and Ajiya to extend its market reach by leveraging on ARSB's extensive business network there.

The proposed JV will also provide a platform for both companies to collaborate further in future endeavours, they added.

"Barring unforeseen circumstances, the proposed JV is expected to contribute positively to the future earnings and earnings per share of the Ajiya and YKGI Group," they said.

YKGI shares closed down 0.5 sen or 2.27% at 21.5 sen today, with 3.42 million shares done, bringing it a market capitalisation of RM75.4 million. Ajiya's stock, meanwhile, closed 1.5 sen or 2.91% lower at 50 sen, with 167,200 shares traded, valuing it at RM149.9 million.