

Ekuiņas to be self-funding in 3 years' time

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KUALA LUMPUR: Ekuiti Nasional Bhd (Ekuiņas), which will distribute RM500 million of its gains to the bumiputra community through Permodalan Nasional Bhd (PNB), aims to be self-funding in three years' time after receiving the remaining RM2 billion funding from the government.

"The government's commitment for Ekuiņas is RM5 billion, which was announced by the government at our inception in 2009. We have received to date RM3 billion and we don't expect additional requirement beyond the RM5 billion. It will be self-funding," its CEO Datuk Abdul Rahman Ahmad told reporters at the announcement of its distribution yesterday.

He said it will retain the principal amount and part of the gains from its investments for future reinvestments.

"Once we get the RM5 billion we are very confident that we will be self-funding. The government has been giving about RM600 million a year. The balance RM2 billion will be done in three years' time," he added.

Abdul Rahman said it will continue to invest in its six core sectors - oil and gas, education, retail, logistics, healthcare and fast-moving consumer goods - but it is also open to looking at any other sectors that are suitable as long as they meet its investment criteria.

"We are always in talks," he said, declining to reveal further details on potential investments.

Ekuiņas is still in talks with Brahim's Holdings Bhd for the potential sale of Burger King.

"As a private equity firm, we are always in the process of acquisitions as well as realisation of our investments ... in order for us to generate returns, we will be in the process of divesting a

number of our investments, especially those we have kept for more than three years," said Abdul Rahman.

"Our next big project is to look at the potential listing of Ilmu Education Group Sdn Bhd. We're hoping that's a project that we can execute end of 2015 or early 2016," he added.

Yesterday, Ekuiņas announced the distribution of RM500 million of its gains to the Bumiputra Investment Foundation (Yayasan Pelaburan Bumiputra) for the benefit of bumiputra unit holders of funds managed by PNB.

The RM500 million is part of the total gross portfolio returns for Ekuiņas' first fund, the Ekuiņas Direct (Tranche 1) Fund.

Chairman Tan Sri Arshad Uda said PNB was chosen due to its wide reach of over 10 million bumiputra depositors.

As of June this year, Ekuiņas has committed to 30 investments worth RM2.3 billion.