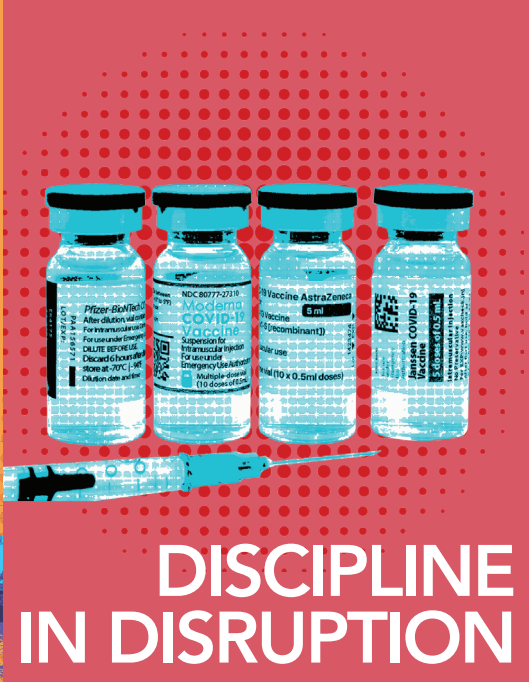
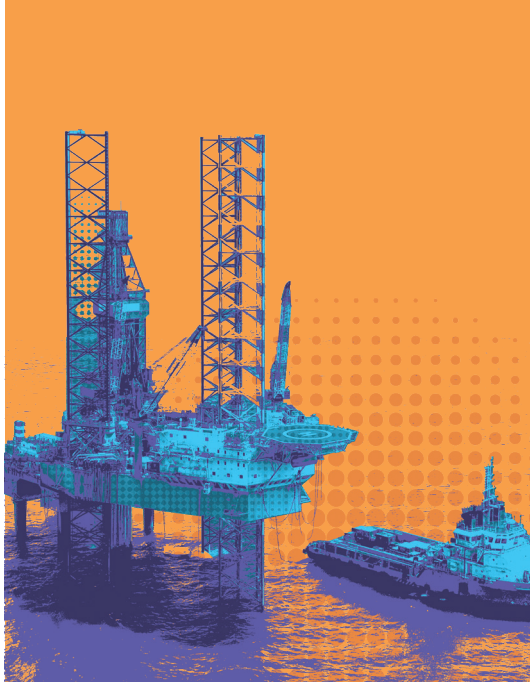
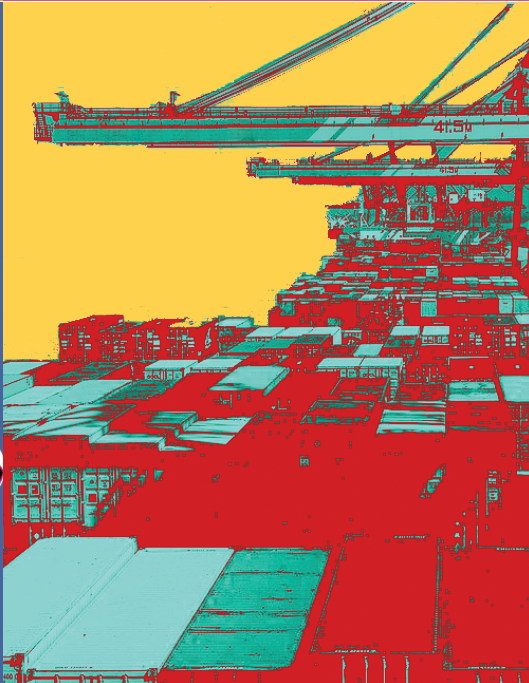
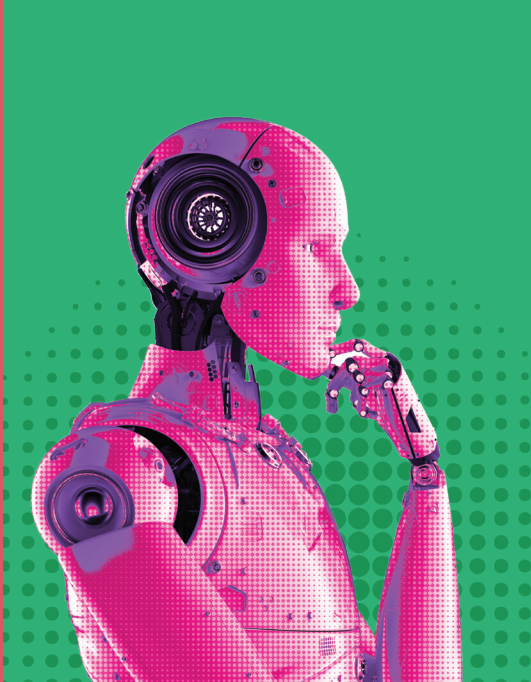


ekuinas
EKUITI NASIONAL BERHAD



DISCIPLINE
IN DISRUPTION



ANNUAL REPORT 2022

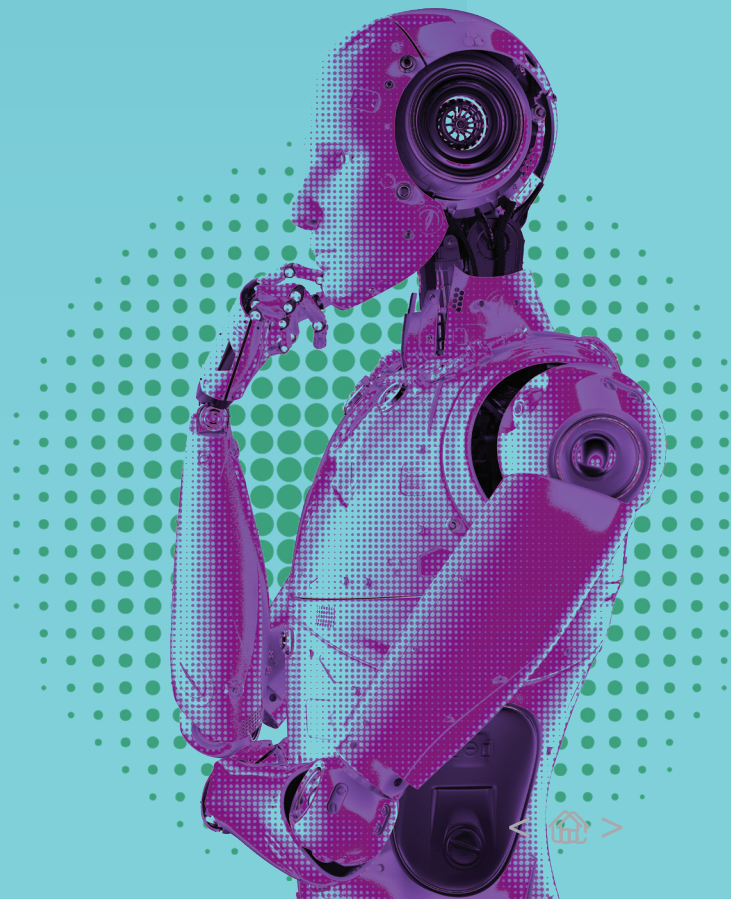
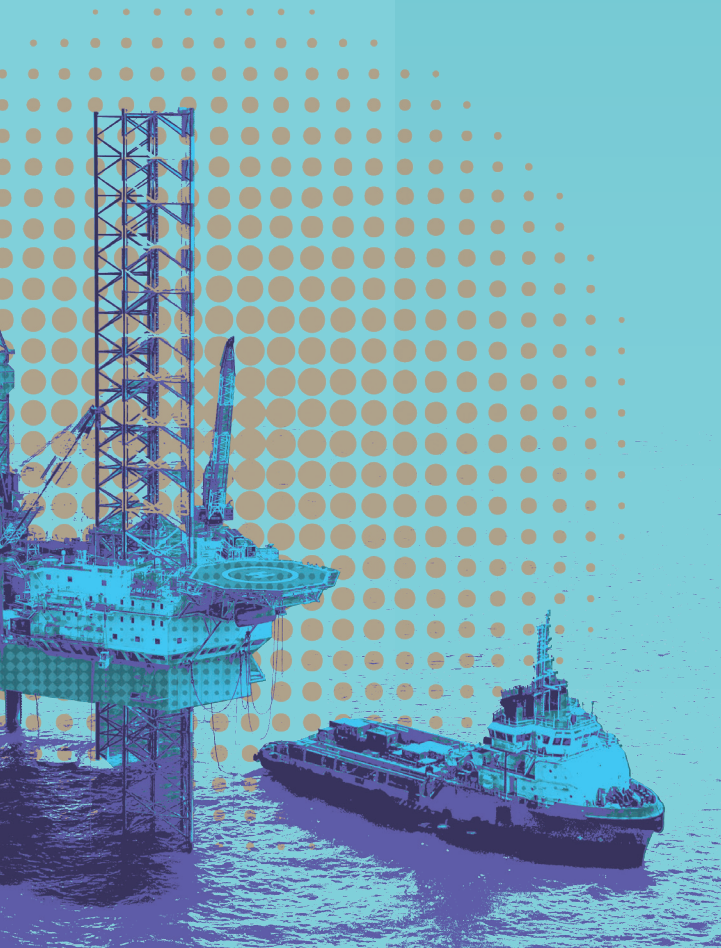


Cover Rationale

The world is changing in rapid, complex and unpredictable ways. Macroeconomic headwinds such as the onset of geopolitical events from the Russia-Ukraine conflict and escalating China-US tensions and the ensuing supply chain disruptions mounted new pressures and challenges for businesses already grappling with the disruptions brought on by the pandemic. The rapid rise in energy, food and materials prices further dragged global growth expectations.

Growth and innovation that catalysed the transformation of the modern world such as the rise of artificial intelligence (AI) technologies, widespread use of the Internet and adoption of digitalisation have also impacted the way we work and live.

How we approach disruptions is a matter of perspective. Embracing disruptions as opportunities in spite of shifting market conditions while building strong, resilient businesses that can withstand such uncertainties remain our priority. **'Discipline in Disruption'**, is the theme for Ekuinas' Annual Report 2022. This year has allowed us to examine our direction, investment and business strategies. The year provided us the opportunity to demonstrate the importance in maintaining discipline and balance in our investment approach, and our organisation's resourcefulness in the pursuit of delivering positive impact in both good and uncertain times.



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**We Are
Ekuinas**

About Us



Ekuiti Nasional Berhad, or Ekuinas, is a **private equity (PE) fund management company** established by the Government of Malaysia on 1 September 2009 to **promote equitable and sustainable Bumiputera wealth creation and economic participation** based on the principles of market-friendliness, merit and transparency via the creation of Malaysia's next generation of leading companies.

The Government provides funds to Ekuinas in the form of a grant held in trust by Yayasan Ekuiti Nasional (YEN), a specific trust foundation whose mandate is to enhance and grow Bumiputera equity interest.

The funds held under YEN are directed into Ekuinas Capital Sdn Bhd, also known as Ekuinas Capital, which serves as the designated fund capital company. Ekuinas functions as the private equity company managing these funds and the operating entity where the management team resides.

Both Ekuinas and Ekuinas Capital are wholly owned subsidiaries of YEN and strive to fulfil the mission of promoting equitable, effective and enhanced Bumiputera economic participation by focussing on both financial and social objectives.

How does Ekuinas operate?

Based on the Private Equity model of:

- Investing in High-Growth Businesses
- Aggressively Growing Their Value
- Profitably Exiting Once They Mature or Become Market Leaders

Key Objectives

- Financial Objectives
 - Enhancing institutional **Bumiputera wealth creation**
- Social Objectives
 - Enhance Bumiputera participation across four (4) dimensions:
 - **Equity ownership**
 - **Management**
 - **Employment**
 - Creating value in **supply chain**

Investment Methods

- Direct Investment

Investments directly undertaken by Ekuinas skewed towards buy-outs and controlling stake, also growth capital for smaller companies.
- Outsourced Programme

Investments are undertaken by appointed third-party Outsourced Fund Managers (OFMs) on behalf of Ekuinas, focused on provision of growth capital, enabling Ekuinas to contribute towards the development of the Malaysian PE industry.

VISION

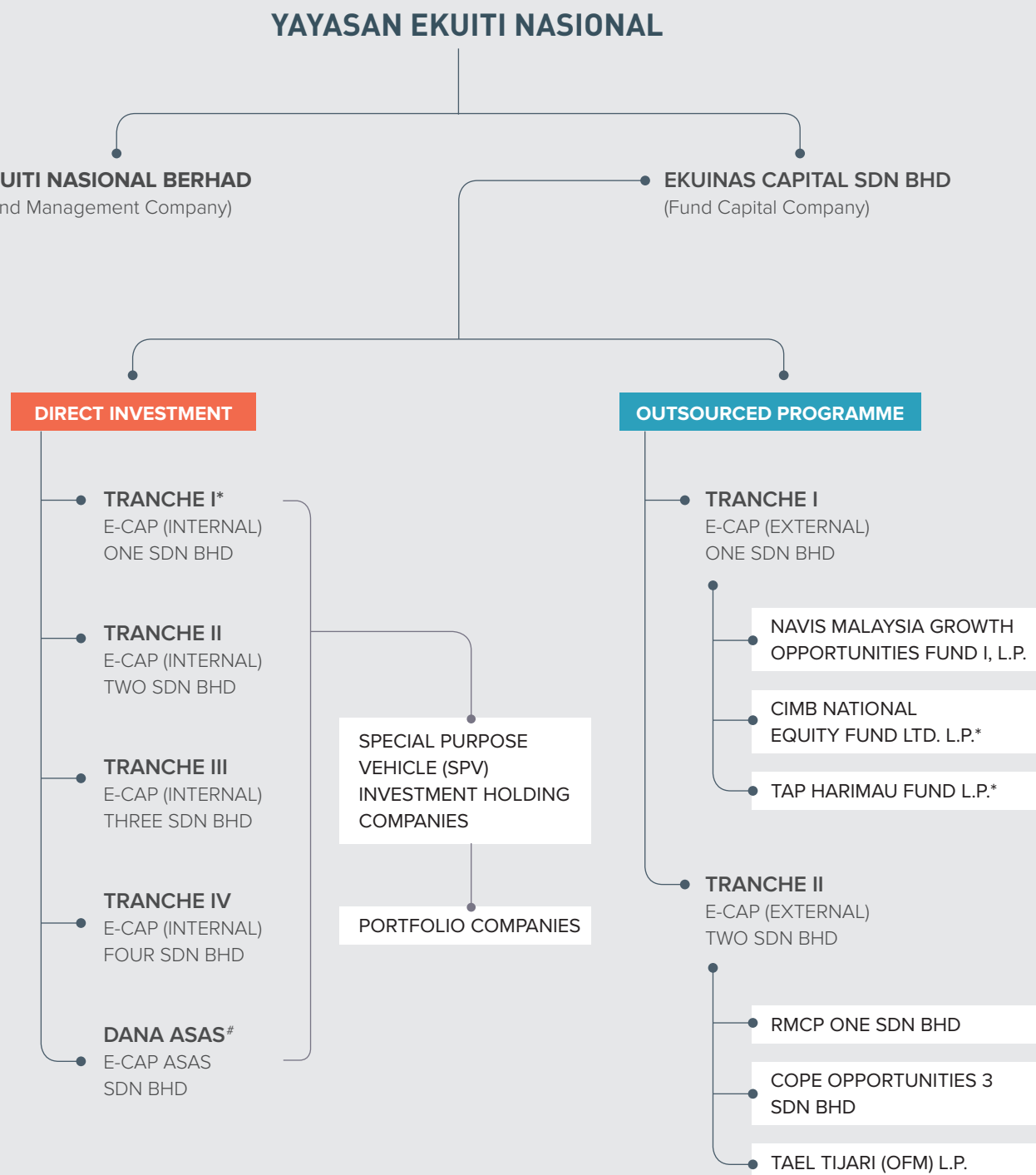
To be a **world-class Private Equity fund management** company

MISSION

To create Malaysia's next generation of **leading companies whilst promoting equitable and sustainable Bumiputera wealth creation and economic participation** based on the principles of market-friendliness, merit and transparency



Corporate Structure



* Fully realised

Date of Incorporation: 22 July 2022

Maiden Investment undertaken: 28 February 2023

Corporate Information

BOARD OF DIRECTORS

RAJA TAN SRI DATO' SERI ARSHAD RAJA TUN UDA

Chairman

TAN SRI DATO' SERI MOHAMED JAWHAR HASSAN

(Resigned 30 September 2022)

TAN SRI DR. RAHAMAT BIVI YUSOFF

(Resigned 30 June 2022)

DATUK ALI ABDUL KADIR

DATO' ABDUL HAMID SHEIKH MOHAMED

DATUK SERI SAIFUL ANUAR LEBAI HUSSEN

(Resigned 14 October 2022)

DATUK MAIMOONAH MOHAMED HUSSAIN

(Appointed 1 May 2022)

DATO' ABDUL MUTALIB ALIAS

(Appointed 1 May 2022)

TAN SRI SHAHRIL RIDZA RIDZUAN

(Appointed 1 October 2022)

SYED YASIR ARAFAT SYED ABD KADIR

Chief Executive Officer

BOARD COMMITTEES

AUDIT & RISK MANAGEMENT COMMITTEE

Tan Sri Dr. Rahamat Bivi Yusoff
Chairman

(Resigned 30 June 2022)

Dato' Abdul Hamid Sheikh Mohamed
Chairman

(Appointed 26 August 2022)

Tan Sri Dato' Seri Mohamed Jawhar Hassan
(Resigned 30 September 2022)

Datuk Ali Abdul Kadir

Datuk Seri Saiful Anuar Lebai Hussien
(Resigned 14 October 2022)

Dato' Abdul Mutalib Alias
(Appointed 26 August 2022)

NOMINATION & REMUNERATION COMMITTEE

Tan Sri Dato' Seri Mohamed Jawhar Hassan
Chairman

(Resigned 30 September 2022)

Datuk Maimoonah Mohamed Hussain
Chairman

(Appointed 26 August 2022)

Raja Tan Sri Dato' Seri Arshad Raja Tun Uda

Dato' Abdul Hamid Sheikh Mohamed

Datuk Seri Saiful Anuar Lebai Hussien
(Resigned 14 October 2022)

Dato' Abdul Mutalib Alias
(Appointed 26 August 2022)

INVESTMENT COMMITTEE

Datuk Ali Abdul Kadir
Chairman

Dato' Abdul Hamid Sheikh Mohamed
Datuk Maimoonah Mohamed Hussain
(Appointed 1 May 2022)

Syed Yasir Arafat Syed Abd Kadir
Heng Khim Hui

Ahmad Hilmy Abd Jalil

Aliff Omar Mohamad Omar

Zain Azmir Zain Azahari

CSR COMMITTEE

Tan Sri Dr. Rahamat Bivi Yusoff
Chairman

(Resigned 30 June 2022)

Dato' Abdul Mutalib Alias
Chairman

(Appointed 26 August 2022)

Syed Yasir Arafat Syed Abd Kadir
Hizwani Hassan

Fazlin Abu Hassan Shaari
(Appointed 26 August 2022)

SENIOR MANAGEMENT COMMITTEE

Syed Yasir Arafat Syed Abd Kadir
Chief Executive Officer

Roselinda Hashim

Senior Director, Legal & Corporate Affairs

Heng Khim Hui

Senior Director, Portfolio Management & Monitoring

Ahmad Hilmy Abd Jalil

Senior Director, Investment

Aliff Omar Mohamad Omar

Senior Director, Investment

Zain Azmir Zain Azahari

Senior Director, Investment

Sharifah Noralina Yassin

Chief People Officer

COMPANY SECRETARY

Alwazah Al-Yafii Ahmad Kamal
(MAICSA 7033148)

AUDITOR

PricewaterhouseCoopers PLT
Chartered Accountants

PRINCIPAL BANKERS

Malayan Banking Berhad
CIMB Bank Berhad
Affin Bank Berhad

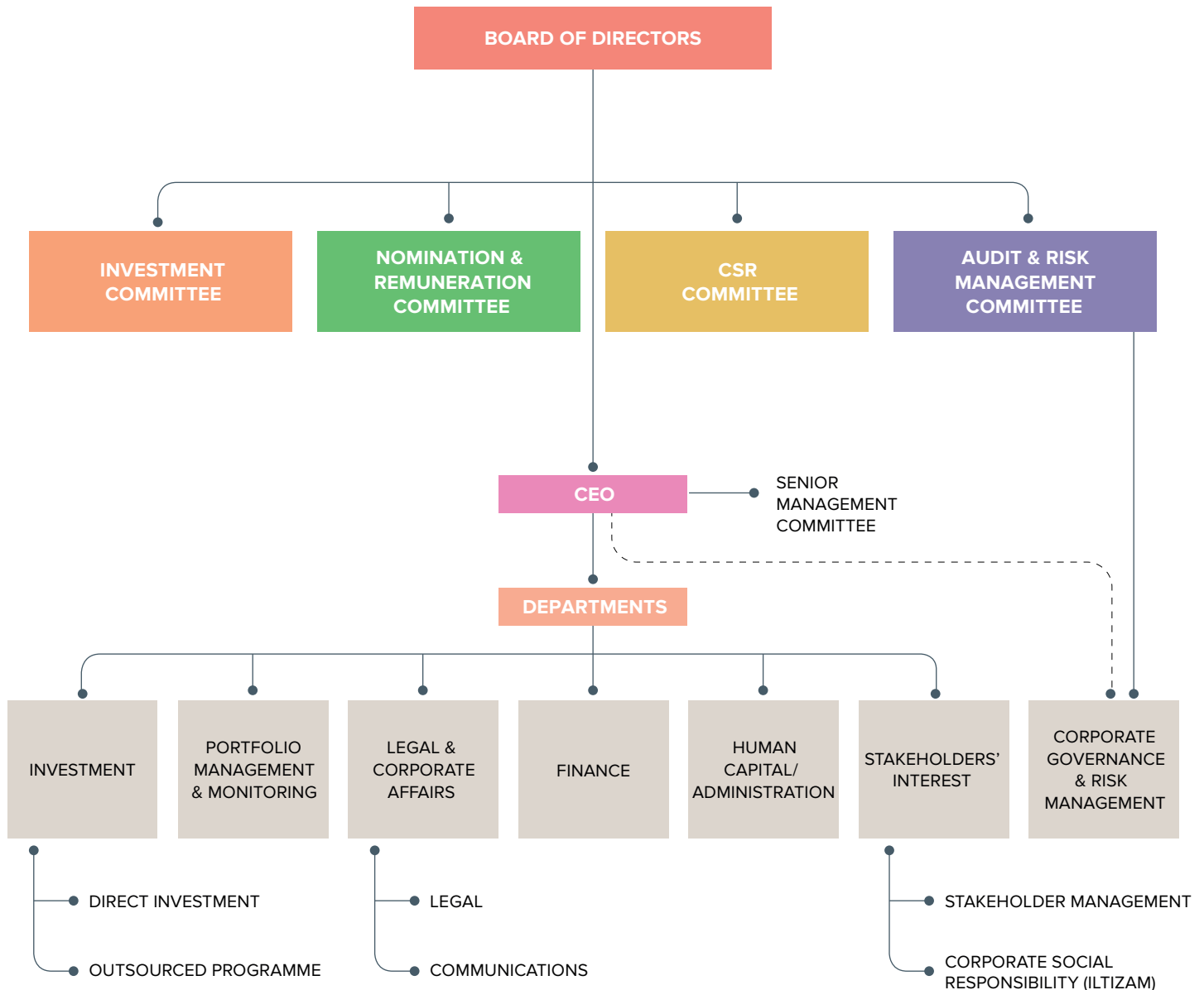
REGISTERED ADDRESS

AKAL Corporate Advisors Sdn. Bhd.
43-2, Plaza Damansara
Jalan Medan Setia 1
Bukit Damansara
50490 Kuala Lumpur
W. P. Kuala Lumpur

OFFICE ADDRESS

Ekuiti Nasional Berhad
200901025164 (868265-U)
Level 16, Surian Tower
No. 1, Jalan PJU 7/3
Mutiar Damansara
47810 Petaling Jaya
Selangor

Organisation Structure







2

Leadership at Ekuinas



Board of Directors



Standing from Left to Right

Datuk Seri Saiful Anuar Lebai Hussien, Tan Sri Shahril Ridza Ridzuan, Datuk Ali Abdul Kadir, Tan Sri Dr Rahamat Bivi Yusoff, Raja Tan Sri Dato' Seri Arshad Raja Tun Uda, Syed Yasir Arafat Syed Abd Kadir, Tan Sri Dato' Seri Mohamed Jawhar Hassan, Datuk Maimoonah Hussain, Dato' Abdul Motalib Alias and Dato' Abdul Hamid Sheikh Mohamed.

Board of Directors Profile



Date of Appointment

9 January 2009



Qualification/Membership/Award(s)

- Fellow of the Institute of Chartered Accountants in England and Wales (ICAEW)
- Member, Malaysian Institute of Accountants (MIA)
- Member, Malaysian Institute of Certified Public Accountants (MICPA)



Present Appointments

- Chairman, Icon Offshore Berhad
- Chairman, Yayasan Raja Muda Selangor
- Chairman, Yayasan Amir
- Member of the Board of Trustees, Yayasan DayaDiri
- Non-Executive Non-Independent Director, Maxis Berhad
- Chancellor, Universiti Selangor



Past Relevant Experience

- Executive Chairman, PricewaterhouseCoopers (PwC) Malaysia
- Chairman, Malaysian Accounting Standards Board
- Chairman, Danamodal Nasional Berhad
- Member, PwC Global IFRS Board
- Member, Standards Advisory Council, International Accounting Standards Board





Date of Appointment

1 March 2016



Qualification/Membership/Award(s)

- B.A. (Hons) Accounting & Financial Management, University of Essex, United Kingdom
- Fellow of the Chartered Institute of Management Accountants (FCMA)
- Member, Chartered Global Management Accountant (CGMA)

Present Appointments



- Chairman, Orkim Sdn Bhd
- Board Member, Icon Offshore Berhad
- Board Member, Al-Ikhsan Sports Sdn Bhd
- Board Member, Revenue Valley Sdn Bhd
- Board Member, Medispec (M) Sdn Bhd
- Member, Investment Panel, Tabung Haji
- Member, Malaysia Venture Capital and Private Equity Development Council (MVCDC)



Past Relevant Experience

- Country Manager, (ING Wholesale Banking)
- Vice President, Corporate Finance, ING Corporate Advisory (Malaysia) Sdn Bhd
- United Overseas Bank (Malaysia) Berhad
- Pengurusan Danaharta Nasional Berhad
- Commerce International Merchant Bankers Berhad
- Aseambankers Malaysia Berhad



Board of Directors Profile

**TAN SRI DATO' SERI
MOHAMED JAWHAR HASSAN**
 Independent Non-Executive Director

• Chairman, Nomination and Remuneration Committee (NRC)
 • Member, Audit and Risk Management Committee (ARMC)
(Up to 30 September 2022)



Date of Appointment

9 January 2009



Date of Resignation

30 September 2022



Qualification/Membership/Award(s)

- Distinguished Fellow, Institute of Diplomacy and Foreign Relations (IDFR)
- Distinguished Fellow, Malaysian Institute of Defence and Security (MiDAS)
- Fellow, Institute of Public Security of Malaysia (IPSOM), Ministry of Home Affairs



Present Appointments

- Board Member, Institute of Advanced Islamic Studies (IAIS)
- Member of the Asia Pacific Leadership Network for Nuclear Non-Proliferation and Disarmament



Past Relevant Experience

- Chairman & Chief Executive, Institute of Strategic and International Studies (ISIS) Malaysia
- Chairman, New Straits Times Berhad
- Commission Member, Securities Commission
- Member, Economic Council Working Group
- Member, Advisory Panel, Malaysia Anti-Corruption Commission (MACC)
- Malaysia's Expert and Eminent Person (EEP) for the ASEAN Regional Forum (ARF)





Date of Appointment

19 October 2011



Date of Resignation

30 June 2022



Qualification/Membership/Award(s)

- Bachelor in Social Sciences (Economics) (Honours), Universiti Sains Malaysia
- Master in Economics, University of Western Michigan, USA
- PhD, Australian National University



Present Appointments

- Board Member, Perbadanan Insurans Deposit Malaysia (PIDM)
- Board Member, Malaysia-Thailand Joint Authority (MTJA)
- Board Member, IOI Corporation Berhad
- Member, Board of Governors, Multimedia University



Past Relevant Experience

- Director General, Economic Planning Unit (EPU) (2011-2017)
- Deputy Secretary General, Ministry of Finance (MOF)
- Director, Budget Division, MOF
- Director, Energy Commission
- Deputy Director, Macro Economy Section, EPU



Board of Directors Profile



Date of Appointment

10 January 2015



Qualification/Membership/Award(s)

- Fellow of the Institute of Chartered Accountants in England & Wales (ICAEW)
- Member, Malaysian Institute of Certified Public Accountants (MICPA)
- Member, Malaysian Institute of Accountants (MIA)
- Honorary Fellow, Institute of Chartered Secretaries & Administrators (UK)
- Honorary Fellow, Malaysian Institute of Directors
- Honorary Advisor to ICAEW-Malaysian Chapter 2000-2021
- Lifetime Achievement Award by ICAEW-Malaysian Chapter (2012)
- The President's Award by MICPA (2012)



Present Appointments

- Chairman, JcbNext Berhad
- Chairman, Enra Group Berhad
- Board Member, Citibank Berhad
- Chairman, Amanah Lestari Alam
- Chairman, Tropical Rainforest Conservation and Research Centre
- Chairman, Persatuan Makanan Ehsan



Past Relevant Experience

- Chairman, Securities Commission Malaysia
- Member, Exco Board and Chairman (Asia Pacific) of International Organisation of Securities Commissions (IOSCO)
- Chairman, Financial Reporting Foundation
- Executive Chairman and Partner, Ernst & Young
- President, Malaysian Institute of Certified Public Accountants (MICPA)



**DATO' ABDUL HAMID
SHEIKH MOHAMED**
Independent Non-Executive Director

- Chairman, Audit and Risk Management Committee (ARMC)
(Effective 26 August 2022)
- Member, Nomination and Remuneration Committee (NRC)
- Member, Investment Committee (IC)



Date of Appointment

6 January 2020



Qualification/Membership/Award(s)

- Fellow of the Association of Chartered Certified Accountants (ACCA)



Present Appointments

- Executive Director, Symphony House Sdn Bhd
- Board Member, MMC Corporation Berhad
- Board Member, Maybank Investment Bank Berhad
- Board Member, Maybank IBG Holdings Limited, Singapore
- Board Member, PT Maybank Sekuritas Indonesia
- Board Member, Tabung Haji
- Board Member, OM Holdings Limited



Past Relevant Experience

- Chief Financial Officer, Kuala Lumpur Stock Exchange (KLSE), now known as Bursa Malaysia Berhad
- Senior Manager, Corporate Planning, Amanah Capital Malaysia Berhad Group
- Officer, Corporate Banking, Bumiputra Merchant Bankers Berhad
- Accountant, Messrs. Lim, Ali & Co./Arthur Young (now known as Ernst & Young)



Board of Directors Profile



Date of Appointment

8 January 2019



Date of Resignation

14 October 2022



Qualification/Membership/Award(s)

- Bachelor in Economics, Universiti Malaya
- Master in Economics, Universiti Kebangsaan Malaysia
- Diploma in Public Management, National Institute of Public Administration (INTAN)



Present Appointments

- Director General, Economic Planning Unit (EPU) (until 14 October 2022)
- Board Member, Iskandar Regional Development Authority (IRDA)
- Council Member, East Coast Economic Region Development Council (ECERDC)
- Board Member, Sabah Economic Development and Investment Authority (SEDIA)
- Board Member, Sarawak Regional Corridor Development Authority (RECODA)
- Board Member, Unit Peneraju Agenda Bumiputera (TERAJU)
- Board Member, Majlis Amanah Rakyat (MARA)



Past Relevant Experience

- Deputy Director General (Policy), EPU
- Deputy Secretary-General (Management), Ministry of Health
- Senior Director, Policy and Development Section, Public-Private Partnership Unit (UKAS), Prime Minister's Department (PMD)
- Director, Corridor Development Section, PMD





Date of Appointment

1 May 2022



Qualification/Membership/Award(s)

- Bachelor of Accountancy, National University of Singapore
- Chartered Banker
- Singapore Business Award for Outstanding Overseas Executive (2015)
- Asian CEO of the Year and Malaysian CEO with HR orientation by World HRD Congress (2019)



Present Appointments

- Board Member, National Gallery Singapore
- Board Member, A5-DB Operations (M) Berhad



Past Relevant Experience

- Group Managing Director, Affin Hwang Capital (2014-2019)
- Managing Director, Affin Investment Bank (2007-2013)
- Board Member, Affin Hwang Asset Management (2014-2019)
- Director, Debt and Capital Market, Affin Bank Berhad (2003-2006)
- Director, Head of Syndications Southeast Asia, Standard Chartered Bank (1994-2001)
- Director, Structured Finance & Project Advisory, Southeast Asia Markets, Morgan Grenfell (Asia) Ltd



Board of Directors Profile

DATO' ABDUL MUTALIB ALIAS
 Independent Non-Executive Director

- Chairman, CSR Committee (CSRC)
- Member, Audit and Risk Management Committee (ARMC)
- Member, Nomination and Remuneration Committee (NRC)

(Effective 26 August 2022)



Date of Appointment

1 May 2022



Qualification/Membership/Award(s)

- Master in Business Administration, Governors State University, Illinois, USA
- Bachelor of Science in Accounting, Northern Illinois University, Illinois, USA



Present Appointment

- Chairman and Non-Independent Non-Executive Director, Bintulu Port Holdings Berhad



Past Relevant Experience

- Board Member, Bank Rakyat Group (2010-2015)
- CEO, Perbadanan PR1MA Malaysia (2011-2019)
- Special Officer/Political Secretary, Government of Malaysia (2000-2011)
 - Ministry of Works
 - Ministry of Energy, Water and Communication
 - Ministry of Science, Technology and Innovation
 - Ministry of Finance
- Council Member, Majlis Amanah Rakyat (MARA) (1996-2000)
- Vice President, Investment Banking, Chase Manhattan Bank





Date of Appointment

1 October 2022



Qualification/Membership/Award(s)

- Master of Arts, Cambridge University
- Bachelor of Civil Law, Oxford University
- Called to the Malaysian Bar and the Bar of England and Wales



Present Appointments

- Chairman, Axiata Group
- Chairman, Iskandar Waterfront Holdings Sdn Bhd
- Board Member, Malaysia Aviation Group Berhad
- Board Member, Malaysia Airlines Berhad



Past Relevant Experience

- Managing Director, Khazanah Nasional Berhad (2018-2021)
- CEO, Kumpulan Wang Simpanan Pekerja (KWSP) (2013-2018)
- Deputy CEO (Investments), KWSP (2009-2013)
- Managing Director, Malaysian Resources Corporation Berhad (MRCB) (2003-2009)
- Pengurusan Danaharta Nasional
- Legal Assistant, Zain & Co (1994 to 1996)





Senior Management



Standing from Left to Right

Sharifah Noralina Yassin, Roselinda Hashim, Ahmad Hilmy Abd Jalil, Aliff Omar Mohamad Omar, Syed Yasir Arafat Syed Abd Kadir, Zain Azmir Zain Azahari, Heng Khim Hui and Fazlin Abu Hassan Shaari.

Senior Management Profile



1

SYED YASIR ARAFAT SYED ABD KADIR

Chief Executive Officer



Date of Commencement

1 November 2009

Syed Yasir Arafat Syed Abd Kadir is the Chief Executive Officer (CEO), a Board Member of Ekuiti Nasional Berhad and a member of the Investment Committee. He was appointed as the CEO on 1 March 2016.

Profile presented on page 17.



2

ROSELINDA HASHIM

Senior Director, Legal and Corporate Affairs



Date of Commencement

1 October 2009

Roselinda Hashim is the Senior Director, Legal and Corporate Affairs where she heads both the legal & secretarial and the communications departments of Ekuinas. She is also a member of the Senior Management Committee.

Roselinda was previously the Group General Manager of Legal and Secretarial Department at Media Prima Berhad for a period of five years. Prior to that, she was a Partner of Raslan Loong and her practice focused on M&As, joint ventures, corporate reorganisations and other aspects of Malaysian corporate and commercial law. Roselinda has been in practice since 1996 and began her legal career at Shearn Delamore & Co.

Roselinda graduated from the School of Oriental & African Studies (SOAS), University of London with a Bachelor of Laws degree (LLB, Hons) as well as a Masters in Law (LLM). She was called to the Bar of England and Wales, United Kingdom in 1994 and was admitted as an Advocate & Solicitor to the Malaysian Bar in 1996. Roselinda received her licence to act as a Company Secretary from the Companies Commission of Malaysia in 2005.



3

HENG KHIM HUI

Senior Director, Portfolio Management and Monitoring



Date of Commencement

18 November 2013

Khim Hui is the Senior Director, Portfolio Management and Monitoring at Ekuinas. He is a member of the Investment Committee and Senior Management Committee.

He partners with CEOs and senior management of portfolio companies to drive growth, transformation and value creation through strategic sales & marketing, operational, digital and IT initiatives. He has been extensively involved in the retail, manufacturing, healthcare and technology portfolios.

Prior to joining Ekuinas, Khim Hui was with The Boston Consulting Group where he worked with MNCs and GLCs in Southeast Asia on topics ranging from market entry strategy, growth strategy, M&A to operational transformation. Before that, he was with A.T. Kearney and Accenture. He brings with him over 12 years of management consulting experience in the financial services, oil & gas and telecommunications sectors.

Khim Hui graduated with a Bachelor of Engineering (Hons) from Imperial College, London and a Master of Science from Stanford University, both in Mechanical Engineering. He also holds a Master of Business Administration (MBA) from INSEAD.



4

AHMAD HILMY ABD JALIL

Senior Director, Investment



Date of Commencement

6 January 2020

Ahmad Hilmy Abd Jalil joined Ekuinas in January 2020. He is a member of the Investment Committee and Senior Management Committee.

Hilmy has 14 years of experience in investment banking in South East Asia, previously as a senior leader with Deutsche Bank based in Singapore and prior to that he was with UBS Investment Bank. He has led M&As, equity and debt transactions for clients in Malaysia, Singapore and Indonesia across a wide range of industries including healthcare & consumer, telecommunications & media, industrial & infrastructure and utilities. Prior to banking, Hilmy held roles with Symphony House and PwC Corporate Advisory.

He graduated with a Bachelor of Commerce in Accounting & Finance from The University of Melbourne and a Master of Commerce in Advanced Finance from University of New South Wales. Hilmy is also a Chartered Financial Analyst charterholder.

Senior Management Profile



5

ALIFF OMAR MOHAMAD OMAR

Senior Director, Investment



Date of Commencement

10 July 2017

Aliff Omar is a Senior Director of Investment at Ekuinas. He joined the company as a Director, Investment in July 2017 covering the energy and consumer space. He is a member of the Investment Committee and Senior Management Committee.

Aliff carries with him over 14 years of experience in corporate advisory and deal-making. Prior to joining Ekuinas, Aliff was a Director of Investment Banking at UBS AG. He led a number of M&As and Capital Markets transactions in Malaysia and across Southeast Asia, advising corporates within the energy, financial, infrastructure & utility and real estate sectors. Before UBS, Aliff was with the Regional M&A team of CIMB Investment Bank and the Investment Banking Division of Maybank Investment Bank.

Aliff graduated with a BSc in Industrial Engineering & Management Sciences (Cum Laude) with a second major in Economics from Northwestern University and an MPhil in Finance from University of Cambridge.



6

ZAIN AZMIR ZAIN AZAHARI

Senior Director, Investment



Date of Commencement

15 June 2022

Azmir Zain is a Senior Director of Investment at Ekuinas. He is also a member of the Investment Committee and Senior Management Committee.

Prior to joining Ekuinas, Azmir was Chief Operating Officer at the Malaysian Aviation Commission and a Director of Investment at Khazanah Nasional Berhad. He has extensive experience in investment management, economic regulation, corporate planning and M&A, particularly within regulated industries, in both domestic and international markets.

Azmir holds a BA (Hons) in Law from the University of Oxford and an MBA from INSEAD. He is also a Fellow of the Institute of Chartered Accountants in England & Wales (ICAEW) and a member of the Malaysian Institute of Accountants (MIA). Aside from his responsibilities at Ekuinas, he is also a Non-Executive Director at Balai Seni Negara (National Art Gallery of Malaysia) and NanoMalaysia Berhad.



7

SHARIFAH NORALINA YASSIN

Chief People Officer



Date of Commencement

3 September 2012

Sharifah Noralina (Nina) is the Chief People Officer, responsible for the management of Human Capital, Administration and MIS functions for Ekuinas. She is also a member of the Senior Management Committee.

Nina is responsible for the HR Strategies and its implementation across all Ekuinas Portfolio Companies, working closely with the respective CEOs, Human Resource (HR) Heads, Investment team and Portfolio Monitoring & Management team to ensure all HR initiatives are aligned with the value creation plan for each company.

Prior to joining Ekuinas, Nina was the Human Resource Director for Dutch Lady Malaysia & Singapore. Before joining the world of corporate HR, Nina spent over nine (9) years as a consultant at Accenture, Aon and Willis Towers Watson where she consulted with large multinational companies, Government Linked Companies, investment companies and other government agencies.

Nina graduated with a Bachelor of Arts degree, majoring in Organizational Studies and Psychology from the University of Michigan, Ann Arbor.



8

FAZLIN ABU HASSAN SHAARI

Chief Financial Officer



Date of Commencement

27 September 2021

Fazlin is the Chief Financial Officer (CFO) of Ekuinas. She is a qualified accountant and has an extensive experience across the areas of strategy & investments, corporate & operational finance, investor relations and general management.

Prior to joining Ekuinas, Fazlin was with PricewaterhouseCoopers, CIMB Investment Bank, Media Prima Berhad and Tune Group. She has also been in advisory roles on project basis for fund raising, debt restructuring, cost rationalisation and corporate re-organisation.

Fazlin holds an MBA with Distinction from Nottingham University and a Bachelor of Science (Hons) in Accounting & Finance from Warwick University. She is a member of the Association of Chartered Certified Accountants (ACCA) and Malaysian Institute of Accountants (MIA), she completed her ACCA and MICPA papers during her tenure at PwC.



3

2022
in Review

2022 At a Glance

INVESTMENT PERFORMANCE

EKUINAS DIRECT (TRANCHE II) FUND

GROSS PORTFOLIO RETURN
RM716.6 MILLION

GROSS IRR
11.9% P.A.

NET IRR
8.6% P.A.

EKUINAS DIRECT (TRANCHE III) FUND

GROSS PORTFOLIO RETURN
RM133.5 MILLION

GROSS IRR
3.1% P.A.

NET IRR
-2.1% P.A.

EKUINAS DIRECT (TRANCHE IV) FUND

GROSS PORTFOLIO RETURN
RM91.1 MILLION

GROSS IRR
77.2% P.A.

NET IRR
8.4% P.A.

EKUINAS OUTSOURCED (TRANCHE I) FUND

GROSS PORTFOLIO RETURN
RM82.0 MILLION

GROSS IRR
4.1% P.A.

NET IRR
3.4% P.A.

EKUINAS OUTSOURCED (TRANCHE II) FUND

GROSS PORTFOLIO LOSS
RM(14.4) MILLION

GROSS IRR
-2.7% P.A.

NET IRR
-3.8% P.A.

IRR: Internal Rate of Return

TOTAL CUMULATIVE INVESTMENT PORTFOLIO

TOTAL NUMBER OF INVESTMENTS

71

DIRECT INVESTMENTS

48

OUTSOURCED

23

TOTAL ECONOMIC CAPITAL DEPLOYED,
TOGETHER WITH PRIVATE SECTOR PARTNERS

RM5.1 BILLION

TOTAL COMMITTED INVESTMENT BY EKUINAS

RM4.4 BILLION

SOCIAL OBJECTIVE PERFORMANCE – COMBINED DIRECT INVESTMENT AND OUTSOURCED PROGRAMME



INCREASE IN BUMIPUTERA EQUITY

RM6.5 BILLION
1.6x capital invested



INCREASE IN BUMIPUTERA
MANAGEMENT SINCE EKUINAS' ENTRY

21.9%



INCREASE IN TOTAL SHAREHOLDERS' VALUE

RM8.2 BILLION
2.1x capital invested



INCREASE IN BUMIPUTERA
EMPLOYEES SINCE EKUINAS' ENTRY

14.4%

FUND MANAGEMENT COMPANY



TOTAL FUNDS UNDER MANAGEMENT (FuM)

RM4.1 BILLION



RATIO OF OPEX TO FuM

0.9%



OPERATING EXPENDITURE (OPEX)

RM38.3 MILLION



PROFIT AFTER TAX AND ZAKAT

RM1.1 MILLION

2022 Key Financial Highlights

1 FUNDS MOVEMENT FROM/TO YAYASAN EKUITI NASIONAL (YEN)

	2022 RM million	2021 RM million
Funds disbursement from YEN during the year	–	–
Cumulative funds disbursement from YEN	4,000.0	4,000.0
Capital returned to YEN during the year	–	–
Cumulative capital returned to YEN	320.0	320.0

2 FUNDS ESTABLISHED

	Vintage Year	Fund Size RM million	Investment Focus	Term	Deployment Status
Ekuinas Direct (Tranche I) Fund	2010	1,000.0	Buyout and Growth Capital	5 + 2 + 1 years	Fully realised
Ekuinas Direct (Tranche II) Fund	2012	1,000.0	Buyout and Growth Capital	5 + 2 + 1.5 + 2 + 2 years	Deployed
Ekuinas Direct (Tranche III) Fund	2014	1,500.0	Buyout and Growth Capital	5 + 1 + 2 + 4 years	Deployed
Ekuinas Direct (Tranche IV) Fund	2019	1,000.0	Buyout and Growth Capital	5 + 1 + 1 + 4 years	Investing
Ekuinas Outsourced (Tranche I) Fund	2011	400.0	Growth Capital	6 + 1 + 1 + 1 + 1 + 1 + 1 years	Deployed
Ekuinas Outsourced (Tranche II) Fund	2013	240.0	Growth Capital	7 + 1 + 1 + 1 + 1 years	Deployed

3 TOTAL FUNDS UNDER MANAGEMENT

	2022 RM million	2021 RM million
Direct	3,500.0	3,500.0
Outsourced	640.0	640.0
	4,140.0	4,140.0
Total Funds available for Investments, including private capital	4,402.0	4,402.0

4 SUMMARY OF FUND PERFORMANCE

a. Summary of Cumulative Investment Activity

	Number of Investments	Committed Investments Undertaken RM million	Total Economic Capital Deployed in Malaysian Economy RM million
2022			
Ekuinas Direct (Tranche I) Fund – Realised	11	1,258.2	1,380.3
Ekuinas Direct (Tranche II) Fund	16	1,074.9	1,074.9
Ekuinas Direct (Tranche III) Fund	20	1,694.1	1,694.1
Ekuinas Direct (Tranche IV) Fund	1	69.6	69.6
Total – Direct	48	4,096.8	4,218.9
Ekuinas Outsourced (Tranche I) Fund	15	264.0	708.4
Ekuinas Outsourced (Tranche II) Fund	8	75.6	140.6
Total – Outsourced	23	339.6	849.0
Total – Direct and Outsourced	71	4,436.4	5,067.9
2021			
Ekuinas Direct (Tranche I) Fund – Realised	11	1,258.2	1,380.3
Ekuinas Direct (Tranche II) Fund	16	1,074.9	1,074.9
Ekuinas Direct (Tranche III) Fund	19	1,672.5	1,672.5
Ekuinas Direct (Tranche IV) Fund	1	69.6	69.6
Total – Direct	47	4,075.2	4,197.3
Ekuinas Outsourced (Tranche I) Fund	15	264.0	708.4
Ekuinas Outsourced (Tranche II) Fund	8	75.6	140.6
Total – Outsourced	23	339.6	849.0
Total – Direct and Outsourced	70	4,414.8	5,046.3

2022 Key Financial Highlights

4 SUMMARY OF FUND PERFORMANCE (CONTINUED)

b. Summary of Cumulative Realisation Activity

	Total Number of Realisation	Total Realisation Amount RM million
Direct Fund		
2022		
Ekuinas Direct (Tranche I) Fund – Realised	11	1,624.4
Ekuinas Direct (Tranche II) Fund	11	901.1
Ekuinas Direct (Tranche III) Fund	6	645.3
Total	28	3,170.8
2021		
Ekuinas Direct (Tranche I) Fund – Realised	11	1,624.4
Ekuinas Direct (Tranche II) Fund	11	901.1
Ekuinas Direct (Tranche III) Fund	6	645.3
Total	28	3,170.8

c. Summary of Cumulative Financial Performance

	Gross Portfolio Return/(Loss) RM million	Gross IRR	Net IRR
Direct Fund			
2022			
Ekuinas Direct (Tranche II) Fund	716.6	11.9% p.a.	8.6% p.a.
Ekuinas Direct (Tranche III) Fund	133.5	3.1% p.a.	-2.1% p.a.
Ekuinas Direct (Tranche IV) Fund	91.1	77.2% p.a.	8.4% p.a.
2021			
Ekuinas Direct (Tranche II) Fund	654.0	12.1% p.a.	8.6% p.a.
Ekuinas Direct (Tranche III) Fund	(125.3)	-4.3% p.a.	-10.4% p.a.
Ekuinas Direct (Tranche IV) Fund*	–	N/M*	N/M*
Outsourced Fund			
2022			
Ekuinas Outsourced (Tranche I) Fund	82.0	4.1% p.a.	3.4% p.a.
Ekuinas Outsourced (Tranche II) Fund	(14.4)	-2.7% p.a.	-3.8% p.a.
2021			
Ekuinas Outsourced (Tranche I) Fund	60.5	3.3% p.a.	2.5% p.a.
Ekuinas Outsourced (Tranche II) Fund	(4.4)	-0.8% p.a.	-2.0% p.a.

* The financial performance for Ekuinas Direct (Tranche IV) Fund was not presented in 2021 as the fund was still in early stages of investments

4 SUMMARY OF FUND PERFORMANCE (CONTINUED)

d. Social Objective Performance – Combined Direct and Outsourced

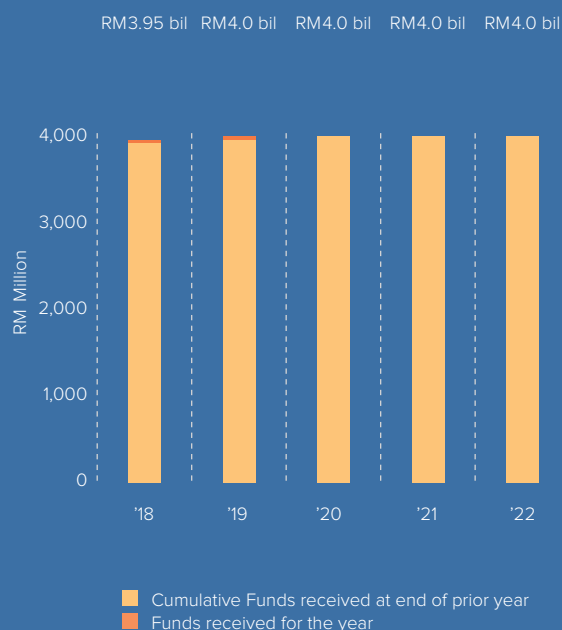
	Bumiputera Equity Created		Total Equity Created	
	Value RM million	Multiple of Capital Invested	Value RM million	Multiple of Capital Invested
2022	6,506.1	1.6x	8,195.4	2.1x
2021	5,874.7	1.5x	7,694.6	2.0x

5 EKUITI NASIONAL BERHAD (FUND MANAGEMENT COMPANY)

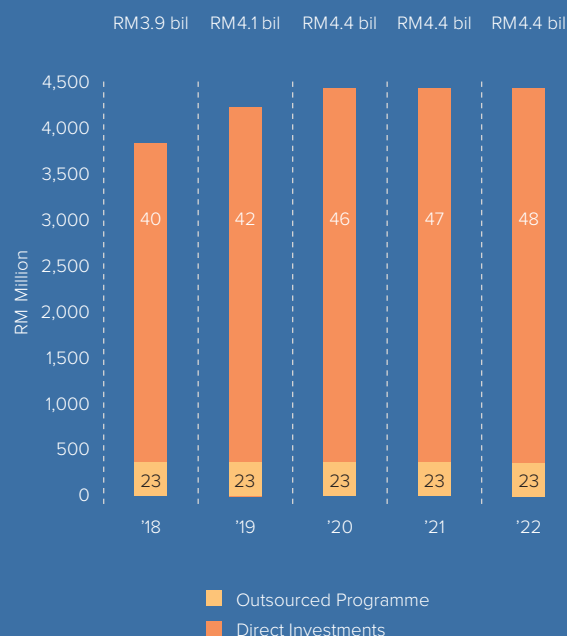
	2022 RM million	2021 RM million
Total Funds under Management (FuM)	4,140.0	4,140.0
Operating Expenditure (OPEX)	38.3	33.7
Ratio of OPEX to FuM	0.9%	0.8%
Profit After Tax and Zakat (PAT)	1.1	12.1

5-Year Financial Highlights

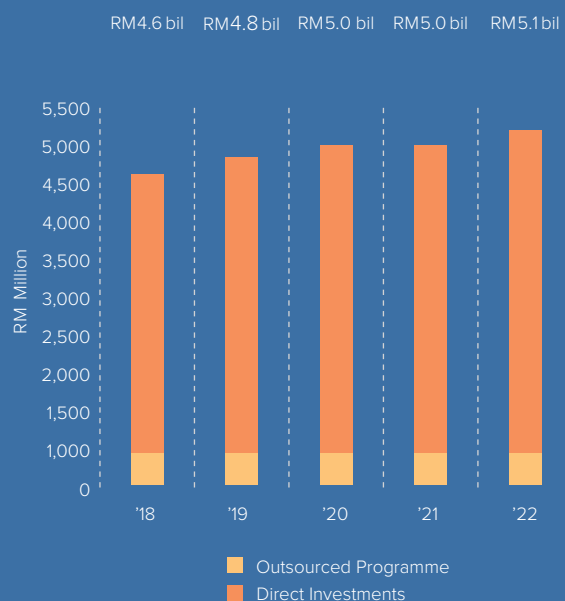
TOTAL FUNDS RECEIVED



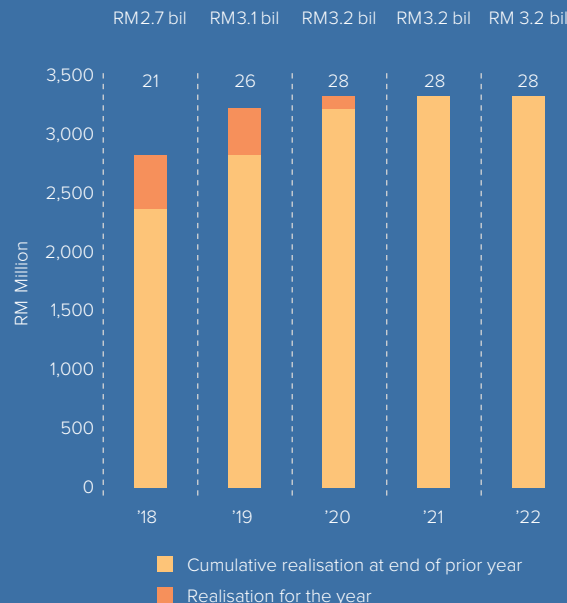
TOTAL VALUE AND NUMBER OF COMMITTED INVESTMENTS



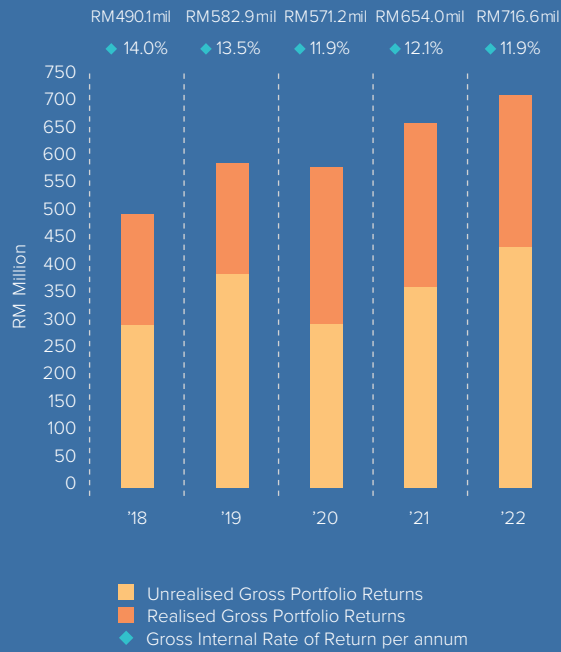
TOTAL ECONOMIC CAPITAL DEPLOYED



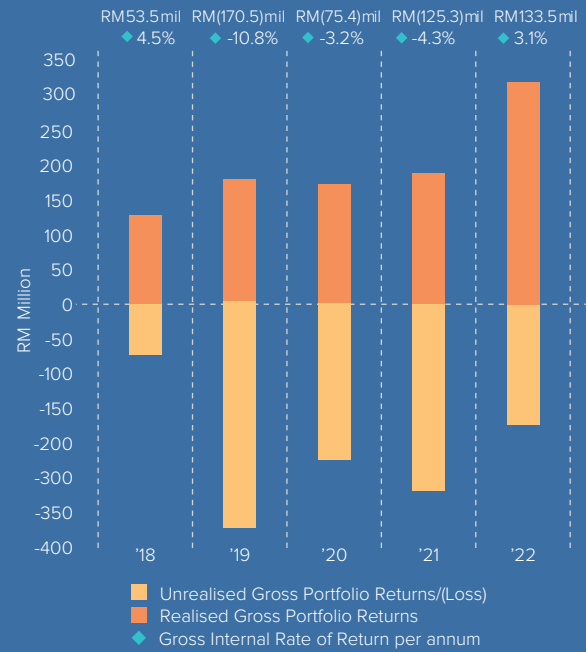
DIRECT INVESTMENT - TOTAL REALISATION VALUE AND NUMBER OF DIVESTMENTS



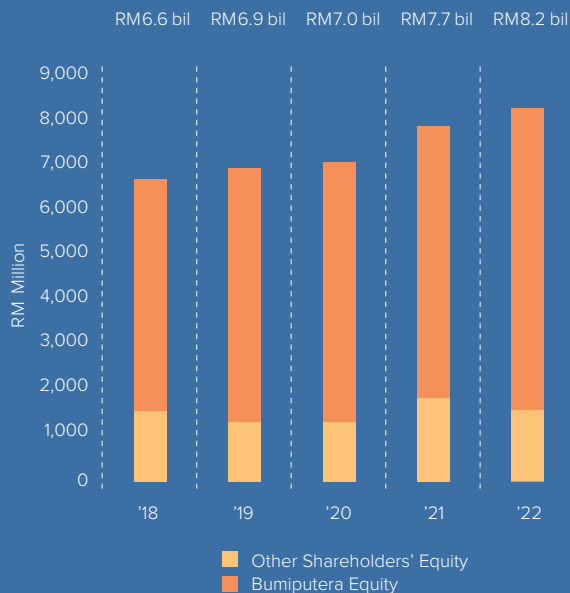
FUND PERFORMANCE – EKUINAS DIRECT (TRANCHE II) FUND



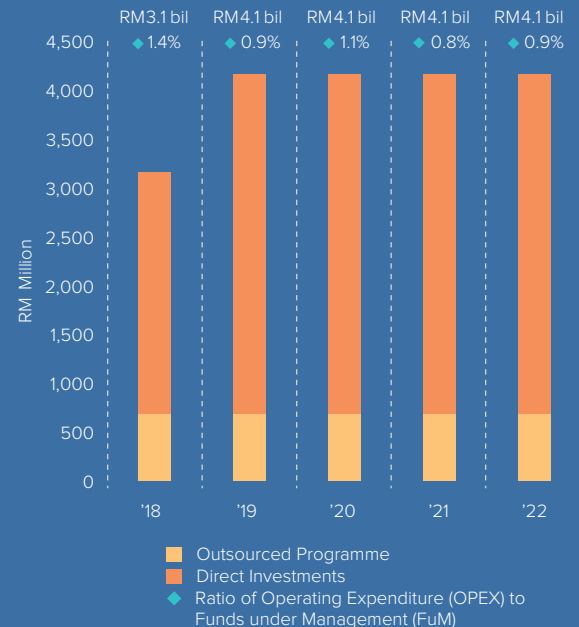
FUND PERFORMANCE – EKUINAS DIRECT (TRANCHE III) FUND



TOTAL BUMIPUTERA EQUITY AND OTHER SHAREHOLDERS' VALUE CREATED



FUNDS UNDER MANAGEMENT AND OPEX FuM RATIO



“

Our focus on **high performance, professionalism and stewardship** have been and will continue to be our guide as we **continue to strive towards our goal of being a leading PE firm in the region.**”

RAJA TAN SRI DATO' SERI
ARSHAD RAJA TUN UDA
Chairman



CONSOLIDATED
PORTFOLIO
REVENUE GROWTH
30.2%



PORTFOLIO EBITDA GROWTH
31.3%



Chairman & CEO's

Joint Statement

SYED YASIR ARAFAT
SYED ABD KADIR
Chief Executive Officer



Chairman & CEO's Joint Statement



DEAR STAKEHOLDERS,

The year that was 2022 was another study of two halves. It started on a bullish note, driven by the euphoria around the post-pandemic reopening of economies and successful rollout of vaccines worldwide. Globally, Private Equity (PE) continued its momentum with record deals in the first half of 2022 with USD512 billion in buyout deal value, coming in second behind 2021's all-time highest annual total¹.

The second half of 2022 (2H2022) however, saw a drastic swing into negative territory as globally, major central banks embarked on aggressive rates raising trajectories, the biggest and fastest hike in the last two (2) decades as policy makers went all out to combat surging inflation². In 2022 alone, the United States of America (US) Federal Reserve had raised rates by 425 basis points (bps), or 4.25%, to tame sky-high inflation rates that have reduced the purchasing power of consumers.

The unprecedented hikes, which are hovering around their highest in 40 years were especially significant, with the US having enjoyed around 15 years of near zero interest rates and a system flushed with cheap funds. Deals contracted as the rising cost of funds put a dampener on the exuberance of the global capital markets. However, activities continued albeit at a much more rational rate towards the 2H2022, and at smaller ticket sizes as a result.

The end of cheap money, compounded by macroeconomic headwinds such as the onset of the Russia-Ukraine conflict, escalating China-US tensions and ensuing supply chain disruptions dragged global growth expectations. Mounting pressures triggered by the rapid rise in energy, food and materials prices presented new challenges for businesses already grappling with the disruptions brought on by the pandemic.

MARKET REVIEW: THE FALLOUT FROM THE END OF CHEAP MONEY

Once again, global private markets outpaced public markets over every time horizon despite investments, exits and fund-raising falling off the highs of 2021 towards 2H2022. The year ended with a record USD3.7 trillion in dry powder, with the all-too-familiar scenario of General Partners (GPs) remaining eager to put the capital to work as soon as possible. However, market participants maintained their cautious stance as they looked out for clearer signals as to where markets were headed.

In Asia Pacific (APAC), deal activity saw a significant decline. Mergers and acquisition (M&A) for PE deals in 2022 dipped to 2,070 deals with a disclosed deal value of USD533 billion versus 2,921 deals in 2021 with a disclosed deal value of USD1,002 billion.

In Southeast Asia (SEA), strategic acquirers were willing to pay hefty premiums for SEA assets with the median price to earnings (P/E) ratio of 19.6x versus the average P/E of 14.8x for deals done by PE acquirers in 2022³. However, the global trend remained consistent with total deal counts dropping in tandem with the global numbers.

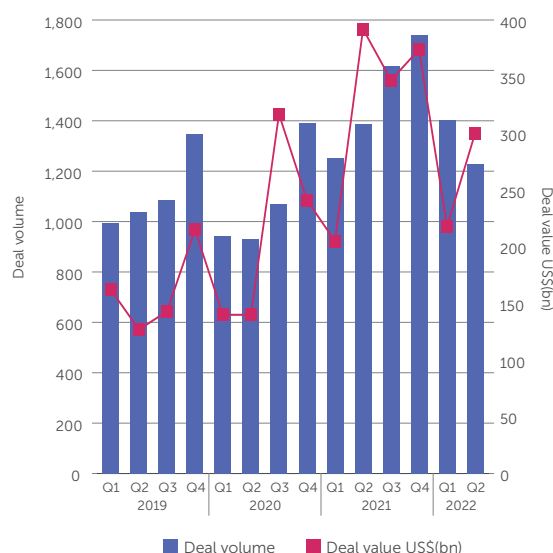
Growth in ASEAN slowed. All trends led to the tightening of money after the long spell of low interest rates, and the decline in household purchasing power curbed spending. Amid the deep ambiguity of 2022, Ekuinas approached the year cautiously. We maintained our focus on strengthening resilience and agility in our portfolio companies to safeguard their recovery. Lessons learned from the two (2) pandemic years left indelible perspectives that carried well into the year, providing the critical layer of insight that only experience could offer.

¹ Source: *Shifting Gears: Private Equity Report Midyear 2022*, Bain & Company – 18 June 2022

² Source: *Global historical rates deliver historical rate hike blast in 2022* – 24 December 2022

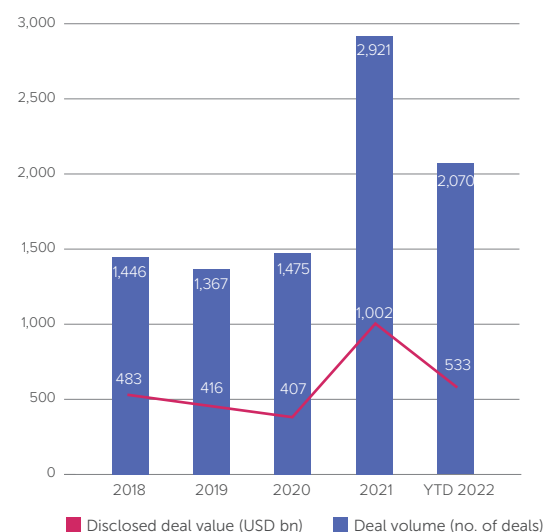
³ Source: *Mergermarket*

Asia Pacific M&A Deal Activity



Source: Mergermarket, "Deal Drivers: APAC HY 2022" (Aug 2022)

Total M&A Activity in SE Asia Involving PE, 2018 – YTD 2022



Source: Mergermarket as of 15th Nov 2022

As the 2021 consumer momentum driven by revenge spending and return to brick-and-mortar stores ground to a near halt, our portfolio companies were significantly affected. The emphasis placed on digitalisation, operational excellence and product portfolio improvements for our companies in the retail, food and beverage and services industries especially, ensured they remained competitive.

On the local front, Malaysia remained relatively resilient. Consumer spending was largely buoyed by the RM91 billion in the Employees Provident Fund (EPF) withdrawals⁴, further supported by post COVID-19 recovery measures. This included the lifting of movement control orders (MCOs) and the reopening of borders. Many sectors such as services and retail saw a boom in footfall from robust consumer spending, indicating optimism of an economic recovery. The FTSE Bursa Malaysia KLCI (FBMKLCI) however, remained stagnant, ending 2022 lower by 4.6% at 1,495.49 points from its high opening of 1,567.53 points sustained from 2021⁵. The year saw a good run for banking stocks as well as certain commodity and oil and gas-related counters on the back of rising interest rates and commodity prices. Meanwhile, obvious losers include the Technology Index (-34.43%) tracking the global tech stocks rout while the Healthcare Index (-24.11%) was dragged down by the sell-off on glove stocks post-pandemic⁶. Concurrently, P/E ratios trended downward, falling from the 22.8x multiples in 2020 to 15.0x in 2021 to 14.1x in 2022⁷.

DISCIPLINE IN DISRUPTION

Maintaining our investment discipline in rising markets over the past few years continues to pay off. The dramatic booms and busts of thematic plays left many reeling or stuck with illiquid portfolio holdings at drastically lower valuations than expected. Once the darling of both public and private markets, the swift and deep decline in valuation of the technology sector after it was hit by massive layoffs made it hard to raise funds.

It can be said that to be successful, you first have to learn how to be successful. Sourcing opportunities despite market conditions and building strong businesses to withstand the headwinds and uncertainty, on a consistent basis, remained our priority.

And so the year also provided us an opportunity to examine our direction, to ensure that our business strategy and portfolio companies remain resilient and ready to capture new areas for growth. We take inspiration from the word '**Disruption**', hence the theme '**Discipline in Disruption**' for this year's annual report as it reflects our organisation's perspective and resourcefulness in unearthing diamonds in the rough and delivering positive impact in both good and uncertain times.

⁴ Source: RM145.5 billion in EPF withdrawals since 2020, The Star

⁵ Source: Bursa expects short-term market volatility in 2023

⁶ Source: Bursa Malaysia's biggest movers in 2022, The Edge

⁷ Source: Financial Times, Bloomberg (as at 28 October 2021)

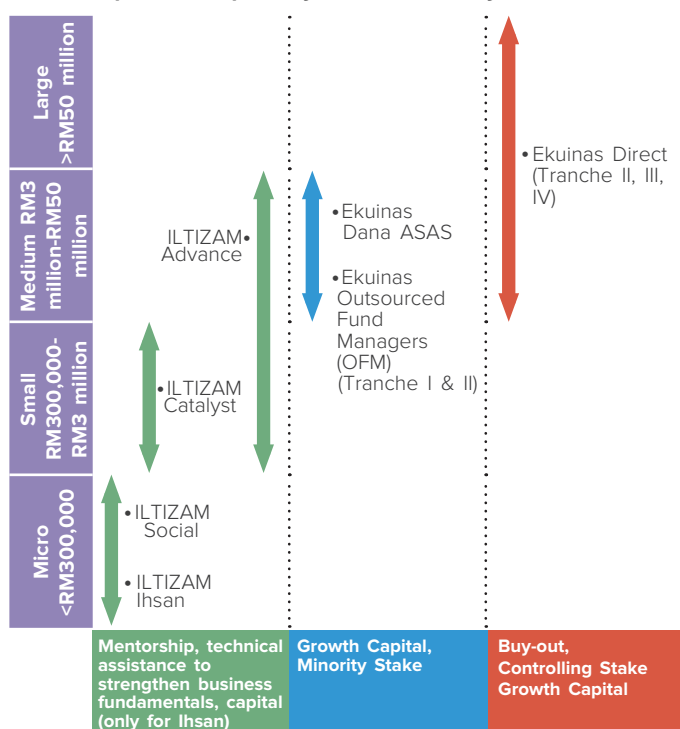
Chairman & CEO's Joint Statement

STAYING THE COURSE

Our focus for 2022 was two-pronged: the efficient capital deployment of our Ekuinas Direct (Tranche IV) Fund, and the incorporation of Dana Asas, a new RM100 million fund targeting mid-tier Bumiputera companies to the crystallisation of our Ekuinas Direct (Tranche II) and (Tranche III) Funds and ongoing value creation for our portfolio companies remain our priority. From a strategic perspective, our efforts were directed towards addressing what we saw as gaps in our private investing ecosystem.

Under ILTIZAM, which is our corporate social responsibility arm, we looked at how Ekuinas could solidify the Bumiputera opportunity across the Education, Entrepreneurship and Community pillars through various initiatives related to early literacy and education, job and income opportunities, early-stage mentorship and support for high potential businesses to grow. Under the Entrepreneurship pillar, the launch of ILTIZAM Catalyst builds on our earlier ILTIZAM Advance initiative to offer customised and pre-set technical assistance and mentoring to take small and medium high growth potential businesses to the next level whilst ILTIZAM Social and ILTIZAM Ihsan lends capacity building support to micro entrepreneurs. The visual below captures our intentions for the entrepreneurship ecosystem and target company profiles and sizes. Not only does this approach align with our Environment, Social and Governance (ESG) Framework, it serves to consolidate and amplify the efforts and impact on the community.

The Entrepreneurship Ecosystem Covered by Ekuinas



Our purpose as a PE company and business has always been closely intertwined with our social values and commitments. It was therefore, a natural progression that in 2022, Ekuinas introduced our ESG Framework internally and across our portfolio companies.



ADVANCING ESG IN OUR ECOSYSTEM

Our purpose as a PE company and business has always been closely intertwined with our social values and commitments. It was therefore, a natural progression that in 2022, Ekuinas introduced our ESG Framework internally and across our portfolio companies. Aligned to the United Nation's Sustainable Development Goals (SDGs), the framework corresponds with our role as a business catalyst and nation builder.

Underpinning our efforts is our purpose and long-term goal to catalyse greater positive community and commercial impact to augment Bumiputera equity. As such, we are pleased to share that our efforts to deepen and broaden our commitment to sustainability has been successful to date. Ekuinas achieved 100% of our ESG goals and milestones set out in the first year of our ESG implementation plan. At the same time, we worked with our portfolio companies to help them with their sustainability journey while supporting them through their unique set of challenges.

More information about our achievements in implementing our ESG framework can be found on page 99 of this report.

FINANCIAL HIGHLIGHTS

Our portfolio companies delivered another strong year of growth, with Al-Ikhsan Sports and Orkim being the standout performers. We incorporated Dana Asas, a new RM100 million direct investment fund with the aim of strengthening our support for mid-market high growth potential Bumiputera companies. Dana Asas was first announced during Budget 2023 last November. We have committed its maiden investment in Eagle Cliffe (M) Sdn Bhd, which owns a network of 19 Kaiser Farmasi outlets in the Klang Valley.

We executed a bolt-on investment for Davex with the acquisition of Xenergi Sdn Bhd. Concurrently, our portfolio companies made a couple of bolt-on investments with their own internally generated funds, namely Medispec with the acquisition of Ascen Plus Pharmacy Sdn Bhd and Exabytes with its acquisition of Infinity

Consulting Technology Sdn Bhd, which owns Aegis. ICON Offshore leveraged on an opportunistic divestment of its jack-up rig at 200% the investment amount just 22 months after its acquisition.

More details on the initiatives implemented within Ekuinas and our portfolio companies are found later in this report.

As of this year, the total cumulative funds received stood at RM4.0 billion. We continued to support the economy with a total committed investment of RM4.4 billion (FY2021: RM4.4 billion) and total economic deployment of RM5.1 billion (FY2021: RM5.0 billion). At the end of 2022, our total cumulative investment portfolio comprised 71 investments, out of which, 48 are direct investments while 23 were made through our Outsourced Programme.

Whilst 2021 was challenging for investments and divestments due to the prolonged and repeated lockdowns, the trends and rate hikes presented 2022 with fresh challenges that resulted in softer consumer sentiment, impacting many of our portfolio companies in the consumer, retail and manufacturing sectors, or those not considered 'essential services'. Our deal pipeline remains healthy as we continue on our momentum of maintaining investment discipline amidst uncertainties.

In terms of our overall performance, we continue to monitor Navis Capital Partners, for the timely exit for Ekuinas Outsourced (Tranche I) Fund, and the same for Outsourced (Tranche II) Fund for TAEI Partners, RM Capital Partners and COPE Private Equity.

PERFORMANCE OF OUR FUNDS

We are pleased to report that all funds recorded strong positive growth performances. The Ekuinas Direct (Tranche II) Fund saw a Gross Portfolio Return (GPR) of RM716.6 million, and a Gross Internal Rate of Return (IRR) of 11.9% p.a. (FY2021: RM654.0 million and 12.1% p.a. respectively). The Ekuinas Direct (Tranche III) Fund on the other hand delivered a GPR of RM133.5 million, and Gross IRR of 3.1% p.a. compared to the negative performance in the preceding year (FY2021: Gross Portfolio Loss of RM125.3 million and negative Gross IRR of 4.3%). While performance for Ekuinas Direct (Tranche III) Fund remains negative, this is a significant and continuing improvement in recent years, particularly as a result of our ongoing work towards strengthening the operational and financial performance at ICON Offshore after several years of poor results arising from the collapse of global oil prices.

For the year under review, we recorded a consolidated revenue growth of 30.2% and earnings before interest, tax, depreciation and amortisation (EBITDA) growth of 31.3%, well above FY2021's rates of 12.3% and 27.2% respectively.

Our Ekuinas Outsourced (Tranche I) Fund saw improved performance with its Gross IRR at 4.1%, compared to the 2021



We recorded a consolidated revenue growth of **30.2%** and earnings before interest, tax, depreciation and amortisation (EBITDA) growth of **31.3%**, well above FY2021's rates of **12.3%** and **27.2%** respectively.



performance of 3.3%. On the other hand, the performance of our Outsourced (Tranche II) Fund remained subdued with the Gross IRR of -2.7% below the performance of -0.8% in 2021.

In terms of our non-financial performance, specifically for Bumiputera equity, Ekuinas' direct and outsourced funds increased Bumiputera equity ownership by RM6.5 billion or 1.6 times the capital invested (FY2021: RM5.9 billion and 1.5 times respectively).

VALUE CREATION ACTIVITIES

We continued to apply a customised approach to our value creation activities to address urgent issues and catalyse growth in each portfolio company. Across the eight (8) growth and development levers, product and capability development were key for all, followed by talent, marketing and branding. In addition to building operational excellence, resilience and agility, our value creation activities were focused on supporting top-line growth for our portfolio companies. Digitalisation as a priority continued into 2022, as a backbone for operational efficiency and outreach, essential in navigating the increasingly volatile and uncertain environment.

1. Revenue Valley

To recapture our audience and boost brand affinity, we worked closely with industry partners to improve engagements and customer experience when dining at a Revenue Valley restaurant. We partnered with celebrity chef Dato' Fazley Yaakob to act as brand ambassador and launched new menu offerings in Tony Roma's and The Manhattan FISH MARKET. A collaboration between Tony Roma's, The Manhattan FISH MARKET and New York Steak Shack with myBurgerLab resulted in an invigorated menu and improved brand penetration and market share. Expansion plans are also underway with a new The Manhattan FISH MARKET outlet opened in One Utama and a few more in the pipeline for 2023.

Chairman & CEO's Joint Statement

2. Cosmopoint Group

We continue to emphasise and support access to good quality education. In 2022, we further expanded the programmes to target the working adults segment. Cosmopoint launched post-graduate and online distance learning programmes at Kuala Lumpur Metropolitan University and College (KLMUC), promoting continuous and lifelong learning. We also increased the availability of technical programmes such as the Sijil Kemahiran Malaysia (SKM), UNITAR programmes at Cosmopoint colleges, and introduced time-flexible micro-credentials programmes that can be completed in shorter durations for busy individuals. Ekuinas also established career centres to build industry partnerships for practical training and internships.

3. UNITAR

Ekuinas initiated various plans to support UNITAR's goal towards creating a holistic and innovative learning ecosystem. We introduced 15 new academic programmes across academic levels, from certificates to PhDs. We also implemented the UNITAR Passport Programme 2.0 to improve access to micro-credential programmes that provide more flexibility and practical knowledge, in line with UNITAR's positioning as a leading provider of lifelong education opportunities for working adults. In addition to improving course offerings, we also established the UNITAR Graduate School and appointed adjunct professors and PhD lecturers, to reinforce quality.



4. Exabytes

The need to digitalise and put in place cybersecurity safeguards to protect business assets have become increasingly critical from a commercial and regulatory standpoint. With that in mind, Ekuinas worked with the team to roll out new V13 web hosting and virtual private servers (VPS) products across Malaysia, Singapore and Indonesia. Through the acquisition of Infinity Consulting Technology Sdn Bhd which owns Aegis in May 2022 and establishment of partnerships with Amazon Web Services (AWS) and Huawei Cloud Services, Exabytes is now at the forefront of the cloud-first digital transformation for Malaysia and in the region. This is in addition to improving our enterprise and cybersecurity product offerings. Exabytes has also collaborated with 91App to offer new retail solutions to retail clients looking to build and expand their virtual market presence.

5. Flexi Versa Group (FVG)

In 2022 FVG expanded its base in China by setting up a plant in Zhuhai. In addition, Ekuinas is finalising a potential bolt-on in the rubber-moulded components segment, which also creates rubber component parts for medical devices. As part of our growth plan in the medical segment, we have been focussing on growing the internal team with senior hires and have developed a robust talent development plan to strengthen our talent bench and manage the expanding areas of business.

6. Davex

As part of our regional growth plan, Ekuinas worked closely with Davex to explore opportunities to increase its in-market presence, especially around solar energy solutions. We have

also established partnerships to introduce more smart product offerings as smart solutions are gaining traction among consumers. With the acquisition of Xenergi Sdn Bhd as a bolt-on investment for Davex, the latter will be in a unique position to offer holistic renewable energy (RE) and energy efficiency solutions, with digitally connected integration technologies to spearhead smart and sustainable buildings, industries and infrastructure.

7. ICON Offshore (ICON)

This year, Ekuinas pivoted ICON's strategy which focused on asset light and service-based business model to become an all-round energy player. In order to do so, we have engaged various consultants, specifically for the implementation of core information technology (IT) projects, and to conduct a market and competitor study to effectively position ICON in the industry as market demand around sustainability solutions grow. In addition, we are exploring other asset-light and service-based businesses to diversify ICON's offerings in the industry. Amidst this ongoing transformation, ICON remains as one of the leading offshore service vessel (OSV) players in Malaysia, with a strong balance sheet and deep capabilities.

8. Orkim

Orkim continue to grow from strength to strength, with the commencement of five (5) new major contracts with key customers. Ekuinas worked closely with the management team to drive business targets. In addition to internal organisational improvement and efficiency efforts, we developed a talent strategy to improve talent retention, growth and development opportunities as well as succession planning. Aside from internal efforts, we established a new bunker logistics segment which complements the current business model. The BASSnet processes were also optimised to enhance productivity around cost monitoring as well as

improving vessels' communications systems to ensure clarity and reliability.

9. Medispec

For Medispec, we focused on deepening its roots within the pharmaceutical industry through the diversification of product offerings and expansion into other regional markets. This year, we launched new Vitamode supplements such as AcnoFend, DigestPro and Kids I-Care Gummy and registered 13 new ethical products to grow new consumer segments and expand market share. We have also increased our presence around the region where we have successfully penetrated the Brunei market and have engaged local partners in Indonesia, Thailand, and Philippines to register our product offerings. Locally, Ekuinas completed the acquisition of Ascen Plus Pharmacy Sdn Bhd to enter into the premium retail pharmacy space – to which, we have opened three (3) new pharmacy outlets in Selangor and Kuala Lumpur. To support Medispec's growth plans, Ekuinas has been growing their sales, training and communications teams to drive business goals.

10. Al-Ikhsan Sports

Al-Ikhsan Sports continued to cement its position as the largest multi-brand sports retailer in the country. In 2022, Al-Ikhsan Sports became the number one sports retailer in Malaysia in terms of revenue, with its extensive outlet footprint all across peninsular Malaysia. We continue to work closely with Al-Ikhsan Sports to ensure that the necessary strategy and capabilities are in place for the company to grow further. We launched the first Liverpool FC niche store in Sunway Pyramid and made further headway in promoting Al-Ikhsan Sports' secondary and internal brands, which are now collectively contributing 44% of its total sales, an increase from 41% in the previous year.



Chairman & CEO's Joint Statement

INVESTMENTS AND DIVESTMENTS

In 2022, we made a capital investment in Xenergi Sdn Bhd as a bolt-on for Davex. Looking ahead, our direct investments deals pipeline remains robust as our deal team has been actively sourcing and engaging with potential companies.

Ekuinas incorporated Dana Asas in 2022 and is confident in disbursing the RM100 million fund over the next three (3) years. We initiated a maiden investment in Eagle Cliffe (M) Sdn. Bhd. which operates the network of Kaisar Farmasi, the deal was completed in Q1 2023. We foresee a busy 2023 ahead in the leadup to the closure of Ekuinas Direct (Tranche II) Fund, exits in Direct (Tranche III) Fund, and investments for Direct (Tranche IV) Fund and Dana Asas.

We are mindful of the challenges around due diligence, not only in understanding the specificity of each business but also the macro factors and shifts impacting and disrupting the operating environment, business, and industries.

FULFILLING OUR SOCIAL MANDATE

Ekuinas remains committed to creating long-term value and positive social impact by facilitating continuous social progress. Through our platforms and initiatives, we aim to create opportunities that will enable individuals, families and communities, particularly within the Bumiputera community to thrive and achieve abiding success. We do this by increasing the overall Bumiputera talent and equity ownership of our companies as we continue to deliver on our social and commercial targets.

This year, Ekuinas' direct and outsourced funds successfully increased Bumiputera equity ownership by RM6.5 billion or 1.6 times the capital invested (FY2021: RM5.9 billion and 1.5 times). There has also been an increase of 21.9% in Bumiputera management and a total increase of 14.4% in Bumiputera employees since Ekuinas' entry (FY2021: 19.4% and 12.3% respectively) across all our portfolio companies.

We are also pleased with the progress made through ILTIZAM. Through their robust and established framework, we are consistently and systematically reaching out to and creating meaningful opportunities and impact on the Bumiputera entrepreneurs, youth, underprivileged and underserved communities.

In 2022, ILTIZAM disbursed RM19.6 million across its core pillars, benefitting at least 22,000 individuals, families, and businesses. This brings Ekuinas' total contribution towards its CSR efforts to

a total of RM87.9 million since inception. For more details, please refer to the ILTIZAM by Ekuinas section for a review of all the initiatives completed this year on pages 102 to 109 of this report. The Zakat Wakalah Scheme, where Ekuinas acts as representative for Lembaga Zakat Selangor (LZS) and Pusat Pungutan Zakat Majlis Agama Islam Wilayah Persekutuan (PPZ MAIWP) saw a disbursement of RM141,006 to 60 deserving recipients as assistance in terms of their medical expenses, flood relief and education fees. A further RM441,011 was disbursed to 351 asnaf students in Cosmopoint Colleges and Kuala Lumpur Metropolitan University College (KLMUC) to assist in their education fees as well as financial support due to the aftermath of the December 2021 and January 2022 floods.

OUTLOOK FOR 2023: CAUTIOUSLY OPTIMISTIC

Macroeconomic headwinds and the subdued sentiment as a result of a softer 2H2022 continued well into 2023. Whilst much of the geopolitical conflict remains unresolved, businesses continued to forge ahead, focussing on operational excellence, resilience, and agility, mindful that disruptions are to be expected and of the recurring themes that continue to gain momentum: energy shifts, climate change and decarbonising of our economies and food security.

We anticipate moderate growth locally in 2023, driven by wholesale and retail services, construction and manufacturing sectors as markets recover from the after-effects of 2022's economic turbulence. Growth in manufacturing is expected as demand increases across the board, particularly within the electrical and electronics industry and the automotive sector as interest in electric vehicles rises. The agriculture sector is expected to be supported by improved crude palm oil (CPO) yields as well as rising demand for livestock and fisheries as food security continue to be a priority in the government's agenda. Demand for the mining sector, especially for oil and gas is also expected to rise, as economic activities begin increasing in momentum.

On our part, Ekuinas has in place key initiatives that we will be executing:

- i. As we enter the second year of executing our Sustainability Framework, we are positioning ourselves and our portfolio companies to capitalise on the standards, best practices and data to elevate their performance and profile amongst their target audiences;
- ii. Embedding our new ecosystem platform, the ILTIZAM Catalyst which is targeted at Bumiputera small and medium

enterprises (SMEs) and providing expert technical assistance through a team of qualified consultants in areas of financial management, branding and marketing, digital adoption and leadership;

- iii. Deployment of the RM100 million Dana Asas, with investment values between RM10 million to RM30 million to assist mid-market companies to grow to the next level.
- iv. Crystallising Ekuinas Direct (Tranche II) Fund and Direct (Tranche III) Fund as we strive to deploy Direct (Tranche IV) Fund.

As the drive towards greater digitalisation, awareness and interest grows for macro sectoral trends such as healthcare, wellness and artificial intelligence (AI), we are actively on the lookout for deals which would benefit from these tailwinds. With a strong pipeline of potential deals, ample dry powder, and confidence in our ability to source and convert deal opportunities, we anticipate the closure of more deals at realistic valuations.



As the drive towards greater digitalisation, awareness and interest grow for macro sectoral trends such as healthcare, wellness and artificial intelligence (AI), we are actively on the lookout for deals which would benefit from these tailwinds. With a strong pipeline of potential deals, ample dry powder, and confidence in our ability to source and convert deal opportunities, we anticipate the closure of more deals at realistic valuations.



A note of appreciation and thanks

2022 was a year of new beginnings and opportunities. Despite the difficult environment, Ekuinas persisted and successfully achieved our key performance indicators (KPIs). We acknowledge that our successes would not have been possible without the many stakeholders who have consistently supported us throughout our journey and for giving us the opportunity to play a role in the growth and development of the Malaysian PE industry.

We would like to extend our deepest appreciation to the Government of Malaysia and the Ministry of Economy that oversees Ekuinas. Thank you for your continued support and confidence in our ability to deliver our mandate.

We would also like to thank our Board of Directors for their wisdom and guidance throughout our journey, from inception to this day. Our achievements so far, especially against a complex backdrop, would not have been possible without your firm voice of wisdom.

We would like to convey our deepest appreciation to our staff and employees of our portfolio companies – both past and present. It is a pleasure and privilege to work alongside such a capable and passionate team. Ekuinas' achievements would not have been possible, had it not been for your commitment, contribution and shared belief.

On our part, Ekuinas remains steadfast in our commitment to create long term value for the Government, our stakeholders and portfolio companies. We are confident that with your continued support, we can look forward to building on another decade of strong growth for Malaysia's PE industry and homegrown companies, which will put Malaysia on the regional map as a leading investment destination.

Thank you, and we look forward to continuously building our country's vibrant future.

Raja Tan Sri Dato' Seri Arshad Raja Tun Uda
Chairman

Syed Yasir Arafat Syed Abd Kadir
Chief Executive Officer



4 Ekuinas 2022 Performance

Investment Performance Report

INVESTMENT THESIS

Ekuinas aims to identify opportunities to invest in mid-sized Malaysian companies to transform and grow them into sizeable market leaders and profitable investments, after which Ekuinas will exit and apply the same process of value creation in other deserving companies. Depicted below are the key elements of our investment strategy.

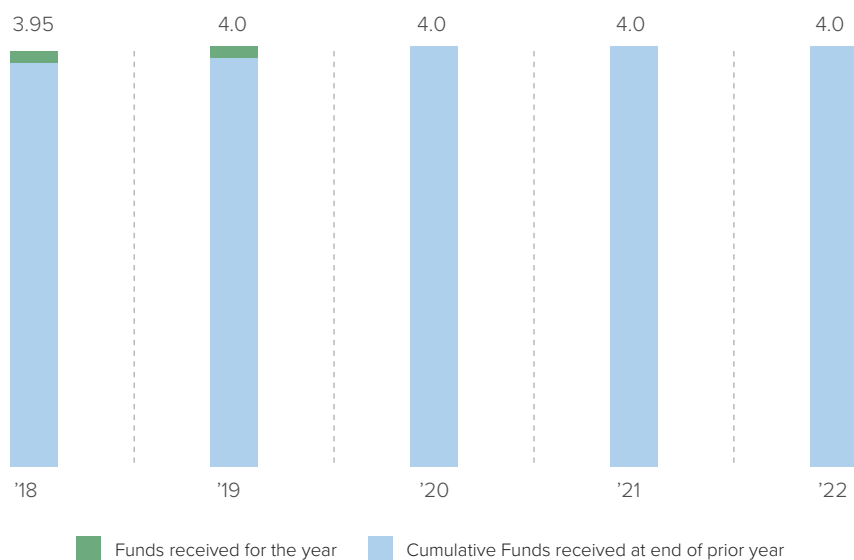


A OVERALL

1 Funds Received

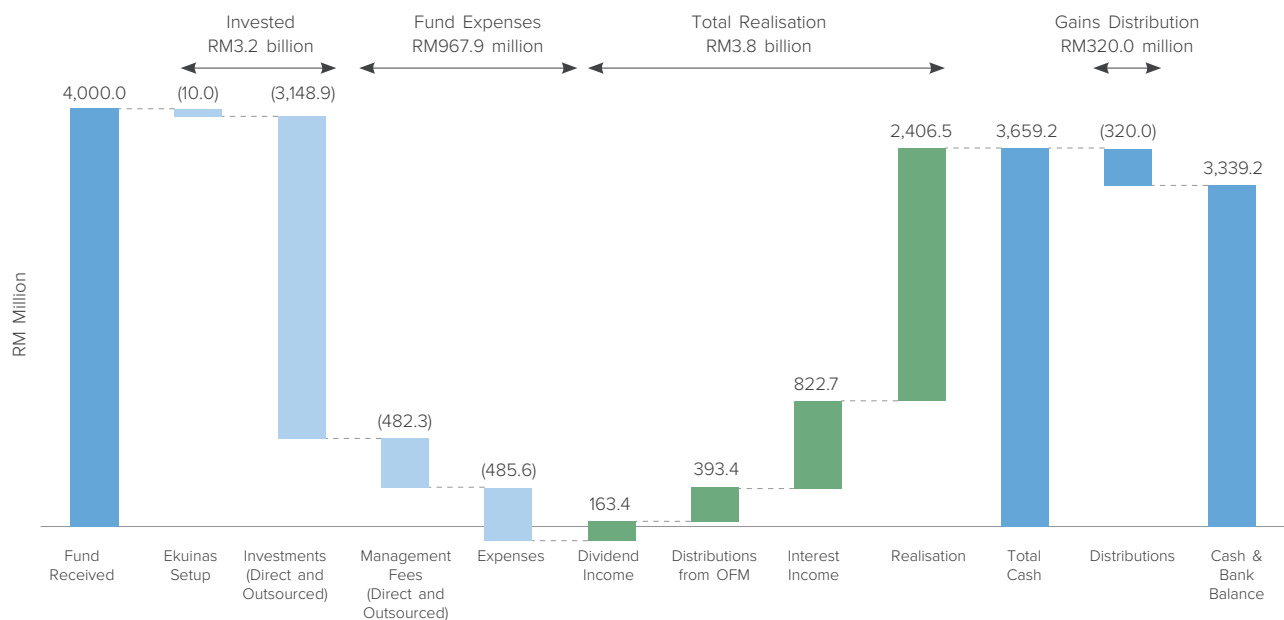
TOTAL CUMULATIVE FUNDS RECEIVED OF RM4.0 BILLION

RM Billion



2 Funds Utilisation

INVESTED CAPITAL OF RM3.2 BILLION: RM3.8 BILLION ALREADY REALISED



Investment Performance Report

B DIRECT INVESTMENTS

1 Funds Overview

EKUINAS DIRECT (TRANCHE I) FUND	EKUINAS DIRECT (TRANCHE II) FUND	EKUINAS DIRECT (TRANCHE III) FUND	EKUINAS DIRECT (TRANCHE IV) FUND
Vintage Year 2010	Vintage Year 2012	Vintage Year 2014	Vintage Year 2019
Status Fully realised	Status Deployed	Status Deployed	Status Investing
Capital Commitment RM1.0 Billion	Capital Commitment RM1.0 Billion	Capital Commitment RM1.5 Billion	Capital Commitment RM1.0 Billion
Term 5 years + 2 years + 1 year	Term 5 years + 2 years + 1.5 years + 2 years + 2 years	Term 5 years + 1 year + 2 years + 4 years	Term 5 years + 1 year + 1 year + 4 years
INVESTMENT PERIOD OF 3 TO 5 YEARS			
Legal Form & Structure One Fund Manager and One Investor	Investment Focus Buy-Out and Growth Capital Fund	Geographical Focus Malaysia	Industry Focus Education, Oil & Gas, FMCG, Retail & Leisure, Healthcare and Services

2 Investment Activities

a. Direct Investment Activities for 2022

			Total for the year		
RM million					
Portfolio Company	Sector	Stake	Committed Investment	Committed Investment by Others	Total Economic Capital Deployed
Bolt-on Investment:					
1 Xenergi Sdn Bhd (for Davex (Malaysia) Sdn Bhd)	Manufacturing	N/A	21.6	—	21.6

2 Investment Activities (continued)

b. Cumulative Direct Investment Activities as at 31 December 2022

RM million	Portfolio Company	Sector	Stake	Committed Investment	Committed Investment by Others	Total Economic Capital Deployed
Ekuinas Direct (Tranche I) Fund						
1	Alliance Cosmetics Group (ACG)	FMCG	20.0%			
2	Tanjung Offshore Berhad (TOB)	Oil & Gas	24.0%			
3	Konsortium Logistik Berhad (KLB)	Services	61.6%			
4	APIIT Education Group (APIIT)	Education	51.0%			
5	Burger King Group (BK)	Retail – F&B	74.1%			
6	Lyndarahim Ventures Sdn Bhd (SF)	Retail – F&B	90.0%	1,258.2	122.1	1,380.3
7	Revenue Valley Group (RV)	Retail – F&B	85.8%			
8	Cosmopoint Group (Cosmopoint)	Education	90.0%			
9	UNITAR International University (UNITAR)	Education	90.0%			
10	Icon Offshore Berhad (ICON)	Oil & Gas	70.7%			
Ekuinas Direct (Tranche II) Fund						
1	Burger King Group (BKM & BKS)	Retail – F&B	100.0%			
2	ICON^	Oil & Gas	17.4%			
3	PrimaBaguz Sdn Bhd (PrimaBaguz)	Food	100.0%			
		Manufacturing				
4	Asia Pacific Institute of Information Technology Lanka Pvt Ltd (APIIT Lanka)	Education	45.9%			
5	SF*	Retail – F&B	–	1,074.9	–	1,074.9
6	RV	Retail – F&B	–			
7	Coolblog Apps Sdn Bhd (Coolblog)	Retail – F&B	60.0%			
8	Orkim Sdn Bhd (Orkim)*	Oil & Gas	95.5%			
9	Tenby Educare Sdn Bhd (Tenby)	Education	70.0%			
10	Tranglo Sdn Bhd (Tranglo)	Technology Services	60.0%			

* Includes follow-on investments

^ Pre-share consolidation and issuance of rights issue

Investment Performance Report

B DIRECT INVESTMENTS (CONTINUED)

2 Investment Activities (continued)

b. Cumulative Direct Investment Activities as at 31 December 2022 (continued)

	RM million Portfolio Company	Sector	Stake	Committed Investment	Committed Investment by Others	Total Economic Capital Deployed
Ekuinas Direct (Tranche III) Fund						
1	MediExpress (Malaysia) Sdn Bhd (Medix)	Healthcare	60.0%			
2	PMCare Sdn Bhd (PMCare)	Healthcare	60.0%			
3	ILMU Education Group (ILMU)	Education	100.0%			
4	Al-Ikhsan Sports Sdn Bhd (Al-Ikhsan)	Retail	35.0%			
5	ICON	Oil & Gas	—			
6	Davex (Malaysia) Sdn Bhd (Davex)	Manufacturing	100.0%			
7	RV**	Retail – F&B	94.6%			
8	Cosmopoint#	Education	90.0%	1,694.1	—	1,694.1
9	UNITAR*#	Education	100.0%			
10	ICON#	Oil & Gas	0.3%			
11	Flexi Versa Group Sdn Bhd (FVG)*	Manufacturing	76.1%			
12	Exabytes Network Sdn Bhd (Exabytes)	Technology Services	45.4%			
13	ICON	Oil & Gas	55.7%			
14	ICON@^	Oil & Gas	0.1%			
15	ICON	Oil & Gas	—			
Ekuinas Direct (Tranche IV) Fund						
1	Medispec (M) Sdn Bhd	Healthcare	75.0%	69.6	—	69.6
Cumulative Total Investment Undertaken				4,096.8	122.1	4,218.9

* Includes follow-on investments

Transfer from Ekuinas Direct (Tranche I) Fund

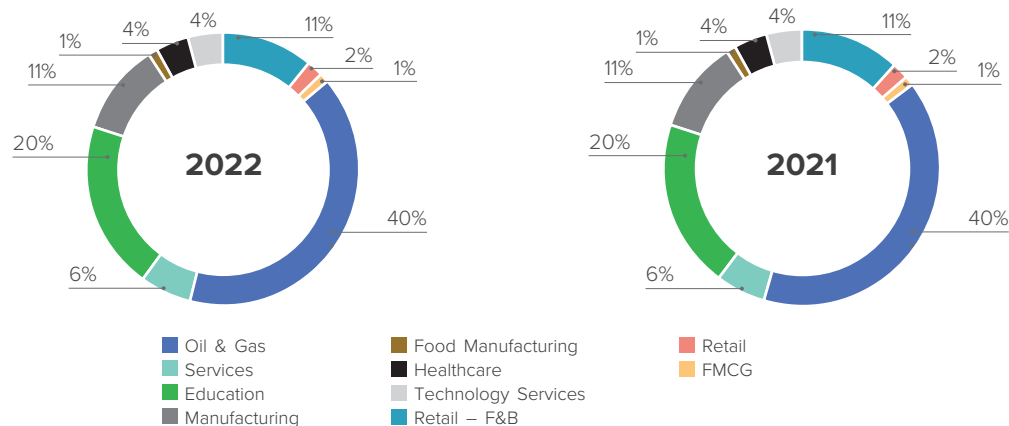
@ Transfer from Ekuinas Direct (Tranche II) Fund

^ After share consolidation and issuance of rights issue

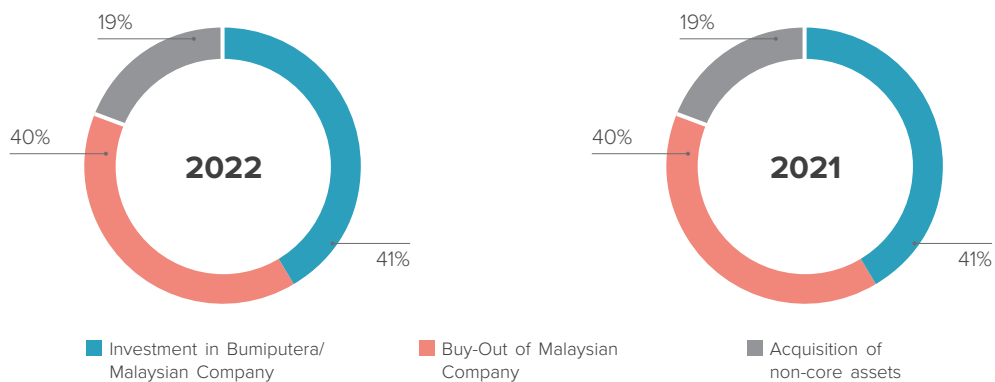
2 Investment Activities (continued)

c. Investment Composition Analysis

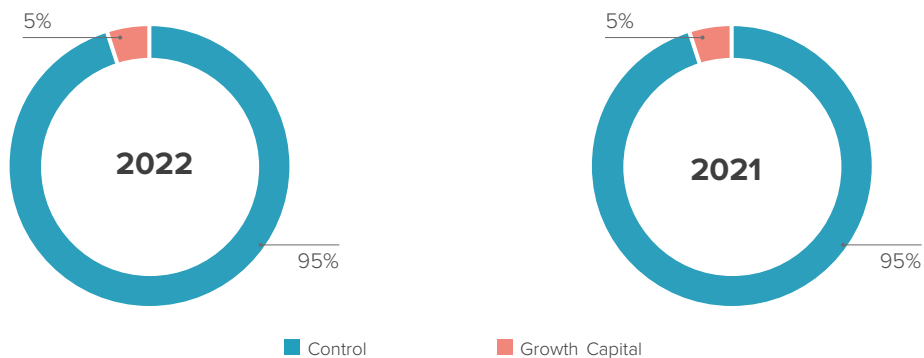
BY SECTOR



BY CATEGORY



CONTROL VS GROWTH CAPITAL DEALS



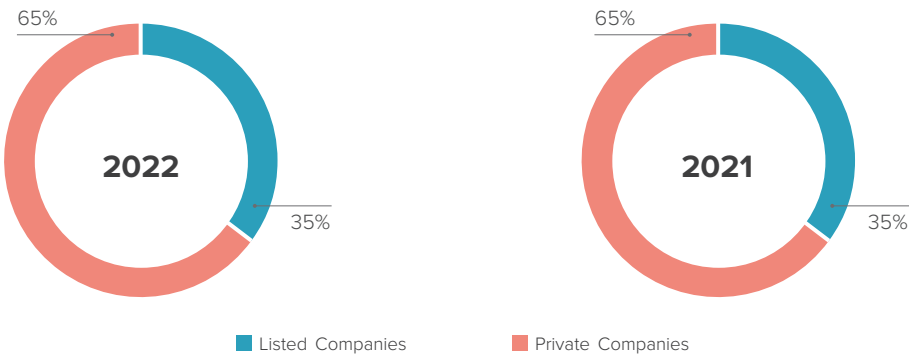
Investment Performance Report

B DIRECT INVESTMENTS (CONTINUED)

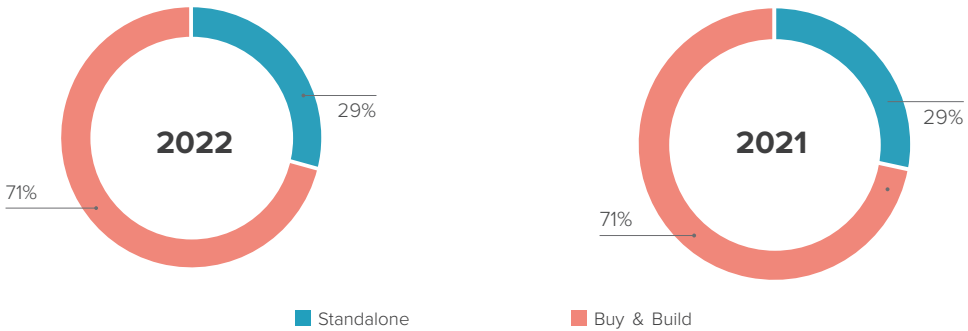
2 Investment Activities (continued)

c. Investment Composition Analysis (continued)

LISTED COMPANIES VS PRIVATE COMPANIES



STANDALONE VS BUY & BUILD



3 Realisation Activities

Cumulative Realisation Activities as at 31 December 2022

Company RM million	Year of Realisation	% of the Fund's Holding Realised	Total Realisation Amount
Full realisation			
TOB	2012	100.0	
KLB	2013	100.0	
BKM & BKS^	2015	100.0	
SF^	2015	100.0	
ACG	2016	100.0	
APIIT & Tenby^	2017	100.0	
Cosmopoint*	2017	100.0	3,170.8
RV*	2017	100.0	
Tranglo	2018	100.0	
Medix & PMCare	2018	100.0	
APIIT Lanka^	2019	100.0	
Primabaguz	2019	100.0	
ICON^	2019	N/A	
Coolblog	2020	100.0	
Partial realisation			
UNITAR*	2017	100.0	
ICON^	2014	89.1	
ICON*	2020	N/M	

^ Realisation at fund level across multiple funds

* Transferred to Ekuinas Direct (Tranche III) Fund

4 Portfolio Companies' Performance

Portfolio Companies' Performance – Combined Revenue and EBITDA

	Revenue (RM million)			EBITDA (RM million)*		
	2022 A	2021 B	% Growth A – B	2022 A	2021 B	% Growth A – B
Education Group	79.6	68.0	17.1%	7.5	7.9	-5.1%
Retail – F&B	79.4	60.5	31.2%	7.3	5.7	28.1%
Oil & Gas	510.5	485.1	5.2%	262.5	229.3	14.5%
Retail	485.4	281.6	72.4%	70.3	18.7	>100%
Manufacturing Group	362.0	282.4	28.2%	24.4	7.2	>100%
Technology Services	99.0	88.2	12.2%	8.5	16.1	-47.2%
Healthcare	151.1	91.8	64.6%	20.4	20.4	0.0%
Combined Portfolio Companies	1,767.0	1,357.6	30.2%	400.9	305.3	31.3%

* EBITDA figures exclude any non-recurring and exceptional items (unaudited for 2022)

Investment Performance Report

B DIRECT INVESTMENTS (CONTINUED)

5 Investment Activities (continued)

5.1 Ekuinas Direct (Tranche II) Fund

a. Investment Performance

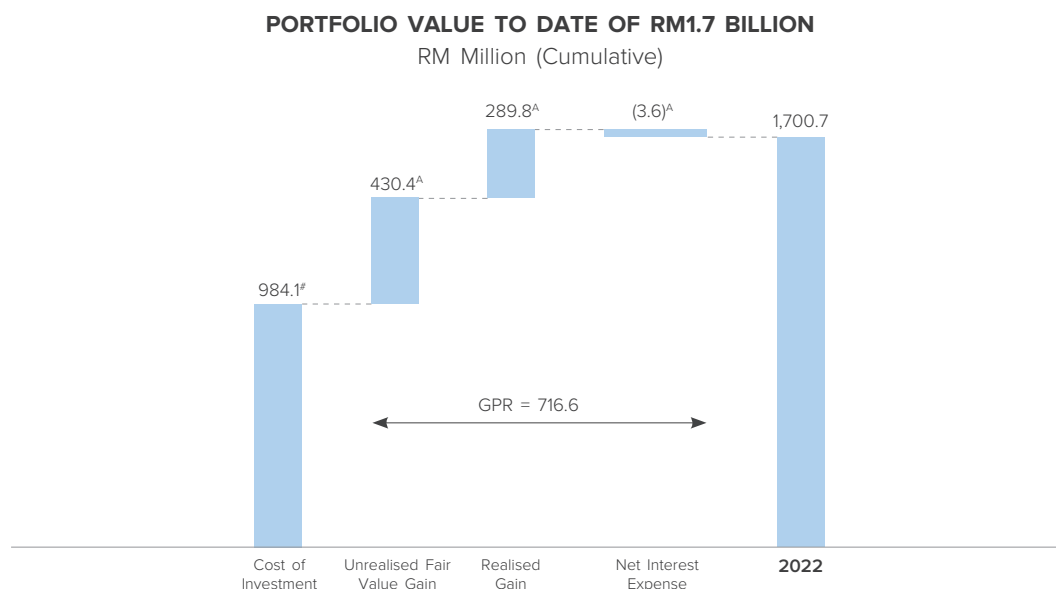
	2022	2021
Gross IRR p.a.	11.9%	12.1%
Net IRR p.a. (before carried interest)	8.6%	8.6%

* Net IRR is derived after management fees and other operating expenses

5 Investment Activities (continued)

5.1 Ekuinas Direct (Tranche II) Fund (continued)

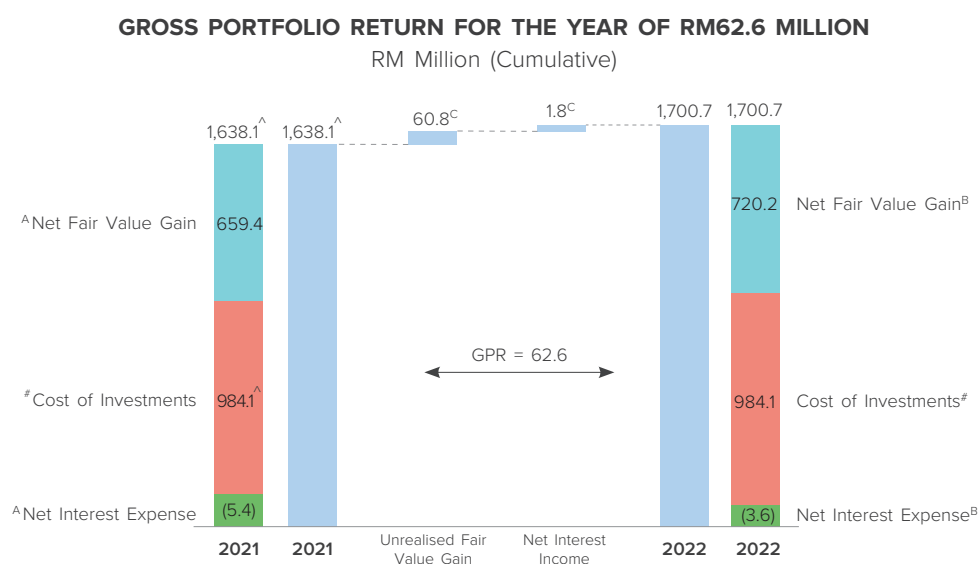
b. Ekuinas Direct (Tranche II) Fund Accumulated Portfolio Value Enhancement



^A These numbers combined make up to cumulative Gross Portfolio Return as at end 2022 of RM716.6 million

[#] Net of financing

c. Ekuinas Direct (Tranche II) Fund Portfolio Value Movement as at 31 December 2022



^A These numbers combined make up to cumulative Gross Portfolio Return for 2021 of RM654.0 million

^B These numbers combined make up to cumulative Gross Portfolio Return for 2022 of RM716.6 million

^C These numbers combined make up to movement for the year of RM62.6 million

[#] Net of financing

[^] Adjusted for comparability

Investment Performance Report

B DIRECT INVESTMENTS (CONTINUED)

5 Investment Activities (continued)

5.2 Ekuinas Direct (Tranche III) Fund

a. Investment Performance

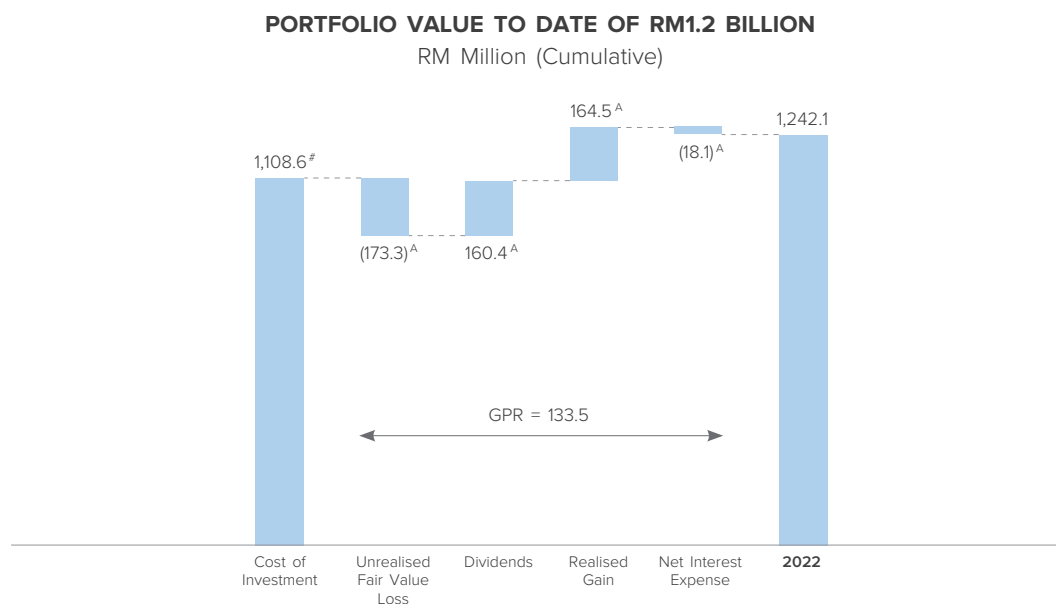
	2022	2021
Gross IRR p.a.	3.1%	-4.3%
Net IRR p.a. (before carried interest)	-2.1%	-10.4%

Net IRR is derived after management fees and other operating expenses.

5 Investment Activities (continued)

5.2 Ekuinas Direct (Tranche III) Fund (continued)

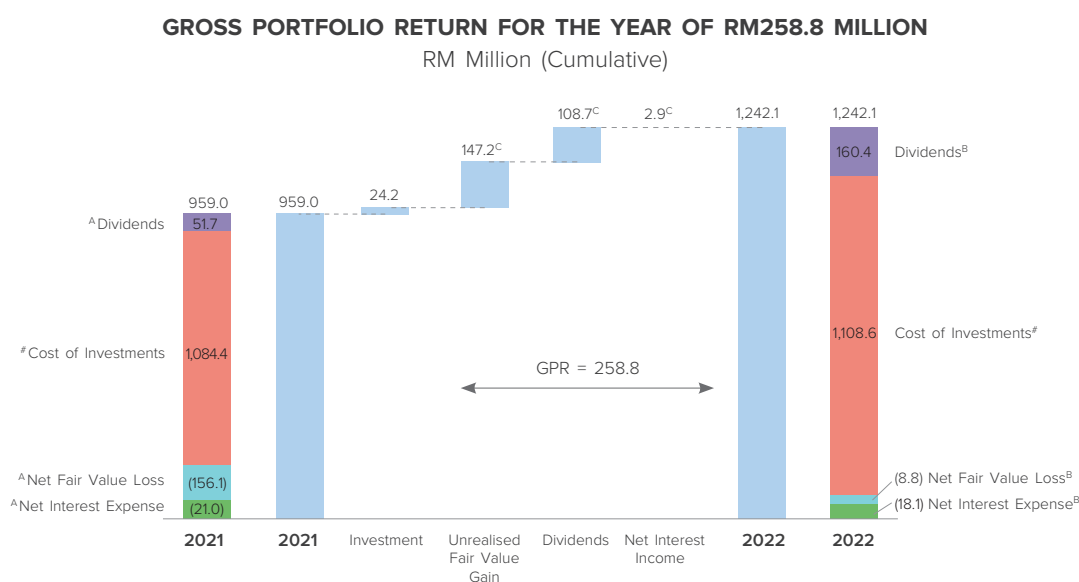
b. Ekuinas Direct (Tranche III) Fund Accumulated Portfolio Value Enhancement



^A These numbers combined make up to cumulative Gross Portfolio Return as at end 2022 of RM133.5 million

[#] Net of financing

c. Ekuinas Direct (Tranche III) Fund Portfolio Value Movement as at 31 December 2022



^A These numbers combined make up to cumulative Gross Portfolio Loss for 2021 of RM125.3 million.

^B These numbers combined make up to cumulative Gross Portfolio Return for 2022 of RM133.5 million

^C These numbers combined make up to movement for the year of RM258.8 million

[#] Net of financing

Investment Performance Report

B DIRECT INVESTMENTS (CONTINUED)

5 Investment Activities (continued)

5.3 Ekuinas Direct (Tranche IV) Fund

a. Investment Performance

	2022	2021
Gross IRR p.a.	77.2%	N/M [#]
Net IRR p.a. (before carried interest)	8.4%	N/M [#]

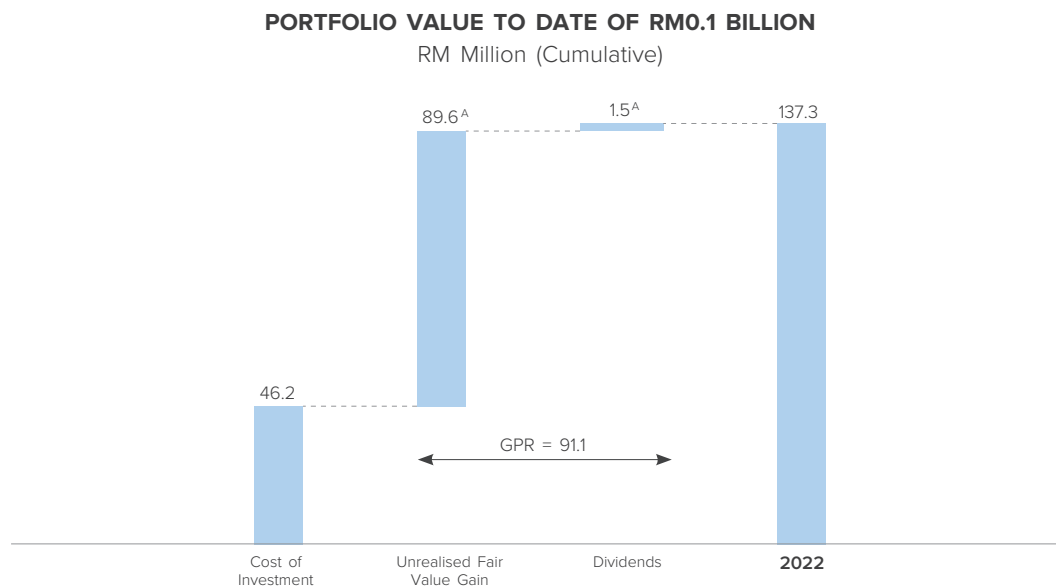
[#] The Gross IRR and Net IRR for Ekuinas Direct (Tranche IV) Fund was not presented in 2021 as the fund was still in early stage of investments

Net IRR is derived after management fees and other operating expenses.

5 Investment Activities (continued)

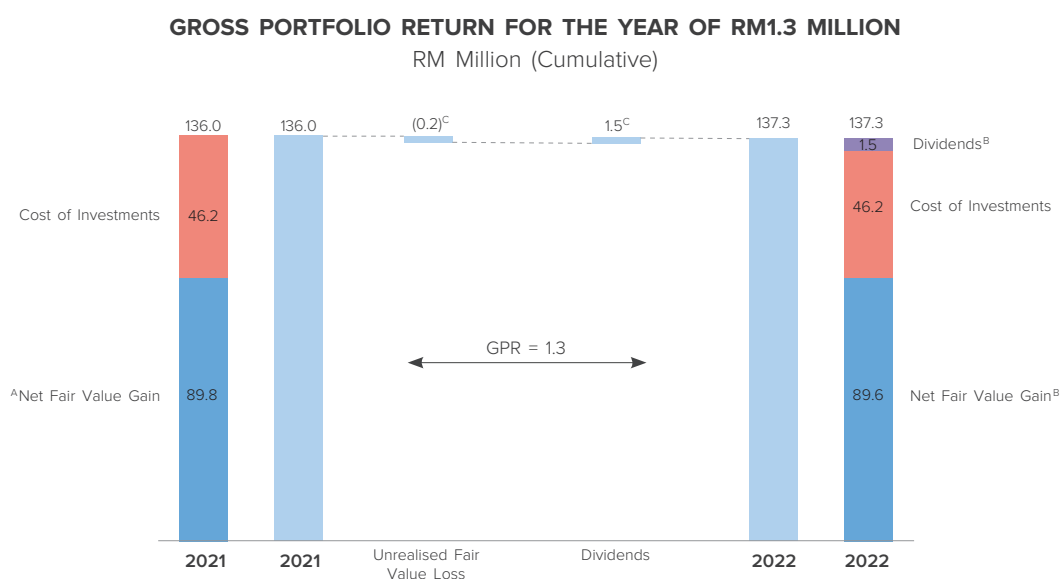
5.3 Ekuinas Direct (Tranche IV) Fund (continued)

b. Ekuinas Direct (Tranche IV) Fund Accumulated Portfolio Value Enhancement



^A These numbers combined make up to cumulative Gross Portfolio Return as at end 2022 of RM91.1 million

c. Ekuinas Direct (Tranche IV) Fund Portfolio Value Movement as at 31 December 2022



^A This number represents our Gross Portfolio Returns for 2021 of RM89.8 million

^B These numbers combined make up cumulative Gross Portfolio Return for 2022 of RM91.1 million

^C These numbers combined make up movement for the year of RM1.3 million

Investment Performance Report

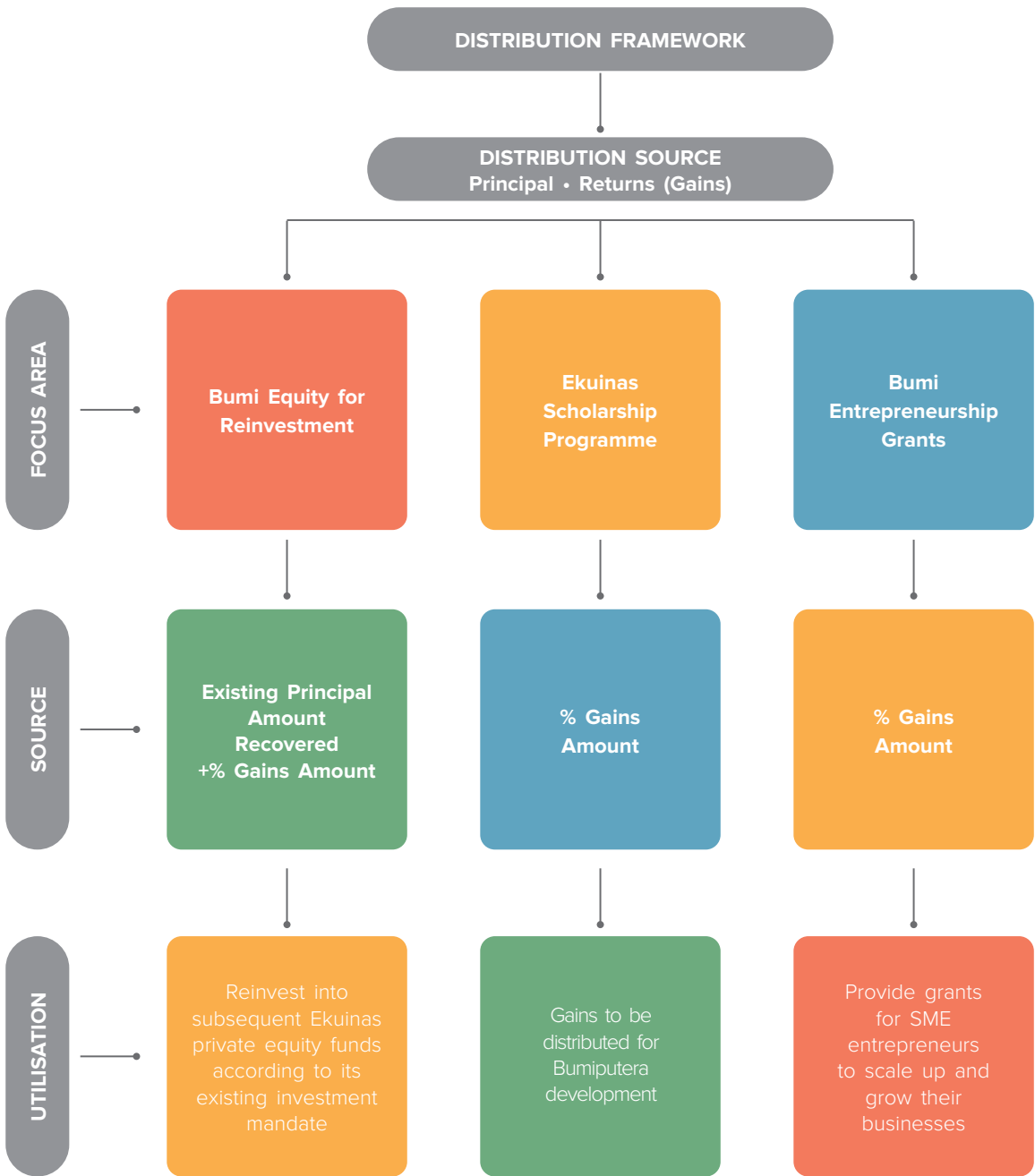
B DIRECT INVESTMENTS (CONTINUED)

6 Distribution

Distributed Amount as at 31 December 2022

RM320.0 million

In April 2020, the Board of Directors approved a Revised Gains Distribution Framework, as follows:



PORTFOLIO COMPANIES AT A GLANCE

cosmopoint
COLLEGE OF TECHNOLOGY



COSMOPOINT GROUP

Investment Type

Majority Investment in a strong Malaysian company

Acquisition Date

March 2012

Ownership

90.0%



Investment Type

Majority Investment in a strong Malaysian company

Acquisition Date

May 2012

Ownership

100%



TONY ROMA'S
RIBS • SEAFOOD • STEAKS



DapOrLah

REVENUE VALLEY SDN BHD

Investment Type

Majority Investment in a strong Malaysian company

Acquisition Date

January 2012

Ownership

94.6%

ICON OFFSHORE

Investment Type

Majority Investment in a strong Malaysian company

Acquisition Date

November 2012, merger of TKS and Omni

Ownership

56.1%

Partial Divestment

June 2014



ORKIM SDN BHD

Investment Type

Buy-out of non-core assets of GLC

Acquisition Date

March 2014

Ownership

95.5%

al-ikhshanSPORTS

AL-IKHSAN SPORTS SDN BHD

Investment Type

Investment in a strong Malaysian company

Acquisition Date

July 2016

Ownership

35.0%



FLEXI VERSA GROUP SDN BHD

Investment Type

Majority Investment in a strong Malaysian company

Acquisition Date

April 2018

Ownership

76.1%



DAVIS
LIGHTING

DAVEX (MALAYSIA) SDN BHD

Investment Type

Majority Investment in a strong Malaysian company

Acquisition Date

December 2017

Ownership

100%



EXABYTES CAPITAL GROUP SDN BHD

Investment Type

Investment in a strong Malaysian company

Acquisition Date

March 2019

Ownership

45.4%



MEDISPEC (M) SDN BHD

Investment Type

Majority Investment in a strong Malaysian company

Acquisition Date

February 2021

Ownership

75.0%

Investment Performance Report

RETAIL



Investment Rationale

- Investment in a leading multi-brand sports retailer in Malaysia with approximately 24% market share.
- Opportunities for growth in profitability through operational improvement and sales growth.

	2022 Unaudited RM million	2021 Audited RM million	Growth %
Revenue	485.4	281.6	72.4%
EBITDA before EI	70.3	18.7	>100%

EI: Extraordinary items



Al-Ikhsan Sports Sdn Bhd

Investment Type

Investment in a strong Malaysian company

Acquisition Date

July 2016

Ownership

35.0%

Profiles:

- Al-Ikhsan Sports is a leading multi-brand sports retailer in Malaysia with 181 corporate-owned outlets. The company retails sports equipment, apparel and footwear from over 30 major brands including Adidas, Nike, Puma, Asics, Umbro and Lotto.
- Al-Ikhsan Sports is also the principal owner of the brand AL Sports and markets various sporting goods under the AL brand.



Investment Performance Report

EDUCATION



Investment Rationale

- Sizeable industry with strong growth potential.
- Education groups that have solid performance track record.

	2022 Unaudited RM million	2021 Audited RM million	Growth %
Revenue	79.6	68.0	17.1%
EBITDA before EI	7.5	7.9	(5.1%)
Number of students	11,030	9,542	15.6%

EI: Extraordinary items

Cosmopoint Group

Investment Type

Majority investment in a strong Malaysian company

Acquisition Date

March 2012

Ownership

90.0%

Established:

1991

Locations:

Kuala Lumpur + 11 colleges nationwide

Type of education:

Tertiary

Specialises in:

Marketable industry-relevant courses that include IT, Business Management, Culinary Arts and Multimedia

Student population:

Approximately 4,000



UNITAR International University

Investment Type

Majority investment in a strong Malaysian company

Acquisition Date

May 2012

Ownership

100.0%

Established:

1997

Locations:

Selangor + 13 independent regional centres

Type of education:

Tertiary and Micro-Credential Programmes

Specialises in:

Academic Programmes at the Foundation, Diploma, Bachelor's, Master's and Doctorate levels as well as Micro-Credential Programmes through online learning platforms and corporate training sessions. UNITAR's programmes have flexible modes of delivery of online, conventional and hybrid to further support its commitment to life-long learning

Student population:

Approximately 7,000



Investment Performance Report

FOOD & BEVERAGE



TONY ROMA'S
RIBS • SEAFOOD • STEAKS



Investment Rationale

- Investment in strong F&B brands.
- Investment in F&B industry, driven by growth in consumer spending.
- International presence via franchisees in countries such as Bangladesh, Singapore, Sri Lanka, Myanmar, Jordan, Maldives and Oman.
- Experienced management team and opportunity to develop young professional managers.

	2022 Unaudited RM million	2021 Audited RM million	Growth %
Revenue	79.4	60.5	31.2%
EBITDA before EI	7.3	5.7	28.1%

EI: Extraordinary items



DaporLah

Revenue Valley Sdn Bhd

Investment Type

Majority investment in a strong Malaysian company

Acquisition Date

January 2012

Ownership

94.6%

Established:

2002

Corporate owned outlets:

34

Franchise outlets:

14

Type:

Casual dining and Quick Service Restaurants (QSR)



Investment Performance Report

OIL & GAS



ICON OFFSHORE

Icon Offshore Berhad

Investment Type

Majority investment in a strong Malaysian company

Acquisition Date

November 2012, merger of TKS and Omni

Ownership

56.1%

Partial Divestment

June 2014

Profile

- Icon is the largest Offshore Supply Vessel ("OSV") provider in Malaysia and one of the largest in Southeast Asia in terms of number of OSVs.
- The company has 18 active vessels operating in waters off Malaysia and Brunei. The vessels have had a history of international operations within Southeast Asia.

Investment Rationale

- Strong partnership track record with national oil company, Petronas, and international oil majors within Malaysia and Brunei.
- Platform for building leading regional OSV and integrated O&G services player.

	2022 Unaudited RM million	2021 Audited RM million	Growth %
Revenue	282.6	300.6	(6.0%)
EBITDA before EI	126.9	141.1	(10.1%)
PAT before EI	15.4	31.6	(51.3%)

EI: Extraordinary items



Orkim Sdn Bhd

Investment Type

Buy-out of non-core assets of GLC

Acquisition Date

December 2014

Ownership

95.5%

Profile:

- One of Malaysia's leading Clean Petroleum Product (CPP) and Liquefied Petroleum Gas (LPG) tanker companies.
- Strong track record of growth with 18 vessels under ownership and management.
- Transports CPP/LPG from refineries to various oil storage terminals throughout Malaysia and the region with an estimated 50% domestic market share by capacity.

Investment Rationale

- Leading Malaysian player with regional presence within marine logistics industry.
- Established track record with key oil majors including Petronas, Shell and BHP.
- Highly experienced management team with opportunity to further develop in-house capabilities.

	2022 Unaudited RM million	2021 Audited RM million	Growth %
Revenue	227.9	184.5	23.5%
EBITDA before EI	135.6	88.2	53.7%

EI: Extraordinary items



Investment Performance Report

MANUFACTURING



DAVIS
LIGHTING

Davex (Malaysia) Sdn Bhd

Investment Type

Majority investment in a strong Malaysian company

Acquisition Date

December 2017

Ownership

100.0%

Profile

- Homegrown lighting design, consultancy and manufacturer founded in 1983.
- Primarily involved in the luminaires segment and provides end-to-end lighting solutions to commercial, industrial and residential sectors, with wholesale presence in Australia. The Company operates under the brand name of Davis Lighting.
- Completed notable large-scale projects such as Merdeka 118, Permata Sapura, Asia Business School, Mass Rapid Transit (Malaysia) Changi Airport Terminal 4 (Singapore), Housing Development Board (Singapore) and Brisbane Airport Carpark (Australia).
- Davex owns a majority stake in Xenergi Sdn Bhd, an energy and sustainability solutions provider, specialising in Energy Efficiency (EE), Renewable Energy (RE) and Sustainability Solutions.

Investment Rationale

- Investment into the fast-growing luminaire market.
- Strong market presence in Malaysia, Singapore and Australia. Other regional markets served through Singaporean and Australian offices.

	2022 Unaudited RM million	2021 Audited RM million	Growth %
Revenue	96.8	75.0	29.1%
EBITDA before EI	(6.6)	(16.9)	60.9%

EI: Extraordinary items



Flexi Versa Group Sdn Bhd

Investment Type

Majority investment in a strong Malaysian company

Acquisition Date

April 2018

Ownership

76.1%

Profile:

- Flexi Versa Group Sdn Bhd (FVG) is a vertically-integrated contract manufacturer that offers complete EMS solutions with capabilities spanning from SMT/PCBA, precision components services (elastomeric and LSR solutions, precision die-cut, RFI/EMI/ESD shielding fabrications, thermal and graphic-interface solutions) to polymer processing, injection moulding, woodworking and wire harness assemblies etc. The Company provides one-stop solutions to customers in various industries including acoustics, medical, automotive, wireless telecommunications, consumer-electronics, IoT and Smart devices from product design and development, component manufacturing to complete product assembly.
- FVG has expanded its client base and now include many of the world's leading names in acoustics, conferencing, automotive, floor and personal care appliances, IoT, medical devices and industrial devices. In addition, the Company also has a wide manufacturing footprint regionally, which include countries like Malaysia, China, Singapore, Vietnam, Philippines and Indonesia.

Investment Rationale

- Strong relationship with large Original Equipment Manufacturers (OEM).
- Diverse manufacturing capabilities with wide regional footprint.

	2022 Unaudited RM million	2021 Audited RM million	Growth %
Revenue	265.2	207.4	27.9%
EBITDA before EI	31.0	24.1	28.6%

EI: Extraordinary items



Investment Performance Report

TECHNOLOGY



Exabytes Capital Group Sdn Bhd

Investment Type

Investment in a strong Malaysian company

Acquisition Date

March 2019

Ownership

45.4%

Profile

- Exabytes was founded in 2001 and focuses in becoming a one-stop solution provider targeting the needs of end-customers to grow their businesses online. Core products include domain registration, web hosting, website design, servers/VPS, cloud solutions and digital marketing services.
- Market leader in Malaysia and a leading player in Singapore and Indonesia, combined with over 160,000+ active customers.

Investment Rationale

- Poised to be the Southeast Asian market leader in the internet hosting and cloud space.
- Strong future industry growth prospects driven by corporate digitalisation and expansion of the internet economy.

	2022 Unaudited RM million	2021 Audited RM million	Growth %
Revenue	99.0	88.2	12.2%
EBITDA before EI	8.5	16.1	(47.2%)

EI: Extraordinary items



Medispec (M) Sdn Bhd

Investment Type

Majority investment in a strong Malaysian company

Acquisition Date

February 2021

Ownership

75.0%

Profile:

- Established: 1985
- Locations: Petaling Jaya, Selangor & Penang
- Medispec is a leading distributor and marketer of pharmaceutical & health supplement products.
- It markets more than 100 different pharmaceutical drugs and more than 40 health supplements under its fast-growing internal private label brand, Vitamode.



Investment Rationale

- Investment in a leading distributor and marketer of pharmaceutical & health supplement products with strong multi-channel market presence.
- Healthy product pipeline with strong growth potential.

	2022 Unaudited RM million	2021 Audited RM million	Growth %
Revenue	151.1	91.8	64.6%
EBITDA before EI	20.4	20.4	0.0%

EI: Extraordinary items

Investment Performance Report


C OUTSOURCED PROGRAMME

1 Fund Overview

EKUINAS OUTSOURCED (TRANCHE I) FUND		EKUINAS OUTSOURCED (TRANCHE II) FUND	
Vintage Year 2011		Vintage Year 2013	
Status Deployed		Status Deployed	
Capital Committed RM400.0 MILLION		Capital Committed RM240.0 MILLION*	
Other LPs RM151.9 MILLION		Other LPs RM110.1 MILLION	
Total RM551.9 MILLION		Total RM350.1 MILLION	
Term 6 years + 1 year + 1 year + 1 year + 1 year + 1 year + 1 year	Investment Period 3 years to 6 years	Term 7 years + 1 year + 1 year + 1 year + 1 year	Investment Period 3 years to 7 years
Investment Focus Malaysia Growth Capital			
Sector Priorities Oil & Gas, Education, FMCG, Retail & Leisure, Healthcare, Services			

* RM180.0 million excluding TUAS

2 Appointed Outsourced Fund Managers (OFMs)

NAVIS CAPITAL PARTNERS Fund Name Navis Malaysia Growth Opportunities Fund 1, L.P. 	TAEL PARTNERS Fund Name TAEI Tijari (OFM) L.P. 	RM CAPITAL PARTNERS (RMCP) Fund Name RMCP One Sdn Bhd 	COPE PRIVATE EQUITY Fund Name COPE Opportunities 3 Sdn Bhd 
Fund Size RM301.9 million	Fund Size RM101.0 million	Fund Size RM109.1 million	Fund Size RM80.0 million

3 Investment activities

a Cumulative Outsourced Programme Investment Activities as at 31 December 2022

RM million	Fund	Sector	Committed Investment by OFMs			Other Co-Investors	Total Economic Capital Deployed
			Ekuinas' Committed Capital	Other LPs	Sub Total		
Atelier Asia Sdn Bhd (Atelier)*	Navis MGO	FMCG					
MCAT Box Office Sdn Bhd (MBO)*	Navis MGO	Retail & Leisure					
SEG International (SEGI)*	Navis MGO	Education					
Strateq Sdn Bhd (Strateq)*	Navis MGO	Services					
HG Power Transmission Sdn Bhd (HGPT)*	Navis MGO	Services					
Brickfields Asia College (BAC)	Navis MGO	Education	264.0	110.2	374.2	334.2	708.4
Macroiosk Sdn Bhd (Macroiosk)	CNEF	Services					
R.E.A.L Education Group (REAL)	CNEF	Education					
Mega Fortris Innovation (Malaysia) Sdn Bhd (Mega Fortris)	TAP	Manufacturing					
Big Sdn Bhd (Big Group)	Navis MGO	F&B and Retail					
STX Precision Corporation Sdn Bhd (STX)	COPE	Services					
Consobiz Ventures Sdn Bhd (Consobiz)	RMCP	FMCG					
Excelvite Sdn Bhd (Excelvite)	TAEL	Manufacturing					
Romstar Sdn Bhd (Romstar)	RMCP	Manufacturing	75.6	46.0	121.6	19.0	140.6
Packerman Sdn Bhd (Packerman)	RMCP	Manufacturing					
MBG Holdings Sdn Bhd (MBG)	COPE	F&B and Retail					
My Sutera Holding Sdn Bhd (MySutera)	COPE	Manufacturing					
Tanamera Group Sdn Bhd (Tanamera)	RMCP	FMCG					
Cumulative Total Investment Undertaken			339.6	156.2	495.8	353.2	849.0

* Includes follow-on investments.

Investment Performance Report

C OUTSOURCED PROGRAMME (CONTINUED)

4 Fund Performance

4.1 Ekuinas Outsourced (Tranche I) Fund

Investment Performance

	2022	2021
Gross IRR p.a.	4.1%	3.3%
Net IRR p.a. (before carried interest)	3.4%	2.5%

4.2 Ekuinas Outsourced (Tranche II) Fund

Investment Performance

	2022	2021
Gross IRR p.a.	-2.7%	-0.8%
Net IRR p.a. (before carried interest)	-3.8%	-2.0%

PORTFOLIO COMPANIES UNDER OUTSOURCED PROGRAMME



SEGi
University &
Colleges



SEG INTERNATIONAL BERHAD (SEGi)

Transaction Details

OFM:

Navis Capital Partners

Sector:

Education

Acquisition date:

March 2012

BIG SDN BHD (F&B)

Transaction Details

OFM:

Navis Capital Partners

Sector:

F&B

Acquisition date:

December 2014

CONSOBIZ VENTURES SDN BHD

Transaction Details

OFM:

RM Capital Partners

Sector:

Fast Moving Consumer Goods (FMCG)

Acquisition date:

February 2014

ExcelVite

ROM STAR GROUP
Intelligent Pigging Solutions

PACKERMAN



EXCELVITE SDN BHD

Transaction Details

OFM:

TAEL Capital Partners

Sector:

Manufacturing

Acquisition date:

April 2015

ROMSTAR SDN BHD

Transaction Details

OFM:

RM Capital Partners

Sector:

Services

Acquisition date:

January 2016

PACKERMAN SDN BHD

Transaction Details

OFM:

RM Capital Partners

Sector:

Manufacturing

Acquisition date:

July 2016

TANAMERA GROUP SDN BHD

Transaction Details

OFM:

RM Capital Partners

Sector:

Fast Moving Consumer Goods (FMCG)

Acquisition date:

April 2017

Investment Performance Report

D SOCIAL OBJECTIVE PERFORMANCE

a Bumiputera Equity Value and Total Economic Value

Total for Portfolio Companies	BUMIPUTERA				TOTAL COMPANY			
	Ex Ante	As at 31 December	Increase in Bumiputera Value	Multiple of Ekuinas' Invested Capital	Ex Ante	As at 31 December	Economic Value Created	Multiple of Ekuinas' Invested Capital
	RM million	RM million	RM million		RM million	RM million	RM million	
2022	2,381.4	6,694.2	6,506.1	1.6x	5,791.8	8,788.4	8,195.4	2.1x
2021	2,381.4	6,066.8	5,874.7	1.5x	5,791.8	8,361.8	7,694.6	2.0x

b Portfolio Companies – Management and Employees

	Bumiputera Headcount	Total Headcount	% Bumiputera to Total Headcount	% Increase in Bumiputera Headcount from Ex Ante
2022				
Management	239	743	32.2%	21.9%
Employees	9,894	17,098	57.9%	14.4%
2021				
Management	234	721	32.5%	19.4%
Employees	9,714	16,828	57.7%	12.3%

E EKUITI NASIONAL BERHAD – FUND MANAGEMENT COMPANY

Ekuiti Nasional Berhad (Fund Management Company)	2022 RM million	2021 RM million
Total Funds under Management (FuM)	4,140.0	4,140.0
Operating Expenditure (OPEX)	38.3	33.7
Ratio of OPEX to FuM	0.9%	0.8%
Profit After Tax and Zakat (PAT)	1.1	12.1

Portfolio Reporting

EKUINAS DIRECT (TRANCHE II) FUND

as at 31 December 2022

1 FUND OVERVIEW

FUND NAME	Ekuinas Direct (Tranche II) Fund
VINTAGE YEAR	2012
STATUS	Deployed
CAPITAL COMMITMENT	RM1.0 billion
TERM	5 Years + 2 Years + 1.5 Years + 2 Years + 2 Years
INVESTMENT PERIOD	3 to 5 Years
LEGAL FORM & STRUCTURE	One fund manager and one investor Fund: Ekuinas Direct (Tranche II) Fund Fund Manager: Ekuiti Nasional Berhad Fund's Domicile: Malaysia
GEOGRAPHICAL FOCUS	Malaysia
INVESTMENT FOCUS	Buy-Out and Growth Capital Fund
INDUSTRY FOCUS	<ul style="list-style-type: none">– Education– Oil & Gas– Fast Moving Consumer Goods (FMCG)– Retail & Leisure– Healthcare– Services

Portfolio Reporting

2 INVESTMENT PERFORMANCE

(a) Current Portfolio Summary as at 31 December 2022

Gross IRR	11.9% p.a.
Net IRR	8.6% p.a.

Net IRR is derived after management fees and other operating expenses.

(b) Realisation Summary as at 31 December 2022

Company	Date of Disposal	Stake %	Total Realisation RM million
Icon Offshore Berhad	25 June 2014	7.8	901.1
Burger King Singapore	18 August 2015	100.0	
Burger King Malaysia	18 August 2015	20.9	
Lyndarahim Ventures Sdn Bhd	28 March 2016	—	
Tenby Educare Sdn Bhd	17 January 2018	70.0	
Tranglo Sdn Bhd	11 October 2018	60.0	
Asia Pacific Institute of Information Technology Lanka Pvt Ltd	25 February 2019	45.9	
Primabaguz Sdn Bhd	18 August 2020	100.0	
Icon Offshore Berhad	30 January 2020	—	
Coolblog Apps Sdn Bhd	20 July 2020	60.0	
Icon Offshore Berhad	30 September 2020	0.1	

EKUINAS DIRECT (TRANCHE III) FUND

as at 31 December 2022

1 FUND OVERVIEW

FUND NAME	Ekuinas Direct (Tranche III) Fund
VINTAGE YEAR	2014
STATUS	Deployed
CAPITAL COMMITMENT	RM1.5 billion
TERM	5 Years + 1 Year + 2 Years + 4 Years
INVESTMENT PERIOD	3 to 5 Years
LEGAL FORM & STRUCTURE	One fund manager and one investor Fund: Ekuinas Direct (Tranche III) Fund Fund Manager: Ekuiti Nasional Berhad Fund's Domicile: Malaysia
GEOGRAPHICAL FOCUS	Malaysia
INVESTMENT FOCUS	Buy-Out and Growth Capital Fund
INDUSTRY FOCUS	<ul style="list-style-type: none"> – Education – Oil & Gas – Fast Moving Consumer Goods (FMCG) – Retail & Leisure – Healthcare – Services

Portfolio Reporting

2 INVESTMENT PERFORMANCE

(a) Current Portfolio Summary as at 31 December 2022

Gross IRR	3.1% p.a.
Net IRR	-2.1% p.a.

Net IRR is derived after management fees and other operating expenses.

(b) Realisation Summary as at 31 December 2022

Company	Date of Disposal	Stake %	Total Realisation RM million
ILMU Education Group	29 December 2017	49.0	400.5
ILMU Education Group	17 January 2018	30.0	
PMCare Sdn Bhd	31 January 2019	60.0	
MediExpress (Malaysia) Sdn Bhd	31 January 2019	60.0	
ILMU Education Group	25 February 2019	37.6	
Icon Offshore Berhad	30 January 2020	—	

EKUINAS DIRECT (TRANCHE IV) FUND

as at 31 December 2022

1 FUND OVERVIEW

FUND NAME	Ekuinas Direct (Tranche IV) Fund
VINTAGE YEAR	2019
STATUS	Investing
CAPITAL COMMITMENT	RM1.0 billion
TERM	5 Years + 1 Year + 1 Year + 4 Years
INVESTMENT PERIOD	3 to 5 Years
LEGAL FORM & STRUCTURE	One fund manager and one investor Fund: Ekuinas Direct (Tranche IV) Fund Fund Manager: Ekuiti Nasional Berhad Fund's Domicile: Malaysia
GEOGRAPHICAL FOCUS	Malaysia
INVESTMENT FOCUS	Buy-Out and Growth Capital Fund
INDUSTRY FOCUS	<ul style="list-style-type: none"> – Education – Oil & Gas – Fast Moving Consumer Goods (FMCG) – Retail & Leisure – Healthcare – Services

2 INVESTMENT PERFORMANCE

(a) Current Portfolio Summary as at 31 December 2022

Gross IRR	77.2% p.a.
Net IRR	8.4% p.a.

Net IRR is derived after management fees and other operating expenses.

Portfolio Reporting

EKUINAS OUTSOURCED (TRANCHE I) FUND

as at 31 December 2022

1 FUND OVERVIEW

FUND NAME	Ekuinas Outsourced (Tranche I) Fund
VINTAGE YEAR	2011
STATUS	Deployed
CAPITAL COMMITMENT	RM400.0 million
TERM	6 Years + 1 Year + 1 Year + 1 Year + 1 Year + 1 Year + 1 Year
INVESTMENT PERIOD	3 to 6 Years
LEGAL FORM & STRUCTURE	<p>One fund manager and multiple investors.</p> <p>Outsourced to the following fund and fund managers:</p> <ol style="list-style-type: none"> 1) Fund: Navis Malaysia Growth Opportunities Fund I, L.P. Fund Manager: Navis MGO I GP Ltd Fund's Domicile: Cayman Islands 2) Fund: CIMB National Equity Fund Ltd. P. Fund Manager: CIMB General Partner Ltd Fund's Domicile: Labuan 3) Fund: TAP Harimau Fund L.P. Fund Manager: TAP (Malaysia) Ltd Fund's Domicile: Labuan
GEOGRAPHICAL FOCUS	Malaysia
INVESTMENT FOCUS	Minority Growth Capital Fund
INDUSTRY FOCUS	General except for Ekuinas' negative investment list

2 INVESTMENT PERFORMANCE

Current Portfolio Summary as at 31 December 2022

Gross IRR

4.1% p.a.

Net IRR

3.4% p.a.

EKUINAS OUTSOURCED (TRANCHE II) FUND

as at 31 December 2022

1 FUND OVERVIEW

FUND NAME	Ekuinas Outsourced (Tranche II) Fund
VINTAGE YEAR	2013
STATUS	Deployed
CAPITAL COMMITMENT	RM240.0 million (RM180.0 million excluding TUAS)
TERM	7 Years + 1 Year + 1 Year + 1 Year + 1 Year
INVESTMENT PERIOD	3 to 7 Years
LEGAL FORM & STRUCTURE	One fund manager and multiple investors. Outsourced to the following fund and fund managers: <ol style="list-style-type: none">1) Fund: RMCP One Sdn Bhd Fund Manager: RMCP Cayman Ltd Fund's Domicile: Malaysia2) Fund: COPE Opportunities 3 Sdn Bhd Fund Manager: CMS Opus Private Equity Sdn Bhd Fund's Domicile: Malaysia3) Fund: Tael Tijari (OFM) L.P. Fund Manager: TAEI Tijari Partners Ltd. Fund's Domicile: Cayman Islands
GEOGRAPHICAL FOCUS	Malaysia
INVESTMENT FOCUS	Minority Growth Capital Fund
INDUSTRY FOCUS	General except for Ekuinas' negative investment list

2 INVESTMENT PERFORMANCE

Portfolio Summary as at 31 December 2022

Gross IRR
Net IRR

-2.7% p.a.
-3.8% p.a.

Portfolio Reporting

NOTES TO THE PORTFOLIO REPORTING

1 Notes to the Portfolio Reporting

The external auditor, PricewaterhouseCoopers PLT, was engaged by Ekuinas to perform certain agreed-upon procedures on the Portfolio Reporting on pages 87 to 93 for the financial year ended 31 December 2022, and has checked the information on Investment Performance as at 31 December 2022 included therein to supporting source data, and re-performed computations, where applicable.





5 Sustainability Strategy

Sustainability at the Heart of Who We Are

Ekuinas has always been a socially conscious enterprise. Our purpose is to drive sustainable and equitable Bumiputera wealth creation and economic participation. In short, this purpose of catalysing the growth of local Bumiputera companies and communities drives us to think and operate differently.

Since inception, our social accountability and mandate coupled with our commitment to uphold good corporate governance has been the bedrock of our organisation. Therefore, the introduction of our ESG Framework in 2022 is a natural progression in the Company's growth. It also allows us to elevate the aspirations of our portfolio companies in line with international benchmarks and expectations.

The activities so far, documenting our efforts, comprises but is not limited to:



This year, we continue our journey and have consolidated these sections under one umbrella within our annual report to demonstrate integration and offer a platform in which to track and measure our ESG performance across different pillars.

ADVANCING ESG IN OUR ECOSYSTEM

As we enter our second year in executing against our ESG Framework, Ekuinas is pleased to share that we have, together with our portfolio companies, achieved all the goals and milestones set out for the first year of our plan.

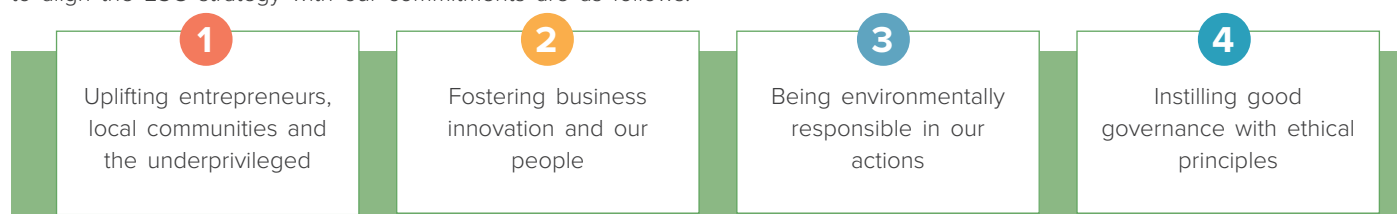
Our framework is intended to capture and present our milestones, goals and achievements in a manner that is easy to track and measure, transparent, timely and accurate. It is also to allow us to effectively anticipate and mitigate potential ESG risks which may negatively impact the performance of our portfolio companies. Ultimately, the framework is intended to assist us in enhancing value for our portfolio companies, improving our overall ability to facilitate successful future exits.



ESG Framework and Progress

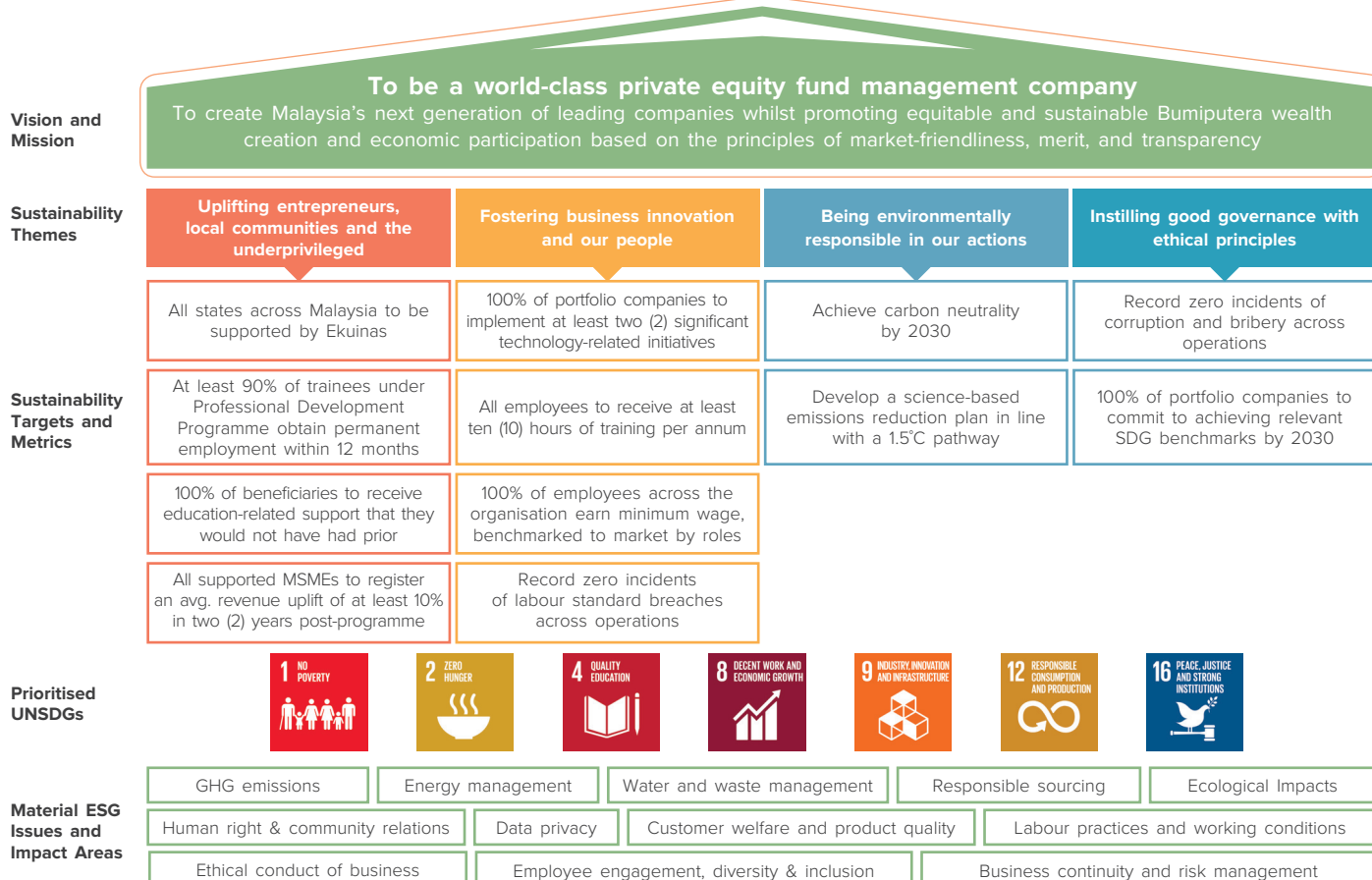
EKUINAS' ESG FRAMEWORK

This framework represents a system that connects our mandate to the initiative roadmap, investing approach and methodology, process enhancement and governance to reporting and disclosures. It also outlines a reporting structure on Ekuinas' initiatives, progress, and goals that are aligned to four (4) sustainability themes covering ESG aspects across seven (7) Sustainable Development Goals (SDGs) as adopted by the United Nations in 2016. The four (4) sustainability themes that anchor our initiatives as we continue to align the ESG strategy with our commitments are as follows:



Using these themes as our foundation, we have identified 15 initiatives to advance our journey with ESG, ten (10) of which have been successfully rolled out in 2022 which are elaborated on pages 100 and 101, and the remaining five (5) will be staged over the next three (3) years.

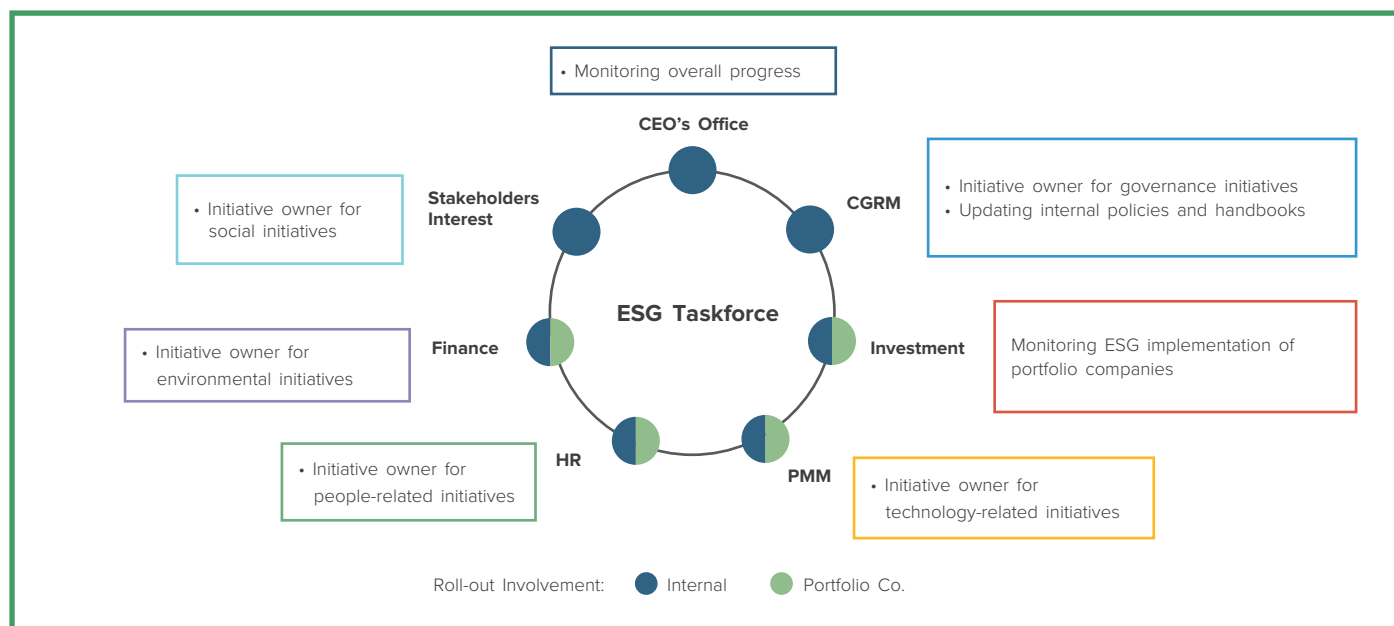
Our three (3) year roll-out plan (2022 - 2024) aims to build a solid and holistic foundation of understanding, integration, and adoption of the ESG values and principles by both Ekuinas and our portfolio companies. Starting with capacity building internally allows us to build appreciation of how sustainability enhances businesses' strategies, execution and disclosures, contributing to organisational resilience and agility in managing and mitigating material issues and risks.



ESG Framework and Progress

To ensure Ekuinas and our portfolio companies are on track with the roll-out and implementation of the ESG Framework across our businesses and investment, we have set up an ESG Taskforce comprising select representatives from every department to emphasise the importance of this shared goal and commitment from all parties. This Taskforce meets on a quarterly basis to update on the progress of each activity and to address any arising issues in a timely manner.


ESG TASKFORCE SET-UP






OUR PROGRESS IN 2022

Phase one in 2022 saw the roll-out of ten (10) initiatives to set a baseline for future performance measurement. By setting the baseline against international benchmarks, we gain better understanding of our current state and will be better able to determine our performance and more importantly, identify potential ESG risks and opportunities to be managed and actioned.

In 2022, Ekuinas successfully achieved all its targets and milestones set out for the year:

Sustainability Theme	2022 Initiatives
 <p>Uplifting entrepreneurs, local communities and the underprivileged</p>	All states across Malaysia to be supported by Ekuinas
	At least 90% of our graduate trainees to obtain permanent employment after completing the Professional Development Programme (PDP)
	100% of beneficiaries to receive education-related support under our ILTIZAM Education Empowerment Programme (EEP) that they would not have prior
	All supported MSMEs under our ILTIZAM Advance programme to register an average revenue uplift of at least 10% in two (2) years post programme

Sustainability Theme	2022 Initiatives
 Fostering business innovation and our people	70% of portfolio companies to implement at least two (2) significant Digital/Technology initiatives 100% of portfolio companies to develop learning documentation and processes to facilitate planning and execution for training, such as developing frameworks, trackers and feedback form 100% of portfolio companies comply with minimum wage requirement in accordance with the Minimum Wage Order
 Being environmentally responsible in our actions	100% of environmental data for 2019-2022 collected for Ekuinas and portfolio companies
 Instilling good governance with ethical principles	Zero confirmed incidents of corruption and bribery across Ekuinas and its portfolio companies Updating of Ekuinas' Investment Manual to incorporate ESG processes, and at least one (1) ESG Due Diligence exercise conducted

With regards to the roll-out and implementation of the ESG Framework within our portfolio companies, we are cognisant that there is no one-size-fits-all approach given the different industries, levels of awareness and maturity of each company. With this in mind, we developed practical milestones to ensure that all portfolio companies adopt and begin their ESG journey in a meaningful way.



Flexi Versa Group (FVG) and Al-Ikhsan Sports have successfully completed all the 2022 initiatives and the rest of our portfolio companies have closed their respective gaps in the first quarter of 2023. In short, our portfolio companies delivered a baseline 53% achievement.

OUTLOOK FOR 2023

We have started work on the new targets for Phase 2. Amongst others, we have included a target to conduct an energy audit to measure our energy consumption and emissions to ensure that Ekuinas and our portfolio companies are consciously and actively contributing to achieving the nation's net zero carbon emission goal. We will also be developing a plan to minimise our carbon footprint across our operations. The plan will track and measure

our greenhouse gas (GHG) emissions, energy consumption, and waste.

As committed in our ESG target, Ekuinas and 100% of portfolio companies to record incidents of labour standard breaches across operations aligned to standards set by local governing authorities.

Looking ahead, we recognise that sustainability is an on-going journey. For it to have meaning and impact, it must first be ingrained in our culture and beliefs. As a company, we remain guided by our values and driven by our business ethics as we continue to progress our ESG commitment.

Social: ILTIZAM by Ekuinas



Entrepreneurship ♦ Education ♦ Community

CATALYSING NETWORKS, EMPOWERING DYNAMIC ENTREPRENEURS, UNDERPRIVILEGED YOUNG TALENTS AND UNDERSERVED COMMUNITIES



Over more than a decade, the strategic programmes and activities rolled out by ILTIZAM focused on connecting networks and supporting ecosystems that will empower the sustainable development of entrepreneurs and young talents with potential. At the same time, the goal is to facilitate continuous and inclusive socioeconomic progress for individuals, families, and communities, as part of its corporate social responsibility (CSR).

With every passing year, Ekuinas expanded its social investment initiatives to deepen community engagement and value-creation levels across the three (3) pillars under its CSR platform, namely Entrepreneurship, Education, and Community.

In 2022, Ekuinas raised its overall CSR investment to **RM19.6 million**, recording a 12% increase compared to RM17.5 million in 2021. The RM19.6 million disbursed across Entrepreneurship, Education and Community development programmes benefitted over **22,000 individuals, families, and businesses across Malaysia**. This brings Ekuinas' total expenditure in CSR to RM87.9 million since inception.

In driving ILTIZAM's Entrepreneurship agenda, efforts were ramped up to support Bumiputera and underprivileged communities by creating opportunities for Bumiputera small and micro businesses, enhancing capacity building and providing assistance to build strong local entrepreneurs and the pool of high-potential companies that will mature into leading enterprises. The ILTIZAM Entrepreneurship Empowerment Programme aims to complement Ekuinas' investment mandate and agenda.

Since the onset of the COVID-19 pandemic, the Entrepreneurship pillar was given the highest priority and received the largest allocation with RM9.5 million, up from RM8.9 million in 2021, for entrepreneurship development and programmes. The intent was to provide the necessary support for Bumiputera businesses. In line with this objective, ILTIZAM Catalyst, a new programme focused on providing hands-on capacity building assistance to micro, small and medium enterprises (MSMEs) with profit track record and growth potential was launched in Q32022. The three (3) to six (6) months inaugural programme received an overwhelming response, and from 113 qualified finalists, 21 businesses made it into the programme.

Access to quality education is and will remain a prerequisite of any strong and thriving nation and economy. A priority and foundation of ILTIZAM's Education pillar is to build dynamic human capital through clear and structured pathways and support systems. The personal empowerment offered through harnessing talent, upskilling opportunities, knowledge, and support in overcoming personal obstacles have benefitted many individuals, families and communities, especially the 582 graduates of ILTIZAM's Professional Development Programme, since the start of the programme in 2012.

Under the Education pillar, ILTIZAM committed RM8.7 million towards various initiatives across academic and non-academic platforms to provide comprehensive support predominantly to underprivileged and disadvantaged youths to acquire knowledge, skills and competencies to be gainfully employed to earn sustainable livelihoods. In 2022, the Education pillar added more initiatives for those who are not academically inclined, with the aim of matching the flagship ILTIZAM Professional Development Programme (which is for degree holders).

Under the ILTIZAM for Community pillar, our efforts continue to provide opportunities for underserved communities to sustainably improve their quality of life. In 2022, we increased the budget and efforts to focus on post disaster support for communities affected by natural disasters such as floods.

In 2022, under the ILTIZAM Community Support programme (CSP Care), we collaborated with about 20 Non-Governmental Organisations (NGOs) to distribute food, disburse aid to underprivileged communities, provide disaster relief aid to flood victims and support mental health awareness. We disbursed a total of RM1.3 million for the four (4) initiatives under CSP Care for the B40 community including *asnaf*, homeless students, children with special needs, disabled persons, the elderly and flood victims.



ILTIZAM FOR ENTREPRENEURSHIP

Our role at Ekuinas is clear – to promote equitable and sustainable Bumiputera wealth creation and economic participation. With this mandate comes the responsibility of creating opportunities for Bumiputera entrepreneurs to develop and grow their businesses.

Therefore, creating clear enabling pathways for greater Bumiputera participation in the economy remains the guiding principle of this pillar. Over the years, ILTIZAM has been reaching out and engaging with Bumiputera MSMEs nationwide to understand their pain points and needs, to effectively close the gaps from a financial and non-financial perspective. ILTIZAM's entrepreneurship programmes are designed to support capable entrepreneurs of various sizes and stages of growth and the initiatives continue to yield positive results as more and more companies are engaged and assisted in capacity building and in strengthening business fundamentals, providing them with a stronger footing for sustainable growth.

ILTIZAM Advance, together with the new programme introduced in 2022, ILTIZAM Catalyst, continued to deepen efforts in targeting high potential SMEs to provide them with customised and pre-set technical and hands-on assistance respectively to scale up the next level. Platforms to support micro entrepreneurs continued with ILTIZAM Sosial and ILTIZAM Ihsan. These initiatives provided entrepreneurs with support and assistance to build back stronger with the reopening of the economy post COVID-19 pandemic. With the latest platform, ILTIZAM Catalyst, which provides a selection of pre-set technical capacity building assistance, Ekuinas completes its outreach within the entrepreneur ecosystem, identifying strong and prospective young Bumiputera entrepreneurs and businesses of various sizes and placing them on a strong growth and development trajectory, to grow and scale to become resilient and innovative leading enterprises within the sectors they operate.



ILTIZAM Advance

The ILTIZAM Advance programme is a capacity-building initiative targeting micro, small, and medium enterprises (MSMEs) looking to elevate their operations and businesses. This non-monetary value creation programme focus on operational, financial and business planning and improvements to scale the business, network and distribution. In 2022, three (3) companies graduated from the programme whilst five (5) are still work-in-progress.

ILTIZAM Advance added three (3) new companies to its programme in 2022. They are:

1. Zaahara Ventures, a company that manufactures on-the-go Muslim essentials such as prayer wear (telekung) and prayer mats (sejadah),
2. Physiomobile, the largest Bumiputera physiotherapy service provider with a network of 12 clinics and rehabilitation centres; and
3. AKAL, a company that provides quality corporate secretarial services.

This brings the total number of companies under this initiative to 18. Socio Intelligence, Eatalian Express and ATF Sport Taping graduated from the programme upon completion of their value creation plans (VCP) while Hutan Ration and Quranic Pro Academy are actively undergoing implementation of their VCPs.

Graduated Companies 2022

1. SOCIO Intelligence

- SOCIO Intelligence's (SOCIO) path to graduation is on track, with the successful delivery of three (3) VCPs this year. A Governance and Risk Management framework has been successfully developed to ensure SOCIO's intellectual property are protected. Aside from that, SOCIO has successfully deployed two (2) operational systems, Zoho CRM and Click Up, to improve operational efficiency and streamline business processes. SOCIO has also improved its team structure by identifying capability and structural gaps and developing high performing talents to increase work quality.
- SOCIO provides digital, intelligence and creative services and solutions. Headquartered in Kuala Lumpur, SOCIO also has an office in Bangkok, Thailand to grow its regional presence as the go-to digital solutions provider.

2. Eatalian Express

- Founded by husband-and-wife pair Ahmad Yusman Faris Mohd Yusoff and Noraida Mohd Razali, the company manufactures premium vegetable infused pasta and sauces with the aim of offering healthier food options to consumers.

ILTIZAM by Ekuinas

- In 2022, Eatalian Express expanded its business by offering Little Nuur Ready-to-Eat and travel friendly products, from pasta sauce to baby porridge and other baby meals.
- Three (3) VCPs completed: (1) Revamped Eatalian Express website and enhanced the user interface. (2) Branding and marketing with Dato' Fazley Yaakob through unique recipes created from Eatalian Express products. (3) Provided the framework, SOPs, and structure for Eatalian Express' Vegetable Pasta to be HACCP certified.

3 ATF Sport Taping

- ATF Sport Taping was founded by two (2) engineers, who played in Malaysia's National Rugby Team. They manufacture various types of premium sports tapes including Kinesio, bandage, underwrap, and rigid tapes.
- Two (2) VCPs completed: (1) Digital marketing was done to improve customer awareness and attract non-sports people to try ATF products. (2) Produced 21 short videos for ATF to promote the usage of various sports tapes for the general public who are not aware of the potential use of sports tape.

Active Work in Progress

1. Hutan Ration

- Hutan Ration is a company that specialises in energy bars and granola. They pride themselves in using 100% natural and halal ingredients, with no preservatives, additives, colouring, or added sugar. Each bar is formulated specific to the nutritional needs of different sports activities.
- Work with Hutan Ration continues with efforts to improve its financials and product portfolio. A profitability and cost analysis was completed with professional consultants, to identify a more competitive pricing.
- Our VCP for Hutan Ration also includes identification of the most effective distribution channels and for this we initiated active engagement with distributors and business advisors. A significant development is the collaboration with Al-Ikhsan Sports to manufacture four (4) flavours of energy bars unique to Al-Ikhsan Sports. The products are now available at its retail outlets. Hutan Ration is also being prepped to participate more actively in selected local and international sports events and roadshows to increase market awareness and build consumer engagement.
- In relation to our digital marketing VCP, a professional digital marketer was appointed to boost sales and conversions from Hutan Ration's website. This initiative is ongoing and will be completed by June 2023.

2. Quranic Pro Academy

- Quranic Pro Academy (QPA) is an online Quranic education centre that is committed to providing the best and most

LOCAL ENTREPRENEUR FINDS SPORTS FOOD NICHE, READY TO COMPETE BEYOND BORDERS



accessible, affordable Quranic education for children and adults. QPA offers 15 types of classes and training involving Quran reading competency for students from various countries including Malaysia, Brunei and Singapore.

- As part of QPA's VCP to ensure sustainability in its business, Ekuinas engaged with business consultants to develop and execute a long-term business strategy, established a new organisation structure, schedule and staffing modules and strengthen marketing efforts.

New Companies in 2022

1. Zaahara Ventures

- A latest addition to ILTIZAM Advance programme is Zaahara Ventures, a company that manufactures on-the-go Muslim essentials such as prayer wear (telekung) and prayer mats (sejadah). The company has been in business for seven (7) years since 2015.
- Following its entry to the programme, efforts were made to increase customer reach and awareness by participating in creative market events and pop-up booths in selected shopping malls. By widening its distribution channels to physical events and booths, Zaahara Ventures was not only able to increase brand awareness but also built significant engagement with its customers.
- An experienced branding consultant was engaged to identify Zaahara Ventures' unique selling points (USP) and establish a differentiation and unique brand identity for Zaahara Ventures.

2. Physiomobile

- PMMY Group Sdn Bhd, also known as Physiomobile is the largest Bumiputera physiotherapy service provider with a network of 12 clinics and rehabilitation centres – ten (10) of which are located in Selangor and Klang Valley and two (2) in Melaka and Johor Bahru respectively.
- Ekuinas assisted Physiomobile in improving operational and management efficiency, by reviewing customer service deliverables to enhance its overall customer experience. Additionally, efforts were also made to improve the brand's online presence and increase traffic to its website and expand opportunities to convert prospects into customers.

3. AKAL

- AKAL Corporate Advisors Sdn Bhd (AKAL) was founded in 2010 with the purpose of providing quality corporate secretarial services.
- Ekuinas' Micro and Small Enterprise (MASE) diagnostic tool had identified internal business processes and challenges – among which are related to its billing system, and the need for an overall business review to identify areas of improvement in its service offerings and potential collaborations.

ILTIZAM Catalyst

ILTIZAM Catalyst targets smaller and younger enterprises that have a minimum of two (2) years' track record with a total annual revenue between RM300,000 to RM1,000,000. ILTIZAM Catalyst is a capacity building initiative that provides pre-set technical support and hands-on assistance from qualified consultants to address issues in fundamental areas which are financial and compliance, branding and marketing, digital adoption, and leadership.

ILTIZAM Catalyst was launched in July 2022, following extensive engagement with stakeholders on pain points, stumbling blocks and assistance required to build solid business fundamentals which will pave the way for sustainable growth. In its inaugural year, ILTIZAM Catalyst shortlisted 113 applications, of which 21 were selected to participate in the programme. These companies represent a cross section of various industries such as retail, food and beverage (F&B), services, manufacturing, healthcare, education and arts and media.

Based on the early achievements and positive feedback from participants of the first cohort, ILTIZAM aims to continue this initiative as an annual programme to assist more small and medium enterprises with much needed technical assistance to cement business fundamentals and scale up.

ILTIZAM Sosial

The year saw ILTIZAM Sosial focussing its efforts on Sabah and Sarawak through two (2) initiatives. The first is the continuous collaboration with MyHarapan to equip youth and entrepreneurs with the necessary skills to be dynamic and nimble. ILTIZAM also conducted the ILTIZAM Online Skills Workshop (IOSW), which benefitted 11 social entrepreneurs in Sabah. Key programme modules include financial management, market research as well as digital marketing – which are essential growth levers for a business. The second initiative is the ILTIZAM Social Impact Accelerator Sabah (ISIAS) which is a six (6) month, in-depth upskilling programme that benefitted ten (10) social entrepreneurs by equipping them with marketing, financial, strategic planning, and product development skills.

ILTIZAM Ihsan

Recognising that Bumiputera micro entrepreneurs continue to be confronted with challenges in both business and income recovery post-pandemic, ILTIZAM Ihsan, an initiative to provide one-off financial assistance to Bumiputera micro entrepreneurs was extended for a second year.

ILTIZAM Ihsan is a joint-initiative with zakat management entities nationwide and 2022 saw ILTIZAM working with eight (8) zakat agencies to identify and engage with micro entrepreneurs most affected and in need of assistance to rebuild their livelihoods. A total of RM7.7 million was disbursed, benefitting 3,653 beneficiaries in nine (9) states including Selangor, Penang, Kedah, Johor, Kelantan, Melaka, Sabah, Negeri Sembilan and Terengganu.

Beyond the pandemic, ILTIZAM Ihsan will continue to assist and uplift deserving micro entrepreneurs identified by the zakat agencies and social service agencies in the coming years, with the hope of empowering entrepreneur communities nationwide.



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ILTIZAM FOR EDUCATION

The ILTIZAM for Education pillar aims to provide a holistic approach in supporting the academic, vocational and skills development of students from early to tertiary education. Believing that education is a tool for social mobility and sustainable wealth creation, our programmes aim to motivate and empower students to acquire knowledge and skills that will eventually facilitate sustainable income generation. The programmes are continuously upgraded in accordance to the current issues and needs of children and youth.

The programmes under ILTIZAM Education are:

1. Education Empowerment Programme (EEP)
 - a. Education Collaboration Fund
 - b. ILMU Fund
 - c. Oil & Gas Marine Training and Development Programme
 - d. School Support Programme
 - e. Back to School Programme
 - f. Education Skills Programme
 - Project Walter Barber
 - Project ILTIZAM Beauty
 - Project Hero Muay Thai
 - Project Heads Up Second Chance
 - Project Bring the Opportunity Programme (BTOP)

2. ILTIZAM Professional Development Programme (PDP)

ILTIZAM Education Empowerment Programme (EEP)

Education Collaboration Fund

In 2022, a first collaboration with Yayasan Pelajaran MARA (YPM) saw three (3) initiatives implemented to benefit Bumiputera youths from the B40 community.



They are:

- Program PINTAR, an academic programme under the initiative by the Ministry of Rural and Regional Development in collaboration with Maktab Rendah Sains MARA to help students from rural localities improve their academic performance. ILTIZAM disbursed RM74,000 to provide tuition classes for 200 SPM candidates who were selected from the localities of Betong in Sarawak and Sandakan in Sabah.
- The Skim Dana Ehsan Pendidikan (SDEP) provides financial aid for B40 undergraduates wishing to pursue tertiary education in local universities. ILTIZAM disbursed RM250,000 to enroll 100 students under various academic programmes in the 2022 intake. The financial assistance covers admission, tuition fees and living expenses.
- ILTIZAM initiated the Skills Training Programme to provide technical training in the automotive industry for B40 youths who may not be academically inclined. To support this initiative, ILTIZAM disbursed RM90,000 to sponsor 30 Bumiputera youths from B40 families. Upon completing their training, the participants will be placed in PHN Industries Sdn Bhd for employment opportunities.

ILMU Fund

Well into its tenth year, the ILTIZAM Education Fund or ILMU Fund which was introduced in 2013 continues to support high achievers who are beset with financial challenges but demonstrate determination and academic excellence. In 2022, ILTIZAM disbursed a total of RM1.5 million to 3,465 high potential students under the 'Live and Learn' programme to ease the burden of B40 students at Cosmopoint College and UNITAR International University. The financial assistance covers academic fees and living expenses.

Oil & Gas Marine Training and Development Programme

ILTIZAM continued the programme to build and grow talent for one of the nation's key industries, oil and gas. Since 2016, the programme has provided academic and technical training for new and existing Bumiputera industry crew. In 2022 alone, ILTIZAM committed close to RM630,000 in support of 27 Bumiputera crew members of various ranks i.e. Deck Officer and Engine Officer with ICON Offshore Berhad and Orkim Sdn Bhd.

School Support Programme

Under the School Support Programme (SSP), ILTIZAM focused on three (3) schools where a majority of the students were from Orang Asli communities. The schools are Sekolah Kebangsaan Bukit Lanjan in Damansara Perdana, Sekolah Kebangsaan Tun Abdul Razak in Kuala Kubu Bharu and Sekolah Kebangsaan Sungai Melut in Dengkil. Under the programme, a total of RM61,000 was disbursed to various initiatives towards increasing the Orang Asli students' school attendance rate and literacy levels and upgrading of school facilities, benefitting over 426 students.

ILTIZAM also collaborated with IDEAS Autism Centre and sponsored a six (6)-month early intervention programme that includes speech and play therapy for 57 autistic children from the B40 community.

In supporting access to quality education for the visually impaired students, ILTIZAM contributed eight (8) classic Perkins Braille machines to Sekolah Kebangsaan Jabi in Pokok Sena and Sekolah Kebangsaan Pendidikan Khas in Pasir Mas, Kelantan. These schools were identified with the help of Yayasan Orang Buta Malaysia.

Back to School Programme

ILTIZAM's Back to School Programme was initiated in 2016 with the purpose of alleviating the burden of low-income families by providing school supplies such as uniforms, bags, socks, and shoes in preparation for their children's schooling year.

This year, ILTIZAM disbursed school essentials totalling RM475,695 to students across the country. ILTIZAM formed partnerships with other entities to ensure that deserving beneficiaries across Malaysia have access to this programme. Among entities ILTIZAM collaborated with is Yayasan Orang Buta Malaysia which assisted 100 visually impaired students across 29 schools. Additionally, ILTIZAM collaborated with a non-profit organisation (NGO) dedicated to helping impoverished families and children in Malaysia. Through this partnership, 4,029 children from underprivileged communities in over 40 schools nationwide received assistance.



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Education Skills Programmes

Throughout the years, ILTIZAM initiated various pilot projects to find new ways in helping the *asnaf* and B40 communities beyond academic platforms to facilitate access to professional training and job opportunities. In 2022, ILTIZAM completed the following programmes after initial pilot projects:

- ILTIZAM disbursed RM500,500 to sponsor 20 deserving youths to be certified as barbers with the Walter Academy, and another 25 to be trained as professional hairdressers under **Project Walter Barber** and **Project ILTIZAM Beauty**.
- Under **Project Hero Muay Thai**, ILTIZAM collaborated with Discover MuayThai in initiating two (2) programmes, the Discover MuayThai (DMT) Academy and DMT Elite. DMT Academy's four (4)-month course is designed to assist juvenile delinquents and youngsters in discovering their life's purpose while improving their engagement with the community and building their livelihood. The programme sponsored 14 underprivileged youths, including school and university dropouts, juvenile offenders, orphans, and B40 youths, to equip them with essential living skills that align with their interests in either martial arts or academics. Seven (7) individuals continued their journey with DMT, six (6) ventured into professional job placements and one (1) continued his studies to form six (6).

The DMT Elite programme aims to equip martial arts gym owners and ex-athletes with entrepreneurial skills to create value and impact their communities. DMT Elite assisted approximately 20 youths by providing modules on gym management, sales and marketing, and business strategy.

- ILTIZAM disbursed close to RM91,000 under **Project Heads Up Second Chance** to sponsor 55 Bumiputera youths from the B40 community who have been placed in the Henry Gurney School. The programme is aimed to build confidence and equip the students with marketable and employable skills through various activities, to enabling them to effectively assimilate into the real world once they are discharged from the centre. All participants gained employment after the programme.

- **Project Bring the Opportunity Programme (BTOP)** is a programme that incorporates sports training and counselling modules to encourage active participation in sports, steering students away from unproductive activities and boost their confidence. 60 underprivileged students from Sekolah Kebangsaan Badak in Bachok, Kelantan were involved in this inaugural programme that ran for 10 months, combining training in football and counselling. Results spoke for themselves as school attendance rate showed remarkable improvement.

ILTIZAM Professional Development Programme



ILTIZAM Education's flagship, the annual ILTIZAM Professional Development Programme (PDP) continues in 2022 with a cohort of 75 graduates. Since the launch of the programme in 2012, PDP has trained a total of 582

graduates, with an average 88% success rate where graduates found gainful, long-term employment within six (6)-months or less after completing the 12-month on-the-job training programme.

PDP graduates have successfully secured permanent placements in esteemed organisations including Ekuinas, its portfolio companies and partner companies such as Al-Ikhsan Sports, KAF Investment Bank, TikTok, Alam Flora Sdn. Bhd. and Habib Jewels to name a few.

In conjunction with the programme's 10th Anniversary in 2022, 271 alumni gathered for the inaugural PDP alumni dinner. ILTIZAM formalised and launched a PDP Alumni portal to encourage knowledge sharing and networking across the alumni. The alumni dashboard aims to facilitate effective collaboration within the alumni network, in addition to maintaining a connection with Ekuinas.



ILTIZAM FOR COMMUNITY

ILTIZAM continues its commitment under this third pillar to support and provide relief for underprivileged Bumiputera communities through the Community Support Programme (CSP). In 2022, about 10,000 beneficiaries benefitted from the various initiatives under CSP.

Food Distribution

- ILTIZAM disbursed RM518,000 through food distribution to disadvantaged groups such as B40 families, and families under the People's Housing Programme (PPR), disabled persons, single mothers, and orphans. ILTIZAM collaborated with about 20 non-governmental organisations (NGOs) and five (5) charity homes and mosques to distribute food and daily necessities to 4,000 deserving individuals.
- A total of RM351,000 was disbursed in providing assistance to the underprivileged and support Ramadan activities. ILTIZAM collaborated with 26 NGOs, charity homes, suraus and schools, benefitting 3,200 households, specifically the asnaf and homeless, students from B40 backgrounds, children with special needs, disabled persons and the elderly. The aid disbursed aimed to alleviate financial burden and provide meals for iftar and sahur during Ramadan, to support the tahfiz, charity homes and homes for the disabled.

Disaster Relief

- In addition, ILTIZAM channeled RM429,000 and collaborated with 24 NGOs and a tahfiz school to assist communities impacted by the floods through distribution of food supply, household items, cleaning and hygiene kits as well as aid for repair works, which benefitted 3,100 households.

Mental Health Awareness

- A total sponsorship of RM37,000 was contributed to MyHeart Foundation towards conducting a mental health awareness workshop and a month-long awareness programme to educate the public about mental health and steps to manage anxiety and depression. The programmes were conducted physically and via Facebook Live which benefitted about 300 patients, and the general public.

ZAKAT WAKALAH SCHEME

Ekuinas continued to act as a representative for Lembaga Zakat Selangor (LZS) and Pusat Pungutan Zakat Majlis Agama Islam Wilayah Persekutuan (PPZ MAIWP), for the distribution of zakat wakalah to *asnaf* communities such as the *fakir*, *miskin*, *muallaf*, *fisabilillah* and *gharimin* who are not among the beneficiaries of ILTIZAM's other CSR programmes.

For the zakat wakalah received from LZS, RM141,006 was disbursed to 60 deserving causes, including one (1) surau, 50 *asnaf* individuals and nine (9) *asnaf* patients through Hospital Canselor Tuanku Muhriz where RM50,000 was disbursed. The disbursed funds went towards medical expenses, flood relief and education fees.

Ekuinas also received RM655,659 from PPZ MAIWP. A total of RM441,011 was distributed to 351 *asnaf* students in Cosmopoint Colleges and Kuala Lumpur Metropolitan University College (KLMUC). The financial assistance went towards education fees and disaster relief for those affected by the December 2021 and January 2022 floods.

APPRECIATION

ILTIZAM would like to record its appreciation to the Board of Directors, the CSR Committee, Ekuinas' employees and stakeholders, portfolio companies, PDP partner companies, NGOs, the Ministry of Economy, Ministry of Health, Ministry of Education and other ministries and governments for the continuous support towards ILTIZAM's programmes.

Our special thanks to Y.Bhg. Tan Sri Rahamat Bivi Yusoff who served as Chairman of the CSR Committee (CSRC) from 2017 to June 2022. Her contributions have been immense and her leadership set high standards of governance for Ekuinas' CSR.

It remains ILTIZAM's mission to continue serving the underprivileged and the underserved, and to provide them with opportunities to achieve their goals and potential. It is the hope that ILTIZAM has positively impacted the lives of its beneficiaries, and have inspired many beneficiaries to give back to their community.



Statement on Corporate Governance

As a government-linked private equity fund management company, Ekuinas is fully committed to good governance, transparency and quality reporting in its Annual Report. Since its inception and from the various disclosures made throughout the years, Ekuinas has shown that it subscribes to the relevant and applicable principles on corporate governance requirements as set out by Bursa Malaysia Securities Berhad (Bursa Malaysia), the Malaysian Code on Corporate Governance (MCCG) 2021 issued by Securities Commission Malaysia (the Code) and other relevant guidelines issued by the regulatory bodies even though Ekuinas is not a public-listed entity.

This statement was prepared guided by the principles and best practice requirements set out by Bursa Malaysia in its Main Market Listing Requirements (MMLR), the MCCG 2021 as well as Ekuinas' Disclosure Policy and is intended to provide Ekuinas' stakeholders with meaningful, high-level information about the state of Ekuinas' governance practices, with a focus on the three (3) key principles in the Code which are Board Leadership and Effectiveness, Effective Audit and Risk Management and Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

EKUINAS CORPORATE GOVERNANCE FRAMEWORK

Our Corporate Governance Framework, approved by the Board and implemented since the year 2010 is based on the following principles:

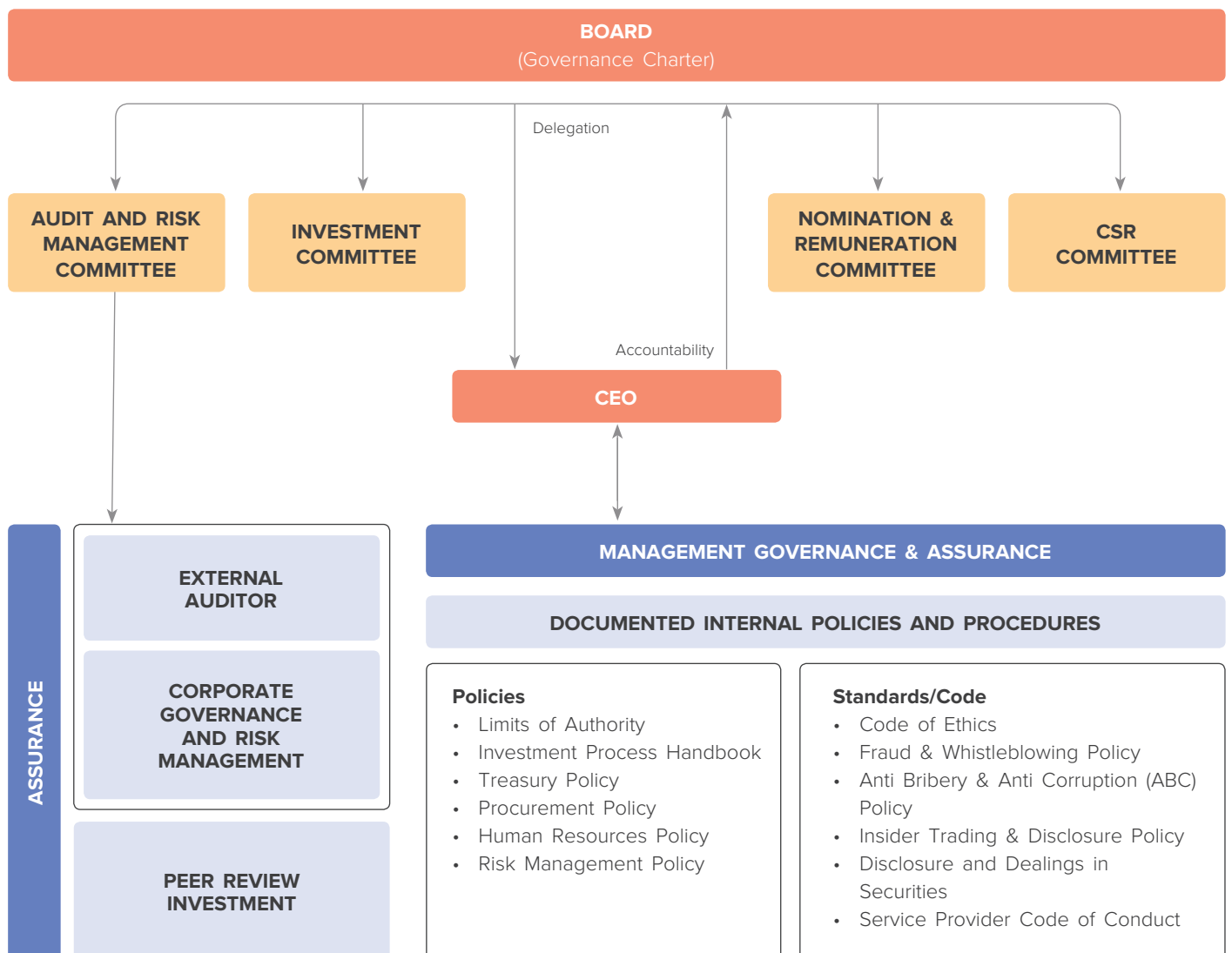


EKUINAS CORPORATE GOVERNANCE FRAMEWORK



During the financial year, the Board continued to ensure the highest standards of corporate governance were practised and further improved upon to protect and enhance stakeholders' interest. The Board adopted a Governance Charter that defines key governance principles to be adhered to by the Board and the Company, and sets out the key values, principles and ethos of Ekuinas.

The Charter serves not only as a reminder of the Board's roles and responsibilities, but also as a general statement of intent and expectation as to how the Board will discharge their duties. The charter addresses, among others, the Duties and Responsibilities of the Board, Composition of the Board, Separation of Power, Code of Conduct, Delegation of Authority, Stakeholder Engagement and Communication and Internal Control and Audit Process.



Statement on Corporate Governance

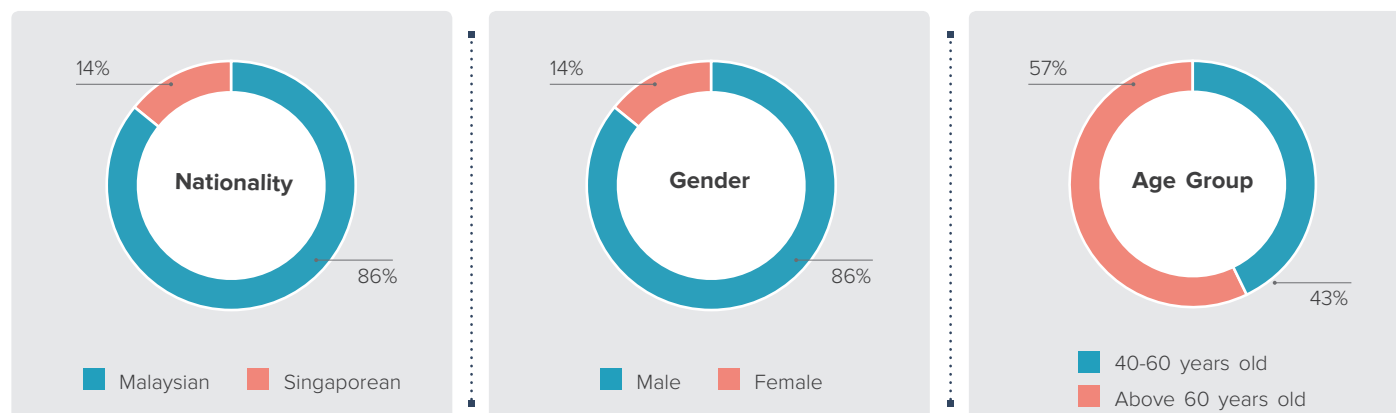
MAINTAINING AN INDEPENDENT, STRONG AND EFFECTIVE BOARD

The Chairman, who is a non-executive, leads and facilitates the work of the Board at its meetings and is responsible for the leadership of the Board, its efficient organisation and function, and ensures principles and processes of the Board are maintained. The CEO is accountable to the Board for the development and implementation of strategy, policies, business and conduct of Ekuinas.

The roles and responsibilities of the Chairman of the Board and the CEO are clearly segregated and held by separate individuals with no family relation to one another to ensure an appropriate balance of power. The clear separation of roles promotes constructive debate, enhances decision making, increases accountability, mitigates bias and reinforces the ability and willingness of Independent Directors to exercise their independent judgement.

The Independent Non-Executive Directors, all of whom are well qualified and outstanding individuals, bring to the Board in-depth knowledge in their respective fields. They do not participate in the day-to-day operations and do not engage in any business dealings or other relationships with Ekuinas to ensure that they are capable of exercising judgement objectively and acting in Ekuinas' best interest. Profiles of the Board members are highlighted on page 16 to 25 of this Annual Report.

BOARD COMPOSITION AND BALANCE



Since the Government of Malaysia is indirectly the ultimate shareholder of the Company, in addition to the definition prescribed in the MMLR the Board also considers as part of its criteria on Independent Directors, members who are currently in government service (and have been in service for the last two years) as non-independent.

The Board is committed to maintain a strong representation of Independent Directors on the Board as well as to ensure objectivity on all issues deliberated. The current structure of the Board and integrity of the individual Directors ensure that no single individual or group dominates the decision-making process. The Board is led by active and experienced Board members

with diverse professional backgrounds including industry and commercial, accounting and finance, business and management, regulatory and public service. This mix of skills and experience adds value in leading the strategic direction and performance of Ekuinas as a world class private equity fund management organisation and to guide the organisation in meeting its objectives and visions.

As at 31 December 2022, the Board consists of seven (7) members, out of which the majority are Independent Non-Executive Directors. The current Chairman has served for a cumulative term of more than nine (9) years, however, upon assessment by the Board and having met the independence criteria, he was retained as an Independent Non-Executive Director in the interim as part of the Board's succession plan.

Name of Director	Status of Directorship	Cumulative Tenure (Years)
Raja Tan Sri Dato' Seri Arshad Raja Tun Uda	Independent Non-Executive Chairman	13
Tan Sri Dato Seri Mohamed Jawhar Hassan¹	Independent Non-Executive Director	13
Datuk Ali Abdul Kadir	Independent Non-Executive Director	7
Tan Sri Dr Rahamat Bivi Yusoff¹	Independent Non-Executive Director	11*
Dato' Abdul Hamid Sheikh Mohamed	Independent Non-Executive Director	3
Datuk Saiful Anuar Lebai Hussen¹	Non-Independent Non-Executive Director	3
Datuk Maimoonah Mohamed Hussain	Independent Non-Executive Director	Less than 1
Dato' Abdul Mutalib Alias	Independent Non-Executive Director	Less than 1
Tan Sri Shahril Ridza Ridzuan	Independent Non-Executive Director	Less than 1
Syed Yasir Arafat Syed Abd Kadir	Executive Director and Chief Executive Officer (CEO)	7

* Categorised as Independent Director in October 2019.

¹ Notes: Tan Sri Dr Rahamat Bivi Yusoff resigned on 30 June 2022; Tan Sri Mohamed Jawhar Hassan resigned on 30 September 2022; Datuk Seri Saiful Anuar Lebai Hussen resigned on 14 October 2022

Appointments to the Board and Re-election of Directors

The size and composition of the Board are reviewed from time to time by the Nomination and Remuneration Committee (NRC), which seeks to ensure that the size of the Board is conducive for effective discussion and decision-making, and that the Board has the appropriate number of independent directors. The NRC also seeks to maintain an effective balance of expertise, skills and attributes among the Directors including minimising potential conflicts of interests.

The NRC establishes and reviews the profiles required of Board members and makes recommendations to the Board on the appointment, re-nomination and retirement of Directors.

When an existing Director chooses to retire, or the need for a new Director arises, the NRC will review the range of expertise, skills and attributes on the Board and the composition of the Board. The NRC will then identify Ekuinas' needs and prepare a shortlist of candidates with the appropriate profile for nomination or re-nomination. Where necessary, the NRC may seek advice from external search consultants.

The NRC's membership is purely Non-Executive and the majority of its members are Independent Directors. Details on the scope, functions and activities of the NRC during the financial year can be found on page 120 in the Statement on Corporate Governance.

Board Independence

The Board, through the NRC, conducts assessments on the independence of all Independent Directors during the financial

year to ensure independent judgement is exercised in the best interest of the Company. Independent Directors have an obligation to declare their independence and inform the Board on any possible conflict of interests. The assessment on independence is guided by the definition of "independent director" as prescribed by Bursa Malaysia's MMLR.

Board Effectiveness

The Board Effectiveness Evaluation (BEE) is an exercise for the Board to monitor its own performance and commit to continuous improvement. Via the NRC, a formal evaluation is undertaken to assess the effectiveness of the Board as a whole, the Board Committees, the performance and contribution of individual Directors. The NRC conducts the BEE with the assistance of the Company's Legal department and CGRM. The performance of the Board and its Committees, including the Chair and the CEO are reviewed via questionnaires and self-evaluation on key areas including Board Responsibilities, Board Composition and Administration, Board Conduct, Board Interaction and Communication, and Structure and Processes.

The most recent BEE was conducted in 2021 for the FY2020/2021. The results of the BEE conducted then were positive, reaffirming that the Board is effective in providing strategic guidance, execution monitoring, while upholding their fiduciary duties. The Board took immediate action in addressing areas of improvements highlighted in the report which include improvement to the Board's composition and succession planning for the Board and Senior Management. The BEE for FY2022 would be conducted in 2023 taking into consideration the current changes in the Board's composition.

Statement on Corporate Governance

BOARD MEETINGS

Board meetings are held at least once every quarter to review and approve the financial results and discuss reports by Management on the Company's performance, plans and proposals. A board meeting is also held at the end of each financial year to review and approve the Company's budget for the following year. Additional board meetings are convened as and when necessary for the Board to deliberate on matters that require expeditious decisions.

The schedule for board meetings is communicated to all members before the start of each financial year to allow forward planning and commitment for attendance from all Directors.

Attendance at Board and Board Committee Meetings

A record of the Directors' attendance at the Board and Board Committee meetings during the financial year is set out below.

	Board	Audit and Risk Management Committee	Nomination and Remuneration Committee	Investment Committee	CSR Committee
Number of Meetings Convened	8	5	6	5	2
Name of Directors	No. of Meetings Attended				
Raja Tan Sri Dato' Seri Arshad Raja Tun Uda	8	–	6	–	–
Tan Sri Dato' Seri Mohamed Jawhar Hassan	5 out of 5*	3 out of 3*	5 out of 5*	–	–
Datuk Ali Abdul Kadir	7	5	–	5	–
Tan Sri Dr Rahamat Bivi Yusoff	4 out of 4*	2 out of 2*	–	–	–
Dato' Abdul Hamid Sheikh Mohamed <i>(Appointed as ARMC Chairman Effective 26th August 2022)</i>	6	4	–	4	–
Datuk Saiful Anuar Lebai Hussien	5 out of 5*	2 out of 3*	4 out of 5*	–	–
Tan Sri Shahril Ridza Ridzuan	3 out of 3*	–	–	–	–
Datuk Maimoonah Mohamed Hussain <i>(Appointed as NRC member effective 26th August 2022)</i>	6 out of 6*	–	1 out of 1*	3 out of 3*	–
Dato' Abdul Mutalib Alias <i>(Appointed as ARMC, NRC member and CSRC Chairman effective 26th August 2022)</i>	6 out of 6*	3 out of 3*	1 out of 1*	–	2
Syed Yasir Arafat Syed Abd Kadir	8	5	6	5	2

* Reflects the number of meetings during their tenure/after appointment to the committee(s)

BOARD RESPONSIBILITIES AND LIMITS OF AUTHORITY

The Board has established Limits of Authority which reserve full decision-making powers to the Board on specific matters such as:

- i. The acquisition and disposal of investments;
- ii. The Company's annual plan, budget and strategy;
- iii. Key policies, procedures and delegation of authorities; and
- iv. Changes to Senior and Executive Management.

Apart from matters above which specifically require the Board's approval, the Board also approves transactions exceeding certain threshold limits, while delegating authority for transactions below those limits to the Management to optimise operational efficiency. The Board oversees the business affairs of Ekuinas and therefore, assumes responsibility for the following:-

- strategic guidance for Ekuinas by influencing how the objectives of Ekuinas are determined and achieved;
- enhancement of the long-term value for Ekuinas' stakeholders while preserving and protecting the underlying value of Ekuinas for their benefit;
- effective oversight of the management of Ekuinas including its control and accountability systems;

- approving and monitoring the progress of major capital expenditure, capital management and investment acquisition/divestment;
- monitoring compliance with all legal, tax and regulatory obligations;
- reviewing and ratifying systems of risk management and internal compliance as well as controls, codes of conduct, continuous disclosure, legal compliance and other significant corporate policies;
- monitoring Management's performance and implementation of strategies and policies, while ensuring resources are available;
- approving and monitoring financial and other reporting to the market, employees and other stakeholders; and
- approving the appointment, reappointment or replacement of the external auditor.

Since its incorporation, Ekuinas has been committed to and has practiced sustainable investment in pursuing all its investments. In this context, the Board has been conscious of its responsibility including setting the Company's sustainability strategies, priorities and targets. In FY2021, the Board had formalised Ekuinas' ESG framework and its implementation approach. Details of our Sustainability efforts and goals are set out in page 98 of this Annual Report.

CODE OF CONDUCT

Ekuinas has adopted the Directors' Code of Ethics for all the Directors of Ekuinas which are based on principles of sincerity, integrity, responsibility and corporate social responsibility. The adoption of the Directors' Code of Ethics formalises the ethical values throughout the Company and ensures its compliance.

In line with the Board's commitment in subscribing to and in promoting the culture of integrity in the company in line with the requirements and expectations within the Guidelines on Adequate Procedures (GAP) for Section 17A of the MACC Act, relevant Anti Bribery and Anti Corruption Policy were also formalised and implemented in Ekuinas and all its portfolio companies.

CODE OF ETHICS



Statement on Corporate Governance

BOARD COMMITTEES

To assist the Board in the efficient discharge of its responsibilities in providing independent oversight of the Company's management, several board committees (Board Committees) have been established, as set out below:-

- Audit and Risk Management Committee;
- Nomination and Remuneration Committee;
- Investment Committee; and
- CSR Committee.

The functions and written Terms of Reference (TOR) of all Board Committees are clearly defined and where applicable, comply with the recommendations of the Code. The authority limits and TOR are reviewed periodically to ensure they are relevant and updated.

The recommendations and decisions made by each Board Committee are recorded and minuted. A summary of Committees' reports and deliberations are incorporated into the minutes of the Board meetings where required.

A brief description of each Board Committee and their salient responsibilities are provided below:-

a. Audit and Risk Management Committee (ARMC)

The Audit and Risk Management Committee currently comprises three Independent Non-Executive Directors namely:-

Chairman:

Dato' Abdul Hamid Sheikh Mohamed
(Effective 26 August 2022)

Tan Sri Dr Rahamat Bivi Yusoff
(Up to 30 June 2022)

Members:

Datuk Ali Abdul Kadir

Dato' Abdul Mutalib Alias
(Effective 26 August 2022)

Tan Sri Dato' Seri Mohamed Jawhar Hassan
(Up to 30 September 2022)

Datuk Seri Saiful Anuar Lebai Hussen
(Up to 14 October 2022)

Further details on the TOR and summary of activities of the Audit and Risk Management Committee during the financial year are set out on pages 122 to 123 of this Annual Report.

b. Nomination and Remuneration Committee (NRC)

The NRC currently comprises of four Independent Non-Executive Directors, all of whom are independent of

Management and free from any business or other relationship which could interfere with the exercise of their independent judgement. They are as below:-

Chairman:

Datuk Maimoonah Mohamed Hussain
(Effective 30 September 2022)

Tan Sri Dato' Seri Mohamed Jawhar Hassan
(Up to 30 September 2022)

Members:

Raja Tan Sri Dato' Seri Arshad Raja Tun Uda

Dato' Abdul Hamid Sheikh Mohamed

Dato' Abdul Mutalib Alias
(Effective 26 August 2022)

Datuk Seri Saiful Anuar Lebai Hussen
(Up to 14 October 2022)

There were six (6) meetings held during the financial year and the attendance record is set out in the table on page 114. Further details of the NRC activities during the financial year are further elaborated on page 120.

c. Investment Committee (IC)

The Investment Committee is made up of members of the Senior Management of the Company and at least one Independent Non-Executive Director. This structure is common practice in most private equity organisations to ensure investment decisions can be made on a timely basis with adequate oversight, strong commitment and accountability from the investment professionals.

The key responsibilities and functions of the Investment Committee include:-

- approving for recommendation all investment and divestment decisions made by Ekuinas;
- approving all decisions pertaining to the management of all investments made by Ekuinas; and
- reviewing of the quality and reliability of all financial information in respect of all investments.

d. CSR Committee (CSRC)

The CSR Committee (CSRC), which is chaired by a Non-Executive Director and consists of the Senior Management, was established to review and monitor Ekuinas' CSR programmes and ensure that the Company implements the highest standards of governance and internal control for CSR activities. Management is required to update the CSR activities and programmes as and when required by the CSR Committee and/or the Board.

The key responsibilities and functions of the CSRC include:-

- To review and approve Ekuinas CSR's annual plan of programmes and budget;
- To monitor the implementation of all CSR activities; and
- To deliberate any serious issues on CSR projects that have financial or reputational risks on Ekuinas.

e. Senior Management Committee

The Senior Management Committee (SMC), which is chaired by the CEO and consists of the Senior Management, was established to assist the ARMC and the Board in discharging its functions regarding operational matters and risk management in Ekuinas. The SMC meets every quarter to review the quarterly risk report prior to presenting the report to the ARMC.

ACCESS TO INFORMATION AND INDEPENDENT ADVICE

To assist the Board in discharging its duties, the Management furnishes comprehensive investment and financial reports on a regular basis. As a practice, Management submits the meeting agenda together with a set of Board papers containing relevant information to the Board members at least five (5) days before the Board meeting. This is to provide sufficient time for the Board members to review, consider and better understand the matters contained prior to the meeting and have adequate opportunity for deliberations and discussions on matters outlined.

Board papers are prepared in a well-structured, consistent and concise format and includes both quantitative and qualitative information, enabling the Board to make informed decisions.

The Board papers include among others, the following:-

- i. Minutes of meetings of the previous Board;
- ii. Minutes of meetings of all previous Committee meetings of the Board;
- iii. Report on Matters Arising;
- iv. Report on matters requiring the Board's deliberation and approval;
- v. Quarterly financial report and report on investment performance of the Company; and
- vi. Other key developments for discussion and approval.

The CEO and Chief Financial Officer (CFO) are present at these presentations to address any queries which the Board may have.

The Board has ready and independent access to the CEO, Senior Management, Company Secretary as well as internal and external auditors at all times. The Board exercises its discretion to seek independent professional advice, if deemed necessary, to ensure that full information and advice are available before important decisions are made.

The Company Secretary assists the Board with the preparation of meeting agenda and administers, attends and prepares minutes of board proceedings, ensuring an effective information flow within the Board and its Committees. The Management also assists the Board in implementing good governance practices and processes within the Company.

INTEGRITY IN FINANCIAL REPORTING

The Board aims to provide and present a balanced and meaningful assessment of the Company's financial performance in all disclosures made to the stakeholders. The Board, assisted by the Audit and Risk Management Committee, oversees the financial reporting process and quality of financial reporting, besides reviewing and monitoring the integrity of the Company's financial statements. It also reviews the appropriateness of the Company's accounting policies and the changes to these policies, and ensures these financial statements comply with the accounting and regulatory requirements as well as good corporate governance practices.

The Audit and Risk Management Committee also meets with the external auditors without the presence of Management, and this is a forum at which the external auditors may raise, among other matters, any concern they may have on the compliance aspect of the financial statements. All accounting standards which the Board considers to be applicable have been adopted, subject to any explanation for material departures disclosed in the notes to the financial statements.

INDEPENDENCE OF EXTERNAL AUDITORS

The Board, through the Audit and Risk Management Committee, has established a formal and transparent relationship with the Company's auditors, both external and internal. The Audit and Risk Management Committee meets regularly with the external and internal auditors to discuss and review the audit plan, quarterly financial performance, annual financial statements and any audit findings, and makes recommendations for the Board's approval. During the year, the Board has met with the external auditors without the presence of the Management, in line with best practice requirements.

The Board is aware of the potential conflict of interest that may arise if the Company's external auditors are engaged to provide other non-audit services to the Company. To mitigate this risk, the Audit and Risk Management Committee reviews the performance, independence and fees of the external auditor.

Statement on Corporate Governance

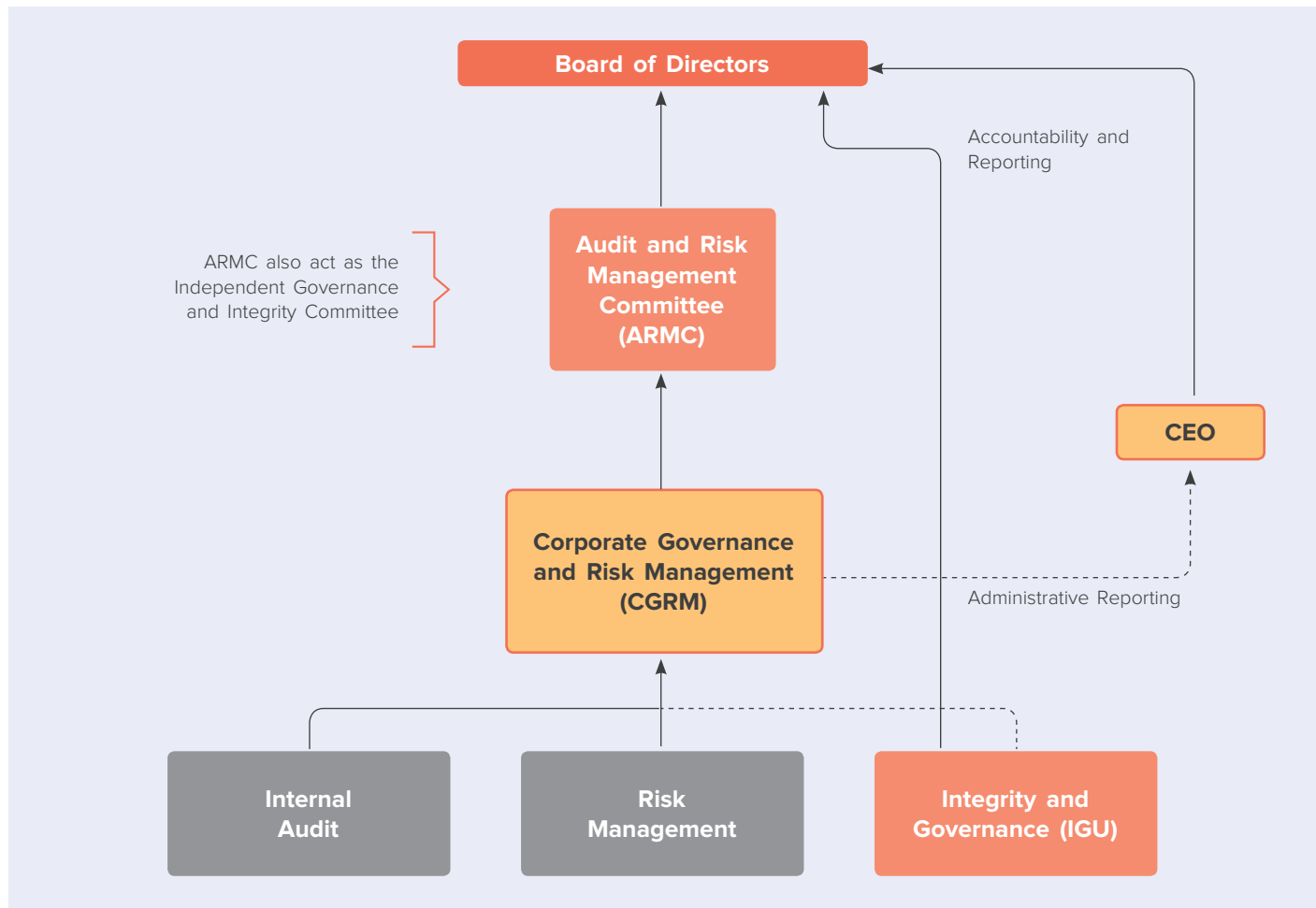
MANAGEMENT OF RISKS AND INTERNAL CONTROL

The Board is responsible for maintaining a system of risk management and internal controls that provides reasonable assurance of effective and efficient operations in compliance with the applicable laws and regulations, as well as internal procedures and guidelines.

The Statement of Risk Management and Internal Control, which provides an overview of the state of internal controls within the Company, is set out on page 124 to 130 of this Annual Report.

Internal Audit Function

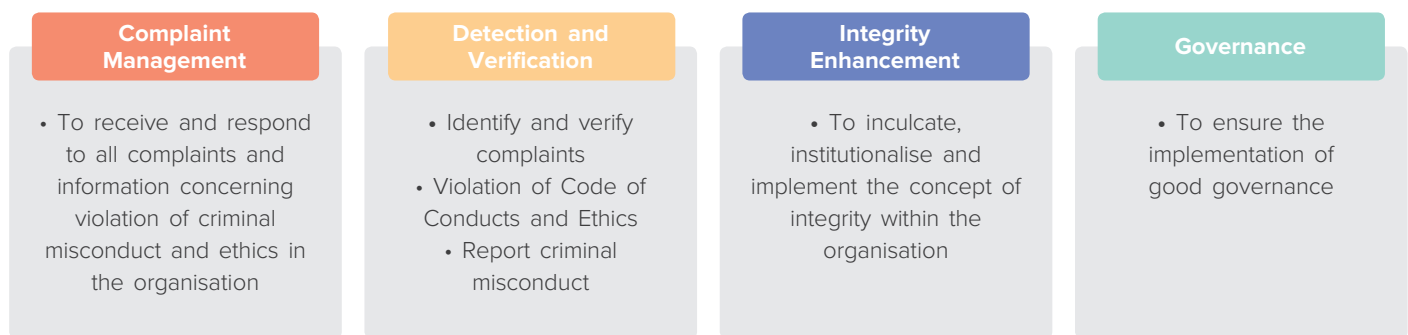
The Board empowers Management to achieve business objectives while adhering to business ethics and high governance standards. The Corporate Governance and Risk Management (CGRM) Department, which also serves as an internal audit function, reports directly to the Audit and Risk Management Committee, demonstrating the Company's commitment to maintaining the integrity of its governance framework. The reporting structure of the CGRM function is as illustrated below:-



Integrity and Governance Unit (IGU)

The Board has formalised the establishment of the Integrity and Governance Unit (IGU) under the Corporate Governance and Risk Management Department (CGRM) in support of the National Anti-Corruption Plan (NACP) to promote greater transparency, accountability and integrity culture. The NACP aims to transform the country towards a nation with integrity and free from corruption.

The Board has also approved the appointment of the Head of Corporate Governance and Risk Management (CGRM) as the Integrity Officer for Ekuinas. IGU is responsible for four key functions as illustrated below and reports quarterly to the Board on matters pertaining to integrity and anti-corruption initiatives.



RELATIONSHIP WITH STAKEHOLDERS

In fulfilling its role and objectives as a government-linked private equity fund management company, Ekuinas deals with a wide range of stakeholders. The Company recognises the importance of maintaining transparency and accountability while managing a successful and productive relationship with the Company's stakeholders. As such, the Company places strong emphasis on the importance of timely dissemination of information and transparency to the general public and stakeholders.

Stakeholder Engagement and Communication

The Company has adopted comprehensive stakeholder management and communication policies, which are reviewed on a regular basis. The aforesaid policies regulate the way the Company interacts with the different stakeholder groups including the general public, media, government bodies and authorities in compliance with its continuous and timely disclosure requirements. Other than press releases and announcements, the Company utilises its website as another communication channel for the Company to disseminate information to the stakeholders and general public. The Company is committed to ensure that the general public have convenient access to the information via its website www.ekuinas.com.my. Queries can be forwarded to:-



Statement on Corporate Governance

FUNCTIONS OF THE NOMINATION AND REMUNERATION COMMITTEE

Roles and Responsibilities

The primary responsibility of the Nomination and Remuneration Committee (NRC), in accordance with its terms of reference, is to assist the Board with matters relating to nomination and remuneration, which include:-

- Appointment of directors and senior management and to facilitate induction programmes for new directors and suitable training programmes to continuously train and equip new and existing Directors
- Reviewing the mix of skills, experience, core competencies and other required qualities for an effective Board for Ekuinas
- Determining the framework or broad policy for the remuneration package of the CEO, and other members of the Management as it is designated to consider
- Reviewing the remuneration of Non-Executive Directors to ensure that it is aligned to the market and reflective of experience and expertise that commensurate with the duties and responsibilities
- Reviewing any major changes in employee benefit structures throughout the Company, and if deemed fit, to recommend to the Board for adoption
- Reviewing and recommending to the Board for adoption of the framework for the Company's annual incentive scheme

Detailed Terms of Reference of the NRC is available at <https://www.ekuinas.com.my/governance>

Summary of Activities in 2022

During the financial year ended 31 December 2022, the NRC undertook several key activities, as follows:-

- Conducted the annual assessment on the composition and independence of the Independent Directors
- Reviewed and considered the appointment/contract renewal of Senior Management of Ekuinas
- Deliberated and made recommendation to the Board on the achievement of Ekuinas Key Performance Indicators (KPI) for FY2021, Bonus Pay-out for FY2021 and Merit Increment for FY2022
- Reviewed the Proposed KPI Framework for the FY2022
- Deliberated and made recommendation to the Board on Compensation Benchmarking Report and proposed revised Salary Structure
- Deliberated and made recommendation to the Board on the succession plan and renewal/appointment of Directors of Ekuinas
- Deliberated and made recommendation to the Board the restructuring of Board's composition and its sub-committees.

BOARD COMPOSITION, RESTRUCTURING AND SUCCESSION PLANNING

To ensure that Ekuinas continues to have a strong, committed and dynamic Board with the right mix of skills and experience in line with the evolving needs of the Company, during the financial year the NRC has undertaken an exercise to recommend a restructuring and execution of a succession plan for the Board to ensure transitioning of departing Directors are conducted in an orderly manner and new Directors are appointed to further strengthen the composition of the Board.

The NRC sought advice from external search consultants to conduct a candidate mapping exercise in identifying suitable candidates as Non-Executive Director with particular experience or expertise as follows:

- Strong experience in investment and/or banking
- Experience in industries which Ekuinas is actively investing in or interested in investing
- Professional corporate and/or entrepreneur experience

In addition, the NRC also identified and recommended to the Board the candidates for the succession of the role of the Chairman of Board, and Chairman for the ARMC, NRC and CSRC and appointment of new members for the committees due to scheduled retirement of existing members.

DIRECTORS' REMUNERATION

The objective of the Company's policy on Directors' remuneration is to attract and retain Directors of the calibre needed to lead the Company successfully. In the case of the Executive Director, the component parts of the remuneration are structured to link rewards to corporate and individual performance. As for the Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken by the director concerned.

The NRC recommends to the Board the framework of the remuneration package for the Executive Director. It is the ultimate responsibility of the entire Board to approve the remuneration of the Executive Director.

The details on the aggregate remuneration of all Directors for the financial year ended 31 December 2022, with categorisation into appropriate components are as follows:-

Remuneration	Total Amount (RM)
Salary/Fees	3,401,092
Other remuneration (e.g. allowances and other benefits)	884,304

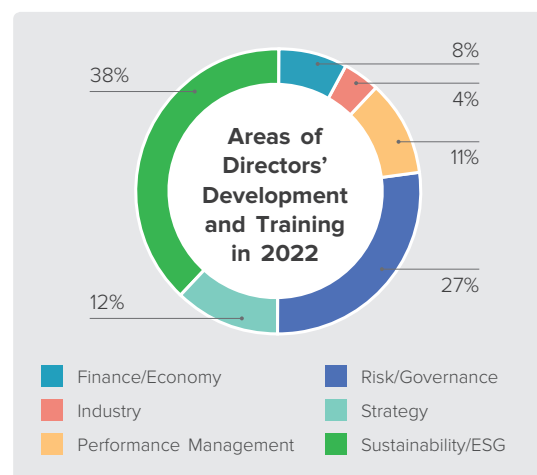
The remuneration paid to Directors during the year, analysed into appropriate ranges is as follows:-

Range of remuneration (RM)	Executive Director	Non-Executive Directors
Below RM100,000		2
RM100,000 – RM200,000		7
Above RM2,000,000	1	

DIRECTORS' TRAINING

The Board acknowledges the importance of continuing education for its Directors to ensure they are equipped to perform their functions and meet the challenges of the Board. Training programmes, conferences and seminars deemed beneficial to the Directors are identified on an on-going basis and the Company allocates a dedicated training budget to support the continuous development of the Directors. Directors are also regularly updated on the Company's businesses which include presentations by Senior Management and external consultants/experts on issues relating to specific areas or industry along with strategic recommendations.

The development and training programmes attended by the Directors as well as their participation as speakers at local and international conventions on topics relevant to their roles during the financial year ended 31 December 2022 is captured here:-



Audit and Risk Management Committee Report

The Board of Directors of Ekuinas is pleased to present the report of the Audit and Risk Management Committee (ARMC) for the financial year ended 31 December 2022.

COMPOSITION AND ATTENDANCE OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The ARMC was established in 2010 in line with the Code and Bursa Malaysia MMLR. The committee members were appointed from amongst the Company's Board members and fulfil the following requirements:-

- comprise not fewer than three (3) members;
- majority are independent directors;
- all members are non-executive;
- at least one should be a member of an accounting association; and
- no alternate director can be appointed as a member of the ARMC.

The composition of the ARMC and the record of their attendance are as follows:-

Name of Directors	Status of Directorship	No. of Meetings Attended	%
Dato' Abdul Hamid Sheikh Mohamed (Chairman of the Committee – Effective 26 August 2022)	Independent Non-Executive Director	4 out of 5	80
Tan Sri Dr Rahamat Bivi Yusoff (Former Chairman of the Committee – Resigned on 30 June 2022)	Independent Non-Executive Director	2 out of 2*	100
Datuk Ali Abdul Kadir	Independent Non-Executive Director	5 out of 5	100
Dato' Abdul Mutalib Alias (Effective 26 August 2022)	Independent Non-Executive Director	3 out of 3*	100
Tan Sri Dato' Seri Mohamed Jawhar Hassan (Resigned on 30 September 2022)	Independent Non-Executive Director	3 out of 3*	100
Datuk Saiful Anuar Lebai Hussien (Resigned on 14 October 2022)	Non-Independent Non-Executive Director	2 out of 3*	67

* The attendance reflects the number of meetings scheduled during the time the Director held office.

Meetings of the Audit and Risk Management Committee

The ARMC meets at least four (4) times annually, or more frequently as circumstances dictate.

The Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Corporate Governance and Risk Management (CGRM) and external auditor's representatives attend the meetings as and when appropriate. The ARMC has also conducted a meeting with the external auditor without the presence of Management during the ARMC meeting on 17 March 2022 and 30 September 2022.

The Chairman of ARMC makes a report on each meeting to the Board and minutes of each meeting are kept and distributed to each member of the ARMC.

Roles and Responsibilities

In performing its duties and discharging its responsibilities, the ARMC is guided by the Terms of Reference and is assigned with the following main objectives:-

- To assist the Board in realising its fiduciary duties and providing governance oversight in the management of the Company's risk framework and strategy on managing key risks;
- To review the adequacy and effectiveness of risk management practices and procedures, business processes, financial reporting and internal controls;
- To ensure independence of the internal audit and the external audit functions and review of their activities, competencies and performance; and

- d) Review, endorse, promote, and monitor the code of ethics (COE) programme across the Company which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering and ensuring whistle-blower programme is implemented across the Company.

The full and detailed terms of reference of the ARMC is available at ekuinas.com.my/governance.

Activities

In line with the terms of reference for the ARMC, the following activities were carried out during the financial year:-

- Review and approval of the audit plan of the CGRM department and external auditor, including their scope of work for the financial year prepared by the CGRM department and external auditor respectively
- Review of the reports for the Company prepared by CGRM and external auditor and consideration of issues and action plans
- Review of the quarterly and annual reports of the Company, prior to submission to the Board for consideration and approval
- Review of the proposed key policies and procedures for adoption by the Company, prior to submission to the Board for consideration and approval
- Review of the Risk Management report presented by the Risk Management Committee on quarterly basis for consideration and approval
- Meeting with the external auditor without management presence
- Review of the performance, independence and fees of the external auditor
- Review of the reports on the ARMC, Statement on Corporate Governance and SORMIC prior to their inclusion in the Company's Annual Report
- Review and deliberation of the audit reports, issues and recommendations from the external and internal auditors from the audit conducted during the year
- Review of the adequacy of resources and competencies of staff within the internal audit function to execute the plan and the results of their work
- Review and deliberation of the Integrity and Governance Unit (IGU) reports for approval of the Board, prior to submission to Ministry of Economy or other Government agencies

Internal Audit Function

The Company has an in-house internal audit function which is carried out by the CGRM department. The CGRM Department reports to the ARMC and administratively to the CEO. The internal audit function has three (3) personnel comprising the Head of CGRM, one (1) Manager and one (1) Executive Trainee. The Head of CGRM, Muhd Hafiz Muhtar is an Associate Member of the Institute of Internal Auditors Malaysia (IIAM).

The CGRM department has adopted a Corporate Governance Charter that provides for its independence in evaluating and reporting on the adequacy, integrity and effectiveness of the overall internal control system, risk management and corporate governance in the Company using a systematic and disciplined approach. The review and control improvement initiatives conducted by CGRM were defined in an annual audit plan that was reviewed and approved by the ARMC during the financial year.

During the year, as per the approved internal audit plan, CGRM has reviewed and assisted on the documentation and formalisation of the Company's policies and procedures, and facilitated the risk review and documentation of Ekuinas risk reporting to the SMC and ARMC. Furthermore, CGRM engages with the management of portfolio companies to advocate implementation of good governance and best practices.

CGRM also participates in the due diligence exercise for proposed acquisitions or investments, covering governance and investment risks. Major findings are highlighted to the Management and Board as part of the investment evaluation process, ensuring all major investment risks are prudently mitigated.

All internal audit functions during the year were conducted by CGRM Department in accordance with the Institute of Internal Auditors' (IIA) International Professional Practices Framework (IPPF) and the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework which include ensuring internal audit personnel are free from any relationships or conflicts of interest which could impair their objectivity and independence. No area of the internal audit function was outsourced during the financial year.

This report is made in accordance with a resolution of the Board of Directors dated 16 March 2023.

Statement on Risk Management and Internal Control

INTRODUCTION

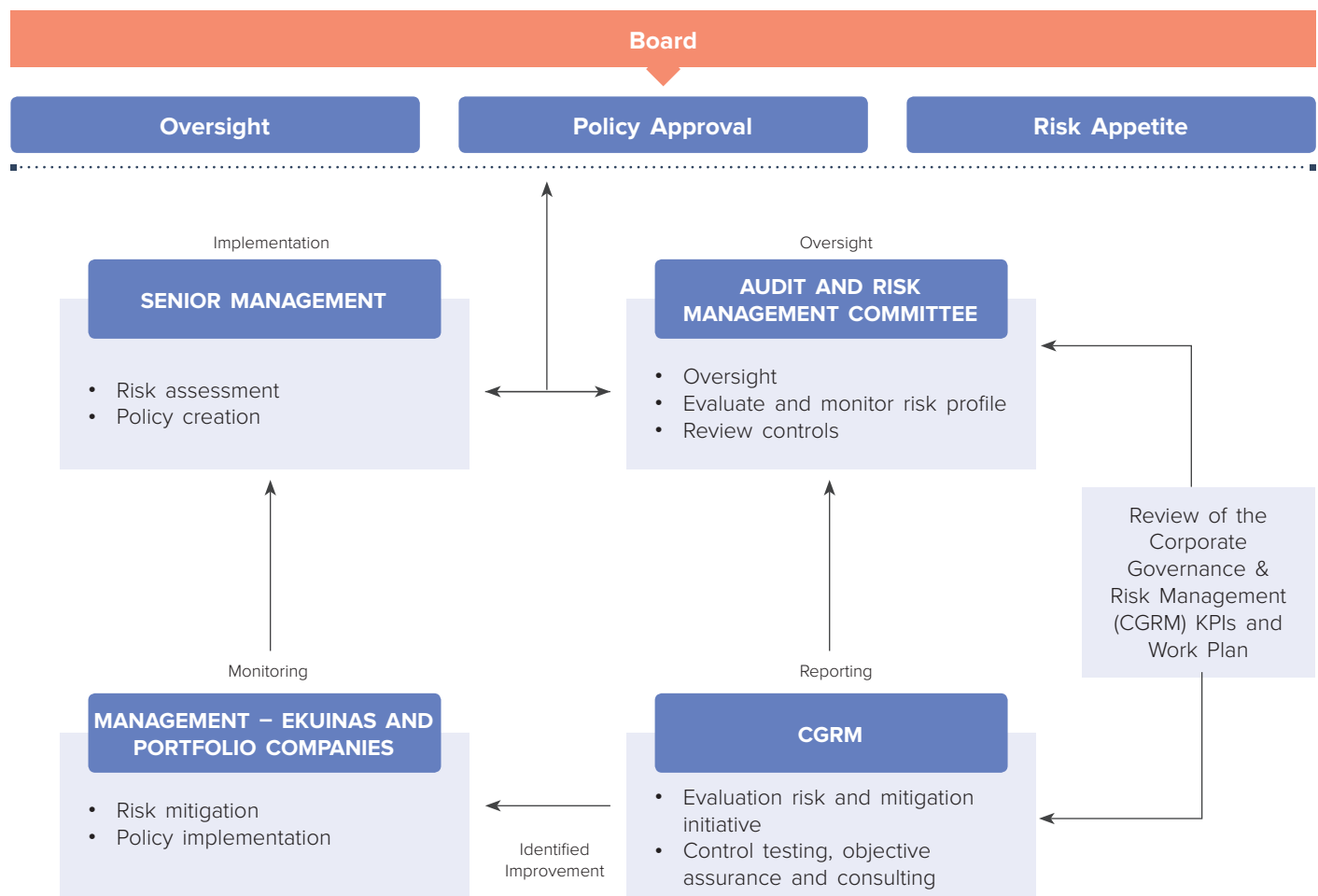
The Board of Directors (the Board) is pleased to present this Statement on Risk Management and Internal Control (SORMIC) pursuant to paragraph 15.26(b) of Bursa Malaysia's Main Market Listing Requirements (MMLR) to promote good corporate governance and compliance to best practices, notwithstanding the fact that the MMLR is not applicable to the Company.

STRUCTURE OF THE RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The Board has formalised the system and the continuous process for identifying, evaluating, and managing significant risks faced by the Company. This is embedded in our Corporate Governance Framework which includes the Risk Management Framework and Policy, the Internal Audit Charter and the Internal Systems and Controls Framework.

The approved Risk Management Framework and Policy for the Company sets out the basis of Ekuinas' approach to risk management, linking to the strategic and organisation objectives and integration into the Company's business processes. The framework determines clear accountability and responsibility for the risk management process, including identification and management of risks which could materially impact the Company's strategic objectives or execution.

The risk management and internal control system and structure are summarised as follows:-



While any system can only provide reasonable and not absolute assurance against material losses, fraud, misstatements or breaches of laws or regulations, the Board is fully committed to maintain a sound risk management and internal control system that ensures adequacy and integrity through the process of review, monitoring and assurance.

To assist the Board, the Audit and Risk Management Committee (ARMC) was established with the principal responsibilities for risk management and internal control oversight, which is assisted by the Senior Management Committee (SMC), the Chief Executive Officer (CEO) and Senior Management both in Ekuinas and all portfolio companies in implementing the Board's policies and procedures on risks and controls.

Audit and Risk Management Committee (ARMC)

The ARMC oversees all risk management and internal control activities within the Company with the principal responsibilities to ensure the Risk Management Framework is soundly implemented, evaluate risk exposures and review internal control issues highlighted by the Corporate Governance & Risk Management (CGRM) department, the Management, and the external auditors, and review the CGRM functions and work plan. CGRM department, which performs the internal audit function for the Company reports directly to the ARMC.

A majority of the ARMC members are Independent Non-Executive members of the Board, and ARMC has full access to both internal and external auditors. It meets with the external auditors without any Management present, at least once a year.

Senior Management Committee (SMC)

The SMC is the risk owner who coordinates the efforts to mitigate and manage risks while assisting the Board in discharging its functions with regards to the risk management.

The following are the key duties and responsibilities of the SMC with regards to risk management and internal controls:

- review and recommend risk management policy and reports for approval by the ARMC and the Board;
- monitor the risk exposure of the Company and portfolio companies and recommend strategic actions where necessary;
- review on a quarterly basis the overall performance of the portfolio companies, initiatives undertaken and major business risks;
- review any significant risks and exposures that exist and assess the initiatives undertaken by the Management and portfolio companies to mitigate the risks; and
- maintain, communicate, and monitor compliance with policies and procedures.

Through discussion with each portfolio team, head of departments and management of portfolio companies, the key initiatives and controls (if necessary) to be undertaken to mitigate the risks identified. The summary of risks based on their priorities are then documented in the report and presented to the SMC and ARMC on a quarterly basis. The resulting quarterly Risk Management reports are then presented and approved by the ARMC and the Board.

Corporate Governance and Risk Management (CGRM) Department

The role of Corporate Governance and Risk Management (CGRM) department is to assist the ARMC and the Management of the Company in the effective discharge of their responsibilities by establishing cost-effective internal controls, assessing risks, recommending measures to mitigate those risks and assuring proper governance process is in place. As an integral part of this process, CGRM furnishes the ARMC with independent analyses, appraisals, advise and information on the activities they review.

The CGRM Annual Plan and KPIs are reviewed and approved by the ARMC and the Board, and the results of audits are communicated and reported periodically to the Management and the ARMC.

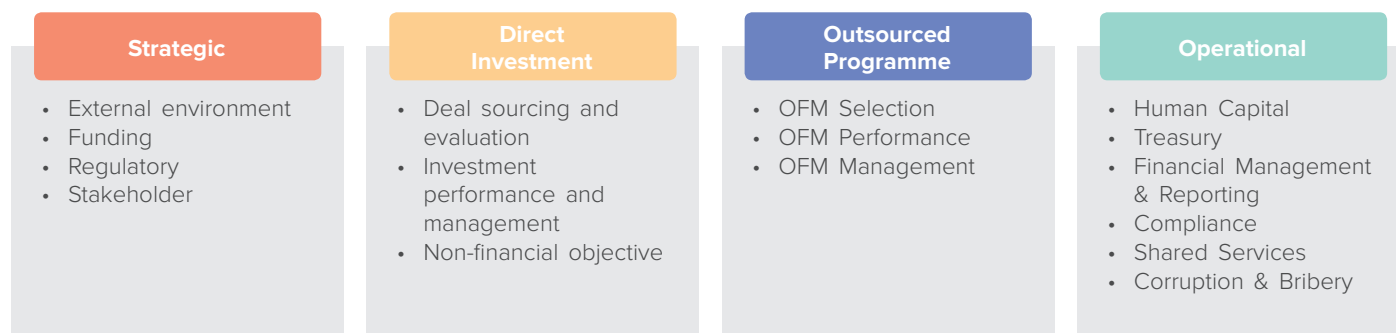
Statement on Risk Management and Internal Control

RISK MANAGEMENT AND INTERNAL CONTROL ACTIVITIES

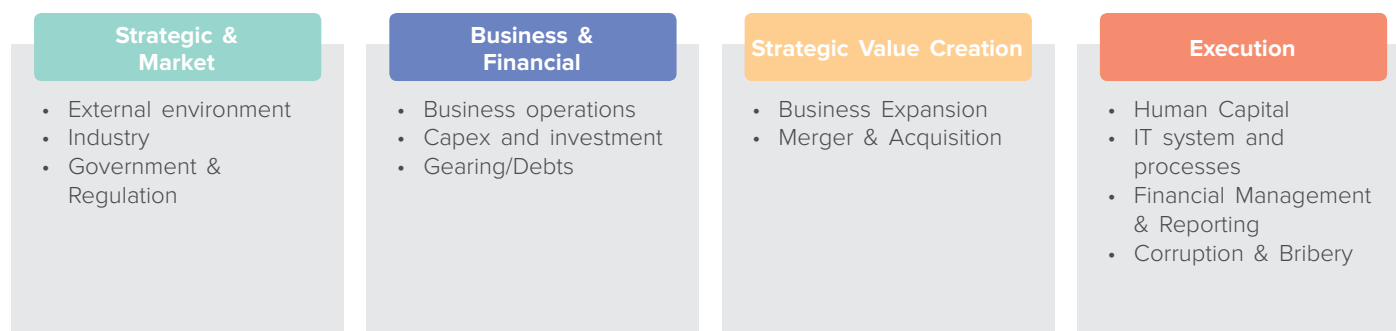
The Company's risk management framework is a pragmatic guide for the ongoing process for identifying, evaluating and managing the significant risks faced by the Company in its achievement of objectives and strategies. The effectiveness of the risk mitigation framework is systematically and periodically reviewed and improved, where necessary.

The Company has identified four categories of risks both at Ekuinas and portfolio companies levels. These four risks categories are not exhaustive; however they provide a basis for identification and classifications of risks and the investment related risks are considered the most critical business risks within the Company.

EKUINAS' RISKS (COMPANY)



PORTFOLIO COMPANIES' RISKS



All major risks identified were then individually assessed and ranked based on the parameters for potential impact and likelihood provided in the Risk Rating Framework. Through discussion with management the key initiatives to mitigate these risks are then identified to be undertaken.

This process is undertaken at least quarterly, identifying new and reviewing existing business risks as well as monitoring the effectiveness of mitigating steps identified.



RISK MITIGATION STRATEGIES

The risk mitigation initiatives are designed based on the four common strategies i.e. avoid, reduce, transfer or accept through implementation of internal control processes and/or policies in line with the organisation's risk appetite.

As an illustration, the Company's investment decision-making process is guided by investment parameters instituted via the Company's Investment Framework, to ensure deals undertaken are within the key investment criteria where the priority sectors are identified based on a transparent screening approach and some sectors are excluded from any investment consideration.

The Investment Framework also incorporates risk management with a rigorous review of risks for all strategic and specific proposal or transactions to ensure risks are identified, analysed, prioritised and managed in a consistent manner. All investments are subject to thorough scrutiny to ensure that they are in line with the Company's strategic focus, rates of return and cover all other relevant risk factors such as industry and execution risks. In addition, the Board requires that all investment proposals submitted to the Board are accompanied by a comprehensive risk assessment and corresponding proposed mitigation strategies by Management.

Strategic risks are managed through regular ongoing monitoring of key economic indicators, industry outlook and regulatory developments, as well as periodic engagement and update with the Government.

To manage financial risks, the Company's treasury policies and financial authority limits are documented, reviewed periodically and reported to the Board. The approved policies set out the parameters for management of the Company's liquidity, counterparty risk and financing. Any significant financial risks such as liquidity, gearing, net debt and credit exposure would be regularly identified, assessed, addressed and reported to the Board.

It is recognised that operational risks can never be eliminated, and that the cost of minimising it may outweigh the potential benefits. Accordingly, the Company manages operational risks by putting in place policies and standard operating procedures, regular reporting framework which encompass operational and financial reporting and where necessary, taking up insurance coverage to mitigate potential risks.

In line with the Strategic Objective 6.2: Greater Corporate Entities Resilience against the Threat of Corruption in the National Anti-Corruption Plan (NACP) and related directive from Ministry of Economy, the Company has also introduced an assessment on the Corruption and Bribery Risks as part of the Company's risk management process and reporting. Potential areas where corruption and bribery may occur are identified and risks are mitigated with the existing controls in place and new initiatives such as strengthening the policies relevant to Anti-Bribery and Anti-Corruption matters, conducting briefing to employees and periodic awareness programmes.

ENSURING ADEQUACY AND EFFECTIVENESS OF THE SYSTEM

The Board is fully committed to maintaining a strong control structure and environment for proper conduct of the Company's operations. The key processes that have been established in reviewing the adequacy and integrity of the system of internal controls, among others, are as follows:-

- **Board Committees**

To promote corporate governance and transparency, in addition to the Board, the Company has established the Audit and Risk Management Committee, Nomination and Remuneration Committee, Investment Committee and Corporate Social Responsibility (CSR) Committee. These Board Committees are established to assist the Board in providing independent oversight of the Company's management with responsibilities and authorities clearly set out in their respective terms of reference.

- **Policies and Standard Operating Procedures (SOP) Framework**

Written procedures on key processes within the Company are documented, implemented and communicated by the Management to employees in accordance with the Board approved Policy and SOP Framework, to ensure that internal control principles or mechanisms are embedded in the Company's operations.

Statement on Risk Management and Internal Control

The Policy and SOP Framework



Note: 1 & 2 Investment Framework completed and approved by the Board

SHARED SERVICES	FINANCE & ACCOUNTING	HUMAN RESOURCES
	Accounting Policies and/or SOP covering: <ul style="list-style-type: none"> Fixed Asset Petty Cash Financial Reporting Policy and Procedure Budgeting Payment & Claims Portfolio Investment Fair Valuation Guidelines 	HR Policies and/or Procedures covering: <ul style="list-style-type: none"> Payroll Management Training & Development Recruitment & Human Capital Planning Performance & Compensation Management Employment Terms Retention Plan Talent Management Employee Relations
	TREASURY	LEGAL
	<ul style="list-style-type: none"> Treasury Policy and SOP 	<ul style="list-style-type: none"> Legal SOP
	PROCUREMENT & ADMINISTRATION	M.I.S
	<ul style="list-style-type: none"> Procurement Policy and SOP 	<ul style="list-style-type: none"> IT Policy and SOP
	CORPORATE SOCIAL RESPONSIBILITY (CSR)	COMMUNICATIONS
	<ul style="list-style-type: none"> CSR Policy and SOP 	<ul style="list-style-type: none"> Communications Policy and SOP
	STAKEHOLDER MANAGEMENT	DISCLOSURE POLICY
	<ul style="list-style-type: none"> Stakeholder Management Policy and SOP 	<ul style="list-style-type: none"> Disclosure Policy and Framework

• Code of Ethics

The Board and Senior Management set the tone at the top for corporate behaviour and corporate governance. The Code of Ethics has been formalised and adopted for the Directors and Employees to encourage high standards of conduct that are associated with ethical business practices. It is a requirement for all Directors and Employees to understand their respective Codes and to acknowledge and sign off on the declaration form.

• Service Provider Code of Conduct

The Company believes that relationships with service providers should be based on the principles of integrity, honesty and accountability, and strongly opposes any form of bribery or corruption. With this objective, the Service Provider Code of Conduct requires all major service providers including consultants, professional advisors and key suppliers to adhere to this Code when conducting business with Ekuinas, failing which actions may be taken including but not limited to termination and preclusion from future services.

- **Documented Limits of Authority**

Approved Limits of Authority are imposed on the Management in respect of the day-to-day operations, investment decisions, acquisitions and disposals of assets as a control to minimise any risk of abuse or authority.

- **Anti-Fraud, Anti-Bribery and Anti-Corruption (ABC) and Whistle Blowing Policy**

To reinforce the culture of good business ethics and governance across the Company, a whistleblowing policy is in place which provides employees with an accessible avenue to report in good faith any suspected wrongdoing. This policy addresses the Company's commitment to integrity and ethical behaviour by helping to foster and maintain an environment where employees can act appropriately without fear of punishment. The policies are reviewed periodically and the last revision was conducted in 2018.

- **Investment Controls**

Ekuinas' senior representatives are appointed to the executive management committee and board of the portfolio companies to actively participate in the strategic direction, key decision-making process and major operational areas.

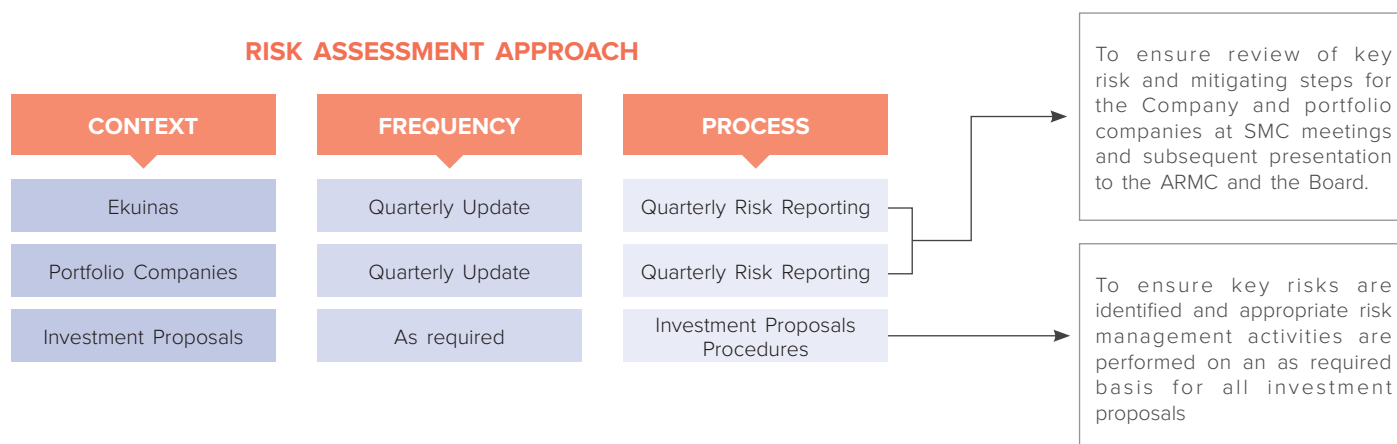
While preserving good rapport with the management of portfolio companies, Ekuinas also engages in key operational processes for value creation initiatives and advocates good governance and best practices at the respective portfolio companies.

Ekuinas also provide funds to third party Outsourced Fund Managers (OFMs) who undertake investments on Ekuinas' behalf. However, Ekuinas does not have direct influence over their operations and controlling interests in the OFMs' invested companies, therefore they have not been dealt with as part of the Group in the implementation of the controls system and would be subject to their own respective risk management and internal controls practices.

RISK MANAGEMENT REPORTING

The Risk Management Reporting process includes an assessment of risk, evaluation of the effectiveness of the controls in place and the requirements for further controls to mitigate the risks for the Company and all portfolio companies.

The key elements of the process are as follows:-



These reporting process and periodic monitoring are applied to review the risk management and internal control system and act as a platform to confirm that necessary actions have been or are being taken to remedy any significant failings or weaknesses identified during the risk management process.

Statement on Risk Management and Internal Control

Adequacy of the Risk Management and Internal Control System

The Board has been assured by the CEO and the Chief Financial Officer (CFO) that the Company's risk management and internal control systems are operating adequately and effectively in all material aspects for the financial year under review and up to the date of approval of this Statement.

Review of the Statement by External Auditors

The external auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in the annual report for the financial year ended 31 December 2022.

Based on the procedures performed, they have reported to the Board that nothing has come to their attention that would cause them to believe that the Statement on Risk Management and Internal Control (SORMIC) intended to be included in the annual report is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is the SORMIC factually inaccurate.

Their limited assurance review was performed in accordance with the Audit and Assurance Practice Guide (AAPG) 3 – Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants. AAPG3 does not require the external auditors to consider whether the SORMIC covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Company, including the assessment and opinion by the Board and Management thereon.

CONCLUSION

For the financial year under review up to the date of approval of this statement, the Board is of the view that the risk management and internal control system within the Company is sound and sufficient to safeguard the interests of its stakeholders. This is based on inquiry, information and assurance provided, and continued focus shown by the Board and Management on measures to protect and enhance stakeholders' value and business sustainability.

This statement is made in accordance with a resolution of the Board of Directors dated 16 March 2023.



Disclosure Policy

INTRODUCTION

As a private equity firm mandated to manage and invest public funds, Ekuinas is a public interest entity operating in a highly regulated environment. We thus strive to be transparent to all stakeholders including the Government, our portfolio companies, the media and ultimately the Malaysian public. To this end, the Company has established a disclosure framework which is market-friendly, transparent and benchmarked against best practices.

Ekuinas' disclosure guidelines were formulated based on several industry guidelines including those outlined in the Walker Guidelines Monitoring Group 2007, a private equity monitoring group on transparency and disclosure, and the European Private Equity & Venture Capital Association (EVCA) Reporting Guidelines 2006, among others. The framework was also established following a comprehensive study of disclosures provided by leading private equity companies, sovereign wealth funds and hedge funds around the world.

The disclosures ranged from providing minimum information such as contact details and basic information on company websites, to the average provision of strategies and objectives, acquisitions and disposals, as well as portfolio performance. The benchmarks for Ekuinas were, however, organisations such as UK-based 3i plc and the Norway Government Pension Fund, which provide full disclosure of all portfolio holdings and ownerships, background on the management team, profiles of selected portfolios, as well as audited annual reports and financial statements.

Ekuinas is committed to provide fair and comprehensive disclosure of corporate information, in line with the best practices adopted by global private equity firms. We will comply with all laws and regulations to ensure communications to the public are disseminated according to applicable legal and regulatory requirements.

Our key guiding principles on disclosure are:



Benchmarked against leading private equity and sovereign wealth fund industry practices



Material information must be disclosed fairly and comprehensively to the public via annual reports and broadly disseminated news releases

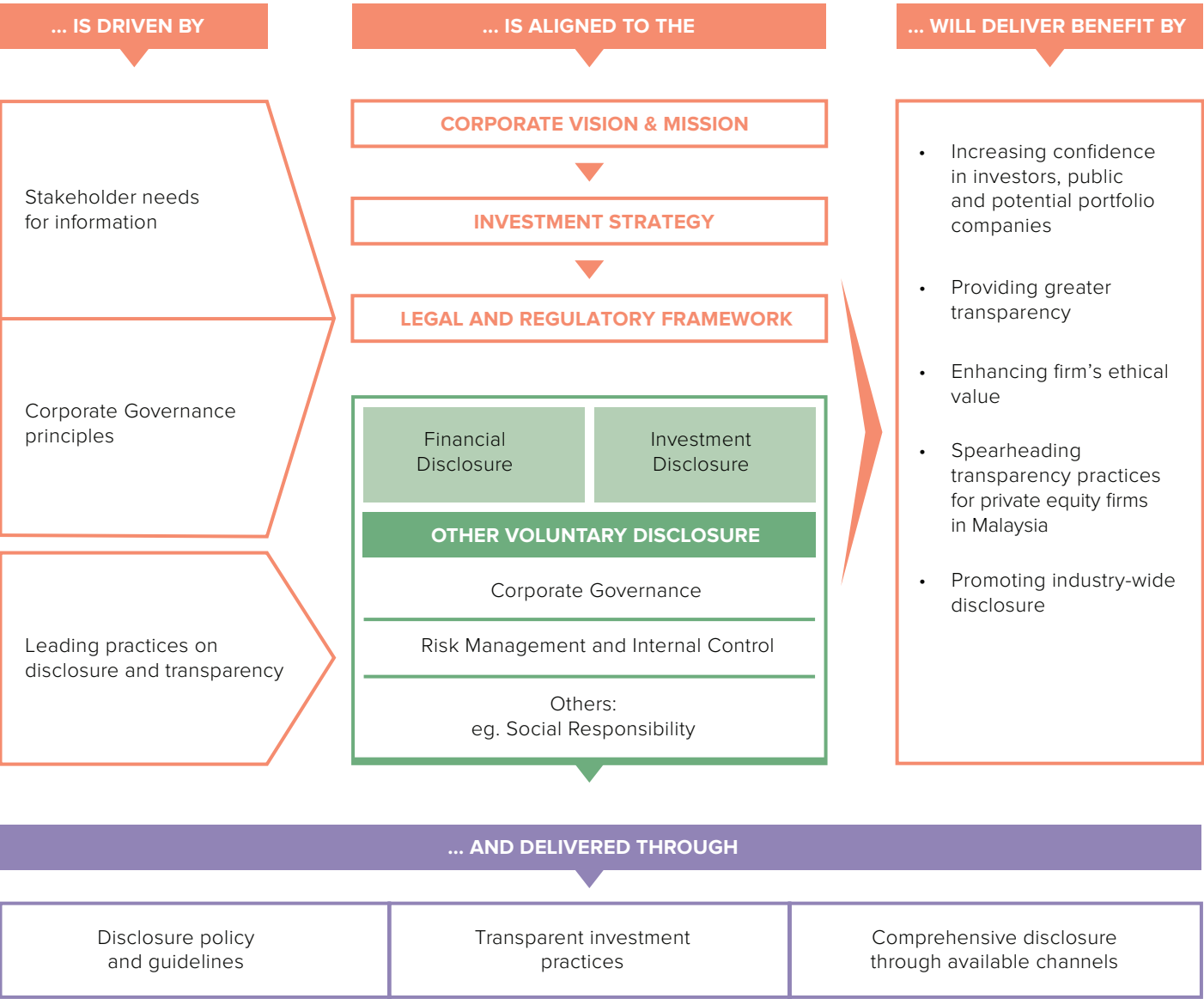


Responsive to requests for information from our key stakeholders, while at the same time adhering to the rules and guidelines of this disclosure policy



In the event that we are not able to disclose any information in cases where co-investment partners demand confidentiality or where disclosure would materially impact value creation plans, we would provide due explanation

Disclosure Policy



Environment

'Being environmentally responsible in our actions' is a pledge committed in our ESG framework, with 3 key initiatives staged from 2022-2024

1 Disclose environmental related operational metrics (emission and energy efficiency)

2 Develop a plan to minimise environmental impact from operations, covering GHG emissions, energy consumption and waste

3 Implement sustainable procurement practices across operations

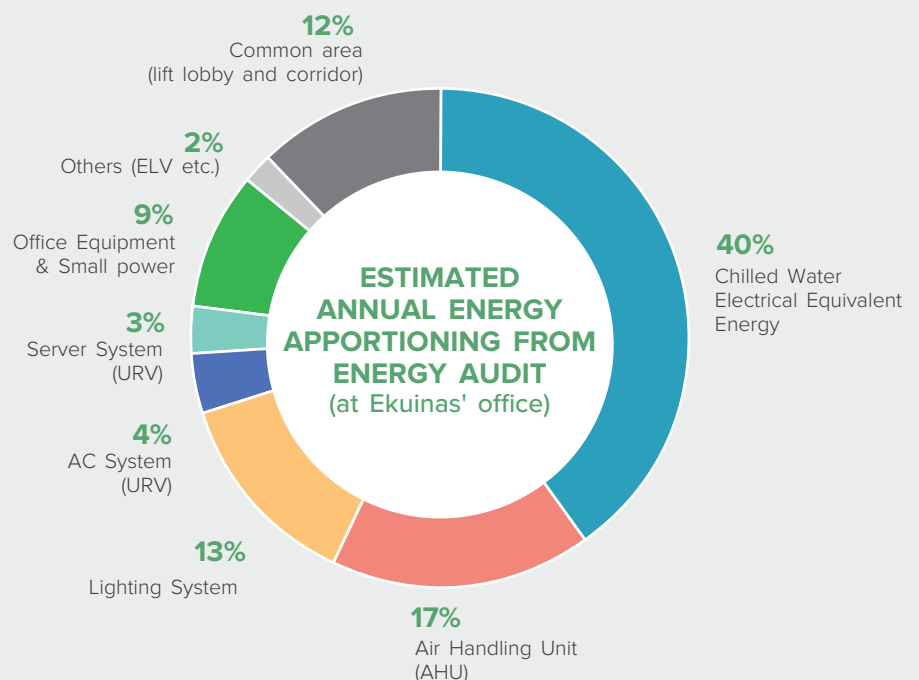
As our country transitions its energy backbone away from fossil fuel reliance towards alternative power sources such as renewable energy, corporate Malaysia has also stepped up their focus on net zero commitments in order to achieve the nation's low carbon ambitions.

While the nation advances the Environment, Social and Governance (ESG) agenda, it is important for Ekuinas to lead by example in adopting international standards and best practices.

As one of the first steps to support the nation's Net Zero aspirations, Ekuinas implemented a preliminary energy audit to gather electrical energy consumption of our owned systems and equipment and the building's air handling unit (AHU) systems that flows through our offices. By tracking these details, we are able to assess and establish our baseline around electrical energy consumption, the building's energy index, potential energy savings, and the payback period so we are better equipped to implement recommended energy saving measures while meeting current regulations under the Energy Commission.

Moving forward, in addition to conducting a more comprehensive energy audit to track and measure our energy consumption and potential estimated carbon reduction at Ekuinas' main office, our portfolio companies will also be undergoing similar energy audit exercises to ensure that both Ekuinas and our portfolio companies are conscious and actively contributing to achieving the nation's net zero carbon emission goal.

In addition to that, our portfolio companies who face higher environmental risk have taken steps in cultivating a holistic approach to their ESG commitments to facilitate effective corporate decision-making for long-term sustainability.



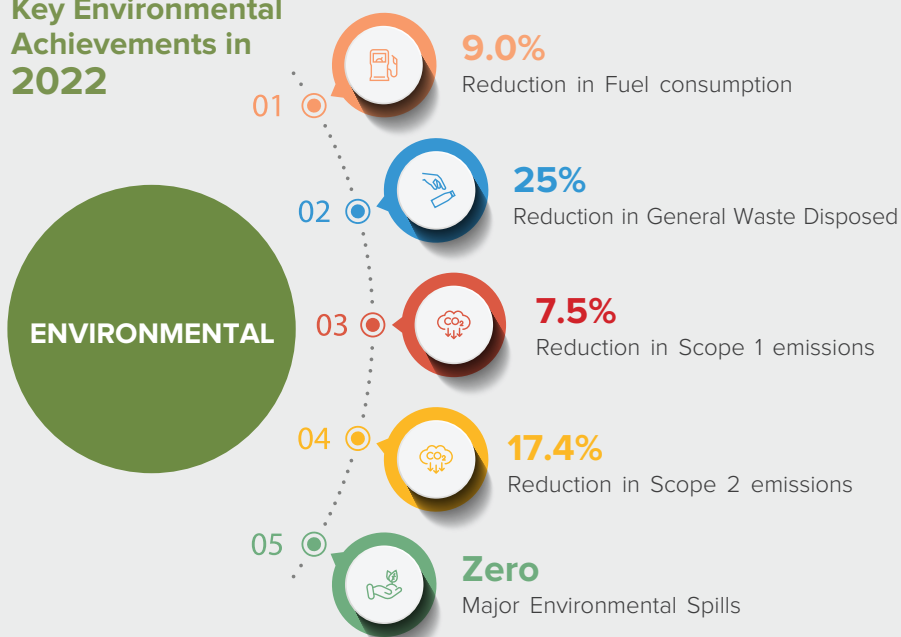
Environment

For example, ICON Offshore Berhad ("ICON"), who provides logistical support services throughout the entire offshore oil and gas life cycle have identified and assessed the materiality matters that could potentially affect the business and its operating environment to better address ICON's material risks. ICON's senior management have also made the following progress to strengthen its ESG commitments:

Progress to strengthen ESG commitments:

- Assessed waste and garbage output of business segments to devise better waste disposal and mitigation strategies
- Practiced responsible waste management and disposal so as to not affect surrounding communities
- Complied with the industry's best practices and standards in relation to air emissions
- Ensured zero major environmental spills
- Implemented safety protocols for vessel operations and drilling rig usage
- Established responsible effluents management systems for the vessels and rig

A Look at ICON's Key Environmental Achievements in 2022



Orkim Sdn Bhd, who is also operating in the oil and gas space initiated its sustainability journey a few years ago by transitioning their vessels into environmentally friendly alternatives to reduce its emissions. The five (5) eco-friendly ships in its fleet had each been proven to reduce carbon emission by 30%. Despite the higher costs in procuring and maintaining these vessels, this is a reflection of the organisation's ESG commitments as it plans to achieve net zero emissions by 2050, and 50% reduced carbon emissions by 2030. The eco-friendly fleet is also an investment for the future as more clients are expecting cleaner and sustainable solutions.





Ekuiti Nasional Berhad

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