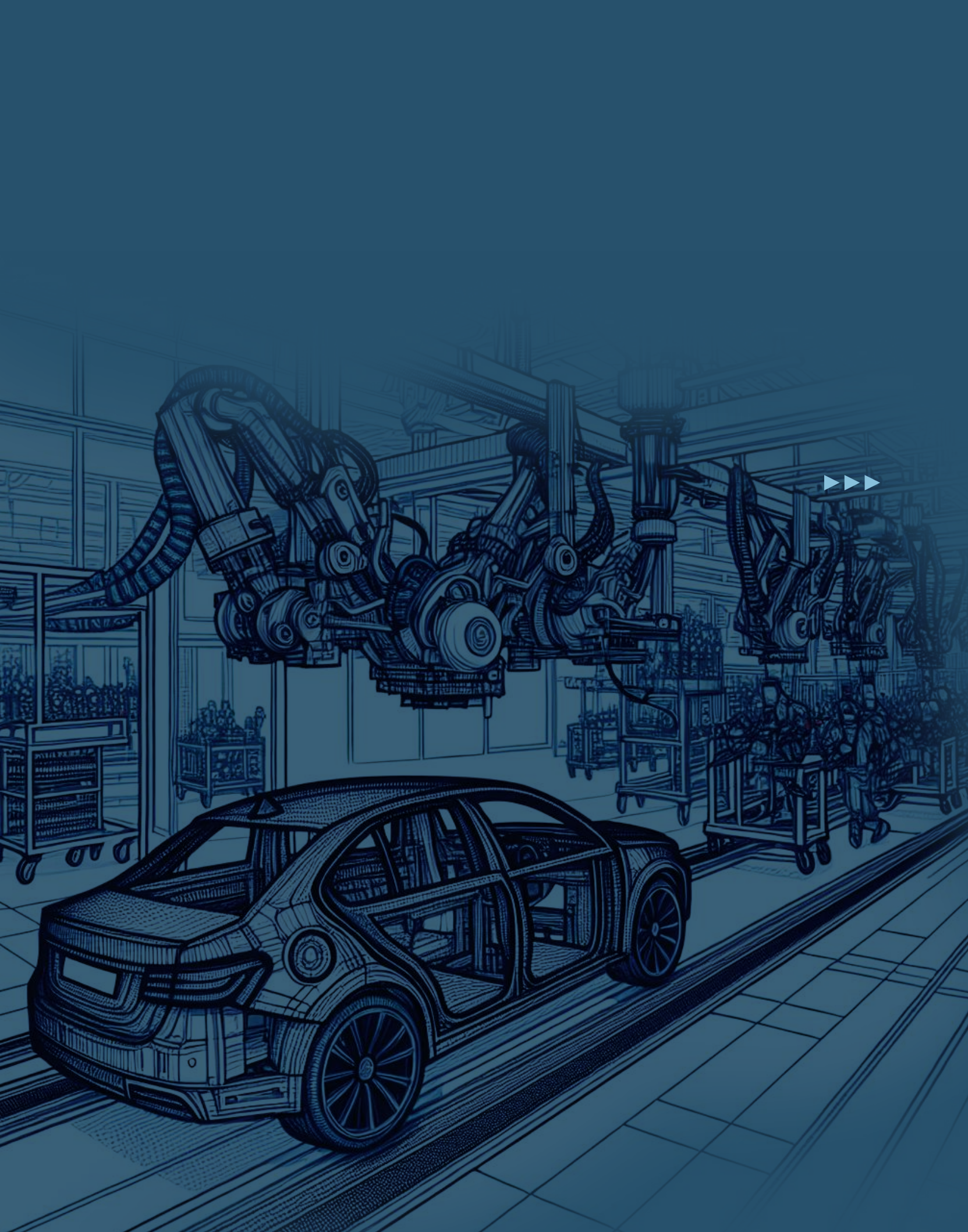




DIGITAL DYSTOPIA DILEMMA

ANNUAL REPORT 2023





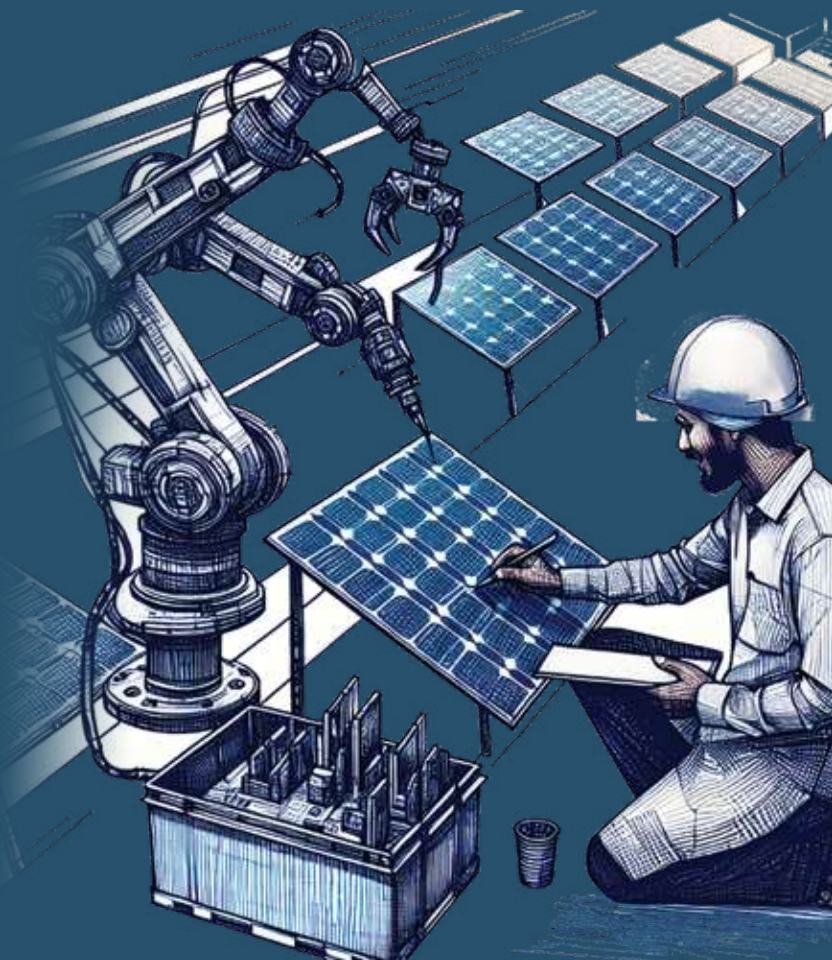
COVER RATIONALE

STRIVING FOR UTOPIA IN THE DIGITAL AGE

Technological transformation is penetrating our lives in profound ways and with ubiquitous influence. With rapid digitalisation, artificial intelligence (AI) and virtual reality (VR) compelling change to the way we work and live, it is time to reflect on whether we are progressing into a digital utopia or sliding into a **'Digital Dystopia Dilemma'**. Awareness of the potentially deleterious effect of technology forms the basis of the theme for our 2023 Annual Report.

While recent technological advancements aim to propel us to new heights including the launch of OpenAI's GPT-4 in April 2023 and other generative AI tools that have emerged, they have also sparked concerns about the social and ethical cost of technology. Issues such as dwindling attention spans, social media addiction, loss of privacy, over-reliance on digital tools, social disconnect and isolation, and declining mental well-being are among major threats to the technological revolution that promises unparalleled efficiency, precision, information and connectivity.

This theme underscores the dual nature of digital innovation, which has brought significant progress and convenience to mankind while also introducing new challenges and risks. Amidst this backdrop, we are compelled to review and re-evaluate the role we play in establishing an equilibrium for the progress and sustainability of our business and our companies. Our role as a PE firm has always been intertwined with our social values and commitment. In riding the digital wave, we hold steadfast to our belief that everything we do must be driven by purpose.



What's **INSIDE**



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A soft copy of this report can be found on our website:
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OUR BUSINESS



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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 trust foundation whose mandate is to enhance and grow Bumiputera corporate equity and ownership. 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 wealth creation and economic participation by focusing 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
 - Enhancing **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 buyouts 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.

OUR VISION



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

OUR 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

OUR VALUES



COMMERCIALLY DRIVEN

We maintain strict commercial discipline to create value



MERIT-BASED

We recognise and reward purely based on performance



FOCUSED

We are focused in our quest to achieve our objectives



HIGH PERFORMANCE

We strive to exceed expectations



PASSION

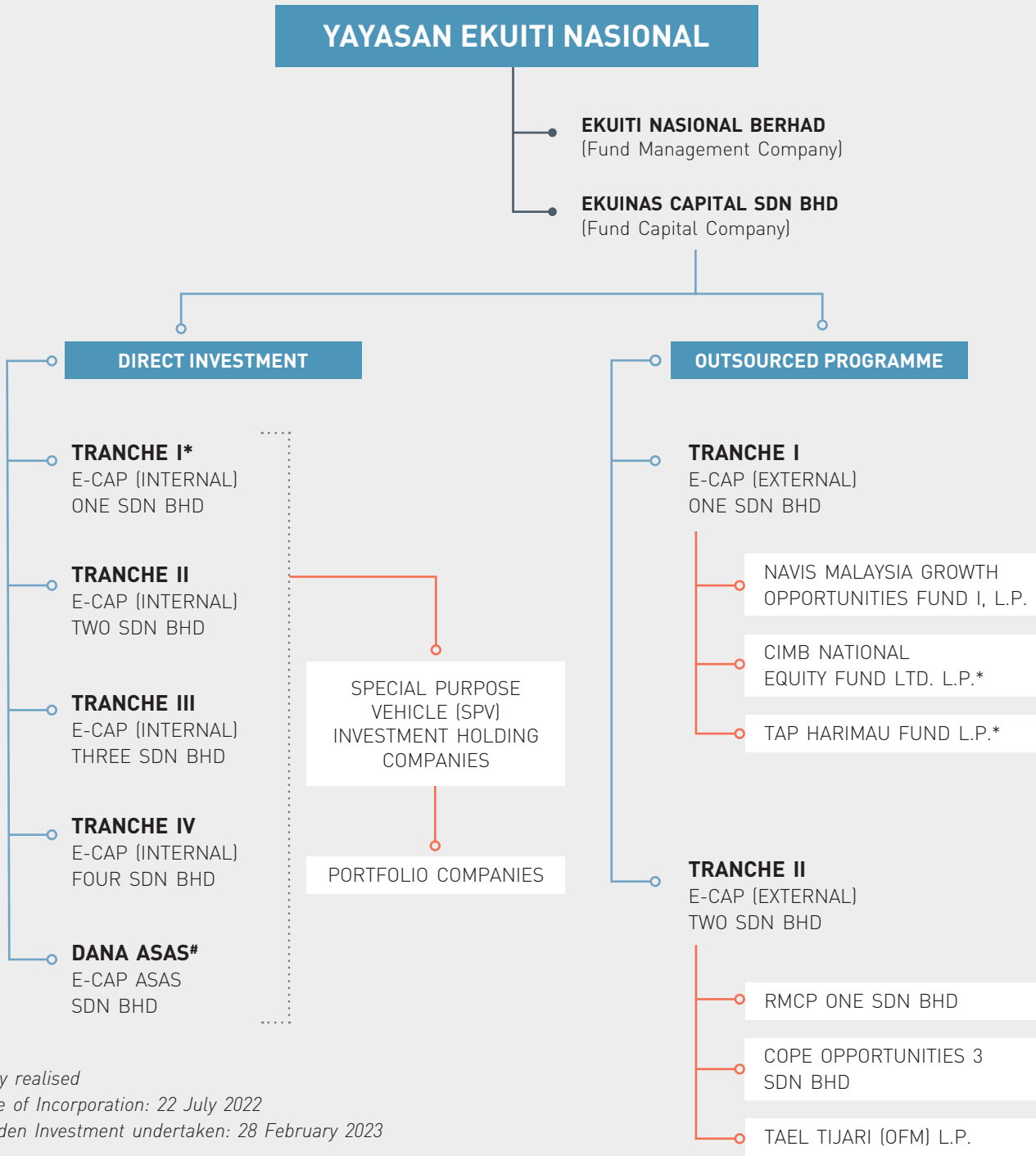
We are passionate in our task to deliver beyond the ordinary



HUMILITY

We stay true to our roots and are cognisant that we serve a greater purpose

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 (Resigned 18 July 2023)

TAN SRI SHAHRIL RIDZA RIDZUAN

Chairman (Appointed 18 July 2023)

Independent Non-Executive Director
(Appointed 1 October 2022)

DATO' SYED YASIR ARAFAT SYED ABD KADIR

Chief Executive Officer

DATUK ALI ABDUL KADIR

DATO' ABDUL HAMID SHEIKH MOHAMED

DATUK MAIMOONAH HUSSAIN

DATO' ABDUL MUTALIB ALIAS

DATO' NOR AZMIE DIRON



BOARD COMMITTEES

AUDIT & RISK MANAGEMENT COMMITTEE

Dato' Abdul Hamid Sheikh Mohamed,
Chairman

Datuk Ali Abdul Kadir

Dato' Abdul Mutalib Alias

.....

NOMINATION & REMUNERATION COMMITTEE

Datuk Maimoonah Hussain,
Chairman

Raja Tan Sri Dato' Seri Arshad Raja
Tun Uda (Resigned 18 July 2023)

Dato' Abdul Hamid Sheikh Mohamed

Dato' Abdul Mutalib Alias

.....

INVESTMENT COMMITTEE

Datuk Ali Abdul Kadir,
Chairman

Dato' Abdul Hamid Sheikh Mohamed

Datuk Maimoonah Hussain

Dato' Syed Yasir Arafat Syed Abd Kadir

Heng Khim Hui

Ahmad Hilmy Abd Jalil

Aliff Omar Mohamad Omar

Zain Azmir Zain Azahari

.....

CSR COMMITTEE

Dato' Abdul Mutalib Alias,
Chairman

Dato' Syed Yasir Arafat Syed Abd Kadir

Hizwani Hassan

Fazlin Abu Hassan Shaari

.....

SENIOR MANAGEMENT COMMITTEE

Dato' 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

Fazlin Abu Hassan Shaari,
Chief Financial Officer

.....

COMPANY SECRETARY

Alwizah 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

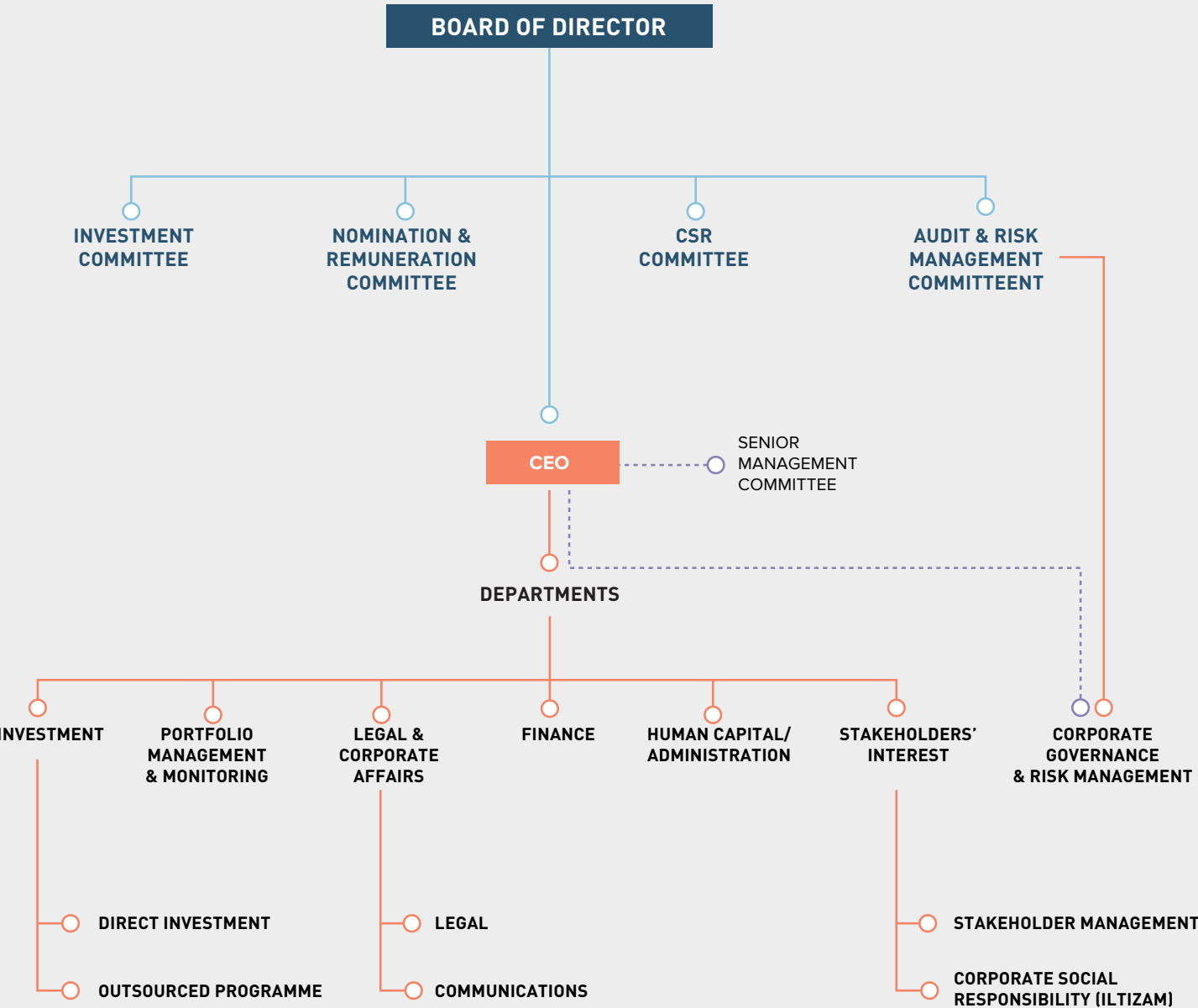
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OFFICE ADDRESS

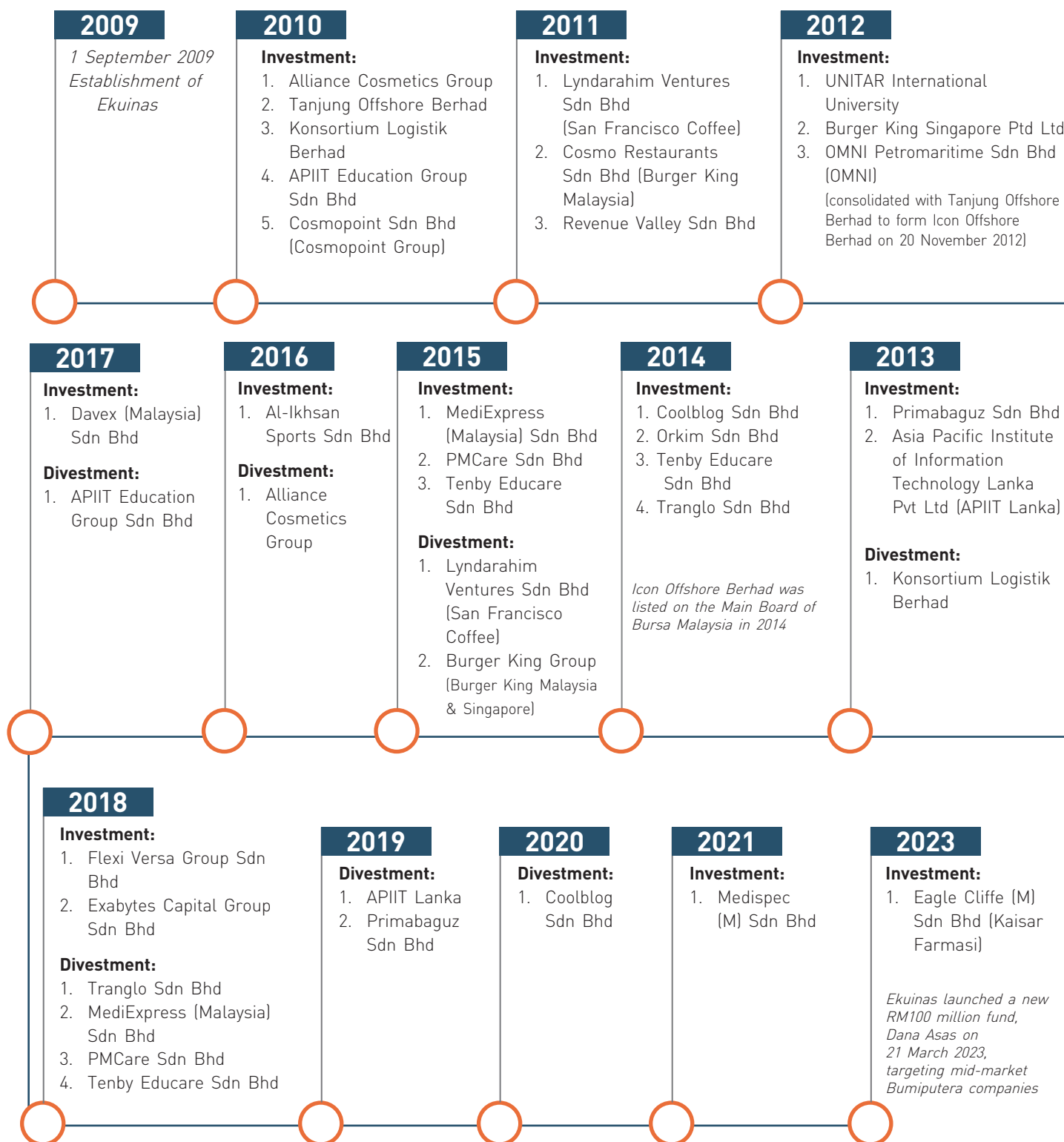
Ekuiti Nasional Berhad
200901025164 (868265-U)
Level 16, Surian Tower
No. 1, Jalan PJU 7/3
Mutiar Damansara
47810 Petaling Jaya
Selangor

.....

ORGANISATION STRUCTURE



OUR INVESTMENTS AT A GLANCE



Note:
Completed divestment of 50.2% stake in Icon Offshore in March 2024





OUR LEADERSHIP



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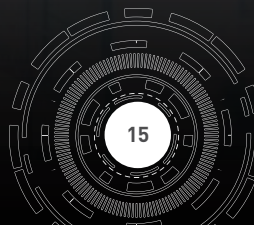


BOARD OF DIRECTORS



Standing from Left to Right

Dato' Abdul Hamid Sheikh Mohamed, Dato' Abdul Mutalib Alias, Raja Tan Sri Dato' Seri Arshad Raja Tun Uda, Datuk Maimoonah Hussain, Dato' Nor Azmie Diron, Tan Sri Shahril Ridza Ridzuan, Dato' Syed Yasir Arafat Syed Abd Kadir and Datuk Ali Abdul Kadir.



BOARD OF DIRECTORS PROFILE

RAJA TAN SRI DATO' SERI ARSHAD RAJA TUN UDA

Independent Non-Executive Chairman



Nationality: Malaysian



Date of Appointment: 9 January 2009



Date of Resignation: 18 July 2023

- Member, Nomination and Remuneration Committee (NRC)



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 (Until 6 June 2023)
- Group Chairman, Permodalan Nasional Berhad
- Chairman, Bumi Armada Berhad
- Chairman, Yayasan Raja Muda Selangor
- Chairman, Yayasan Amir
- Member of the Board of Trustees, Yayasan DayaDiri
- Chancellor, Universiti Selangor

Past Relevant Experience

- Executive Chairman, PricewaterhouseCoopers (PwC) Malaysia
- Chairman, Malaysian Accounting Standards Board
- Chairman, Danamodal Nasional Berhad
- Director, Khazanah Nasional Berhad
- Director, Maxis Berhad

TAN SRI SHAHRIL RIDZA RIDZUAN

Independent Non-Executive Chairman



Nationality: Malaysian



Date of Appointment:

1 October 2022
(Independent Non-Executive Director)

18 July 2023
(Independent Non-Executive Chairman)



Qualification/Membership/Award(s)

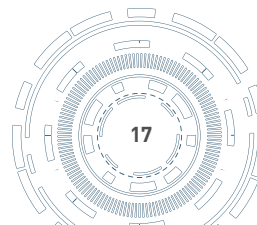
- Master of Arts, Cambridge University
- Bachelor of Civil Law, Oxford University
- Called to the Malaysian Bar and the Bar of England and Wales

Present Appointments

- Chairman, Axiata Group
- Chairman, Iskandar Waterfront Holdings Sdn Bhd
- Board Member, Pengurusan Danaharta Nasional
- Board Member, Right Sentiments Sdn Bhd
- Board Member, Kuantan Agrofood Park Sdn Bhd
- Board Member, Kuala Lumpur Kepong Berhad

Past Relevant Experience

- Managing Director, Khazanah Nasional Berhad
- CEO, Kumpulan Wang Simpanan Pekerja (KWSP)
- Deputy CEO (Investments), KWSP
- Managing Director, Malaysian Resources Corporation Berhad (MRCB)
- Pengurusan Danaharta Nasional
- Legal Assistant, Zain & Co



BOARD OF DIRECTORS PROFILE

DATO' SYED YASIR ARAFAT SYED ABD KADIR

Chief Executive Officer



Nationality: Malaysian



Date of Appointment: 1 March 2016

- Member, Investment Committee (IC)
- Member, CSR Committee (CSRC)



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, Lembaga Tabung Haji (until 31 August 2023)

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

DATUK ALI ABDUL KADIR

Independent Non-Executive Director



Nationality: Malaysian



Date of Appointment: 10 January 2015

- Chairman, Investment Committee (IC)
- Member, Audit and Risk Management Committee (ARMC)



Qualification/Membership/Award(s)

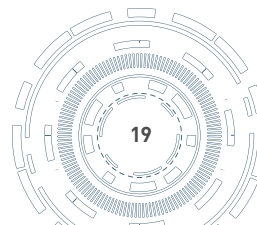
- Fellow of the Institute of Chartered Accountants in England & Wales (ICAEW)
- Member, Malaysian Institute of Certified Public Accountants (MICPA)
- Member, Malaysian Institute of Accountants (MIA)
- Honorary Fellow, Institute of Chartered Secretaries & Administrators (UK)
- Honorary Fellow, Malaysian 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
- Chairman, Amanah Lestari Alam
- Chairman, Persatuan Makanan Ehsan

Past Relevant Experience

- Chairman, Tropical Rainforest Conservation and Research Centre
- 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)



BOARD OF DIRECTORS PROFILE

DATO' ABDUL HAMID SHEIKH MOHAMED

Independent Non-Executive Director



Nationality: Malaysian



Date of Appointment: 6 January 2020

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



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 International Holdings Sdn Bhd
- Commissioner, PT Maybank Sekuritas Indonesia
- 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)

DATUK MAIMOONAH HUSSAIN
Independent Non-Executive Director



Nationality: Singaporean



Date of Appointment: 1 May 2022

- Chairman, Nomination and Remuneration Committee (NRC)
- Member, Investment Committee (IC)



Qualification/Membership/Award(s)

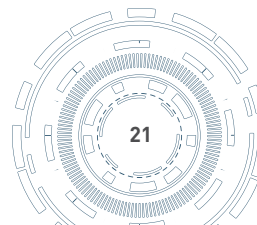
- Bachelor of Accountancy, National University of Singapore
- Chartered Banker
- Singapore Business Award for Outstanding Overseas Executive (2015)
- Asian CEO of the Year and Malaysian CEO with HR Orientation by World HRD Congress (2019)

Present Appointments

- Board Member, National Gallery Singapore
- Board Member, GXBank Berhad, formerly known as A5-DB Operations (M) Berhad
- Board Member, Hong Leong Asia Ltd

Past Relevant Experience

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



BOARD OF DIRECTORS PROFILE

DATO' ABDUL MUTALIB ALIAS

Independent Non-Executive Director



Nationality: Malaysian



Date of Appointment: 1 May 2022

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



Qualification/Membership/Award(s)

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

Present Appointments

- Independent Non-Executive Director, AirAsia X Berhad
- Non-Independent Non-Executive Chairman, Icon Offshore Berhad
- Independent Non-Executive Director, Prolintas Managers Berhad
- Non-Independent Non-Executive Chairman, Bintulu Port Holdings Berhad (Until April 2023)

Past Relevant Experience

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

DATO' NOR AZMIE DIRON

Non-Executive Director



Nationality: Malaysian



Date of Appointment: 13 January 2023



Qualification/Membership/Award(s)

- Master of Information Technology, Universiti Kebangsaan Malaysia (UKM)
- Bachelor of Economics, University of Malaya (UM)
- Diploma in Public Administration, National Institute of Public Administration (INTAN)

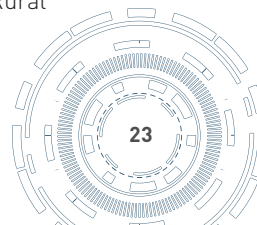
Present Appointments

- Secretary General of the Ministry of Economy, Malaysia
- Council Member, Majlis Amanah Rakyat (MARA)
- Board Member, myDigital Corporation
- Board Member, Sabah Economic Development and Investment Authority (SEDIA)
- Board Member, Regional Corridor Development Authority, Sarawak (RECODA)
- Council Member, East Coast Economic Region Development Council (ECERDC)
- Member of Authority, Iskandar Regional Development Authority (IRDA)
- Board Member, Johor Corporation (JCorp)
- Board Member, Perbadanan Putrajaya
- Board Member, Northern Corridor Implementation Authority (NCIA)

- Trustee, TERAJU Bumiputera Corporation
- Trustee, Yayasan Peneraju Pendidikan Bumiputera (YPPB)

Past Relevant Experience

- Deputy Director General (Macro), Ministry of Economy, formerly known as Economic Planning Unit, Prime Minister's Department
- State Secretary, Selangor
- Chairman, Kumpulan Perangsang Selangor
- Chairman, Worldwide Holdings Berhad
- Board Member, Selangor State Development Corporation (PKNS)
- Board Member, Air Selangor
- Board Member, Invest Selangor
- Deputy State Secretary (Development), Selangor
- Director, State Economic Planning Unit (UPEN), Selangor
- Deputy Director, State Economic Planning Unit (Macro & Privatisation), Selangor
- State Finance Officer, Selangor
- Principal Assistant Secretary, Prime Minister's Department
- Assistant Secretary, Ministry of Entrepreneur Development
- Assistant Secretary, Ministry of Rural Development





SENIOR MANAGEMENT



Standing from Left to Right

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



SENIOR MANAGEMENT PROFILE



DATO' SYED YASIR ARAFAT SYED ABD KADIR
Chief Executive Officer

Date of Commencement:
1 November 2009

Dato' 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 and CSR Committees. He was appointed as the CEO on 1 March 2016.

Profile presented on page 18.



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 Master's 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.



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 Kearney (formerly A.T. Kearney) and Accenture. He brings with him over 14 years 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.



AHMAD HILMY ABD JALIL

Senior Director, Investment

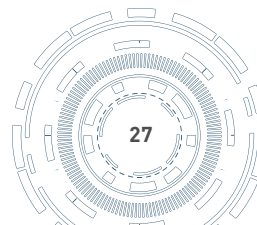
Date of Commencement:

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 16 years of experience in investment banking in Southeast Asia, previously as a senior leader with Deutsche Bank based in Singapore and with UBS Investment Bank. Prior to that, 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



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 15 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.



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 NanoMalaysia Berhad.



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 HR strategy and 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.



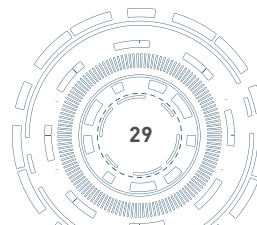
FAZLIN ABU HASSAN SHAARI
Chief Financial Officer

Date of Commencement:
27 September 2021

Fazlin is the Chief Financial Officer (CFO) of Ekuinas. She is a qualified accountant and has 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 2023 IN REVIEW



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<https://ekuinas.com.my>

2023 AT A GLANCE



INVESTMENT PERFORMANCE

EKUINAS DIRECT (TRANCHE II) FUND

GROSS PORTFOLIO
RETURN

RM765.4 MILLION

GROSS IRR

11.5% P.A.

NET IRR

8.3% P.A.

EKUINAS DIRECT (TRANCHE III) FUND

GROSS PORTFOLIO
LOSS

RM(29.0) MILLION

GROSS IRR

-0.6% P.A.

NET IRR

-5.1% P.A.

EKUINAS DIRECT (TRANCHE IV) FUND

GROSS PORTFOLIO
RETURN

RM83.0 MILLION

GROSS IRR

43.0% P.A.

NET IRR

-2.4% P.A.

EKUINAS OUTSOURCED (TRANCHE I) FUND

GROSS PORTFOLIO
RETURN

RM81.0 MILLION

GROSS IRR

4.1% P.A.

NET IRR

3.3% P.A.

EKUINAS OUTSOURCED (TRANCHE II) FUND

GROSS PORTFOLIO
LOSS

RM(17.7) MILLION

GROSS IRR

-3.1% P.A.

NET IRR

-4.1% P.A.



IRR: Internal Rate of Return

TOTAL CUMULATIVE INVESTMENT PORTFOLIO

Total Number of Companies -
Direct and Outsourced

43

Direct Investments

25

Outsourced Programmes

18

Total Economic Capital
Deployed

RM5.1 BILLION

Total Committed Investment
by Ekuinas

RM4.5 BILLION



SOCIAL OBJECTIVE PERFORMANCE

- Combined Direct Investment and Outsourced Programme

Bumiputera Equity
Created

RM6.4 BILLION
1.6x capital invested

Total Shareholders'
Value Created

RM8.1 BILLION
2.1x capital invested



Increase in Bumiputera
Management since
Ekuinas' Entry

28.1%

Increase in Bumiputera
Employees since
Ekuinas' Entry

15.2%

FUND MANAGEMENT COMPANY

Total Funds under
Management (FuM)

RM4.2 BILLION

Operating Expenditure
(OPEX)

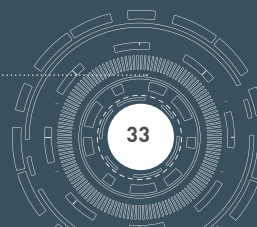
RM41.3 MILLION

Ratio of OPEX to FuM

1.0%

Profit after Tax and
Zakat

RM3.9 MILLION



2023 KEY FINANCIAL HIGHLIGHTS

1. Funds Movement From/To Yayasan Ekuiti Nasional (YEN)

	2023 RM million	2022 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
Ekuias Direct (Tranche I) Fund	2010	1,000.0	Buyout and Growth Capital	5 + 2 + 1 years	Fully realised
Ekuias Direct (Tranche II) Fund	2012	1,000.0	Buyout and Growth Capital	5 + 2 + 1.5 + 2 + 2 years	Deployed
Ekuias Direct (Tranche III) Fund	2014	1,500.0	Buyout and Growth Capital	5 + 1 + 2 + 4 years	Deployed
Ekuias Direct (Tranche IV) Fund	2019	1,000.0	Buyout and Growth Capital	5 + 4 years	Investing
Ekuias Dana Asas (Tranche I) Fund	2023	100.0	Growth Capital	8 + 2 years	Investing
Ekuias Outsourced (Tranche I) Fund	2011	400.0	Growth Capital	6 + 1 + 1 + 1 + 1 + 1 + 1 years	Deployed
Ekuias Outsourced (Tranche II) Fund	2013	240.0	Growth Capital	7 + 1 + 1 + 1 + 1 years	Deployed

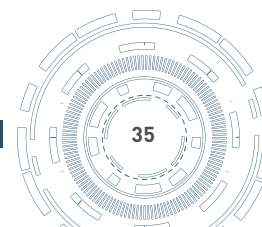
3. Total Funds Under Management

	2023 RM million	2022 RM million
Direct	3,600.0	3,500.0
Outsourced	640.0	640.0
Total	4,240.0	4,140.0
Total Funds available for investments, including private capital	4,502.0	4,402.0

4. Summary of Fund Performance

a. Summary of Cumulative Investment Activity

	Number of Investments	Committed Investment RM Million	Total Economic Capital Deployed in Malaysian Economy RM Million
2023			
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	22	1,701.8	1,701.8
EkuiNAS Direct (Tranche IV) Fund	1	69.6	69.6
EkuiNAS Dana Asas (Tranche I) Fund	1	19.5	19.5
Total - Direct	51	4,124.0	4,246.1
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	74	4,463.6	5,095.1
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



2023 KEY FINANCIAL HIGHLIGHTS

4. Summary of Fund Performance (continued)

b. Summary of Cumulative Realisation Activity

	Total Number of Realisation	Total Realisation Amount RM million
2023		
Ekuias Direct (Tranche I) Fund - Realised	11	1,624.4
Ekuias Direct (Tranche II) Fund	11	901.1
Ekuias Direct (Tranche III) Fund	7	838.6*
Total	29	3,364.1
2022		
Ekuias Direct (Tranche I) Fund - Realised	11	1,624.4
Ekuias Direct (Tranche II) Fund	11	901.1
Ekuias Direct (Tranche III) Fund	6	645.3
Total	28	3,170.8

* Before settlement of debts

c. Summary of Cumulative Financial Performance

	Gross Portfolio Return/(Loss) RM million	Gross Internal Rate of Return (IRR)	Net IRR
Direct Fund			
2023			
Ekuias Direct (Tranche II) Fund	765.4	11.5% p.a.	8.3% p.a.
Ekuias Direct (Tranche III) Fund	(29.0)	-0.6% p.a.	-5.1% p.a.
Ekuias Direct (Tranche IV) Fund	83.0	43.0% p.a.	-2.4% p.a.
2022			
Ekuias Direct (Tranche II) Fund	716.6	11.9% p.a.	8.6% p.a.
Ekuias Direct (Tranche III) Fund	133.5	3.1% p.a.	-2.1% p.a.
Ekuias Direct (Tranche IV) Fund	91.1	77.2% p.a.	8.4% p.a.

4. Summary of Fund Performance (continued)

c. Summary of Cumulative Financial Performance (continued)

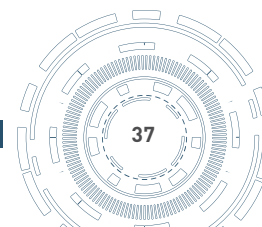
	Gross Portfolio Return/(Loss) RM million	Gross Internal Rate of Return (IRR)	Net IRR
Outsourced Fund			
2023			
Ekuias Outsourced (Tranche I) Fund	81.0	4.1% p.a.	3.3% p.a.
Ekuias Outsourced (Tranche II) Fund	(17.7)	-3.1% p.a.	-4.1% p.a.
2022			
Ekuias Outsourced (Tranche I) Fund	82.0	4.1% p.a.	3.4% p.a.
Ekuias Outsourced (Tranche II) Fund	(14.4)	-2.7% p.a.	-3.8% p.a.

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
2023	6,447.6	1.6x	8,088.9	2.1x
2022	6,507.0	1.6x	8,226.8	2.1x

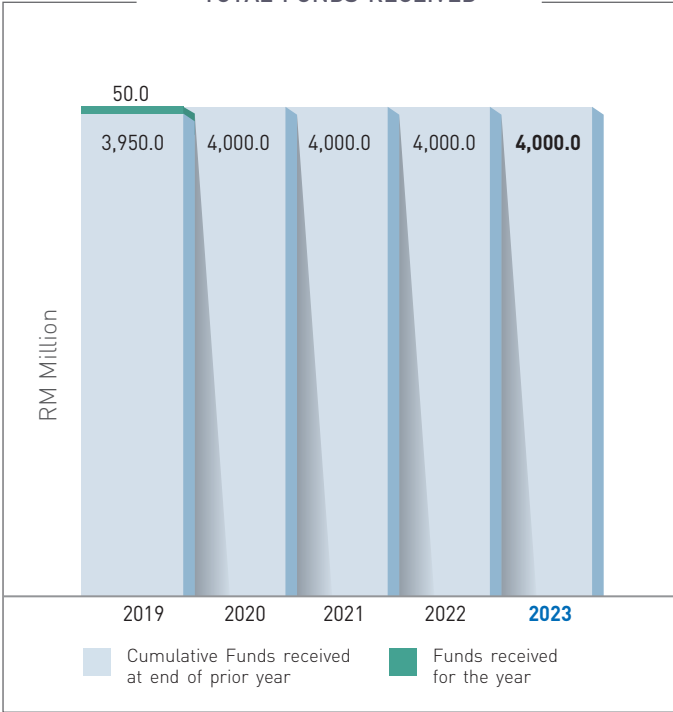
5. Ekuiti Nasional Berhad (Fund Management Company)

	2023 RM million	2022 RM million
Total Funds under Management (FuM)	4,240.0	4,140.0
Operating Expenditure (OPEX)	41.3	38.3
Ratio of OPEX to FuM	1.0%	0.9%
Profit after Tax and Zakat (PAT)	3.9	1.1

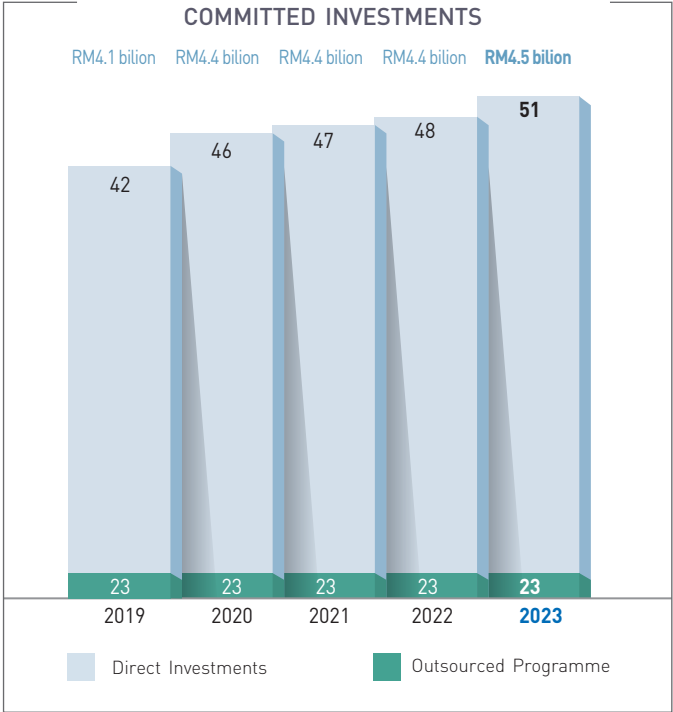


5-YEAR FINANCIAL HIGHLIGHTS

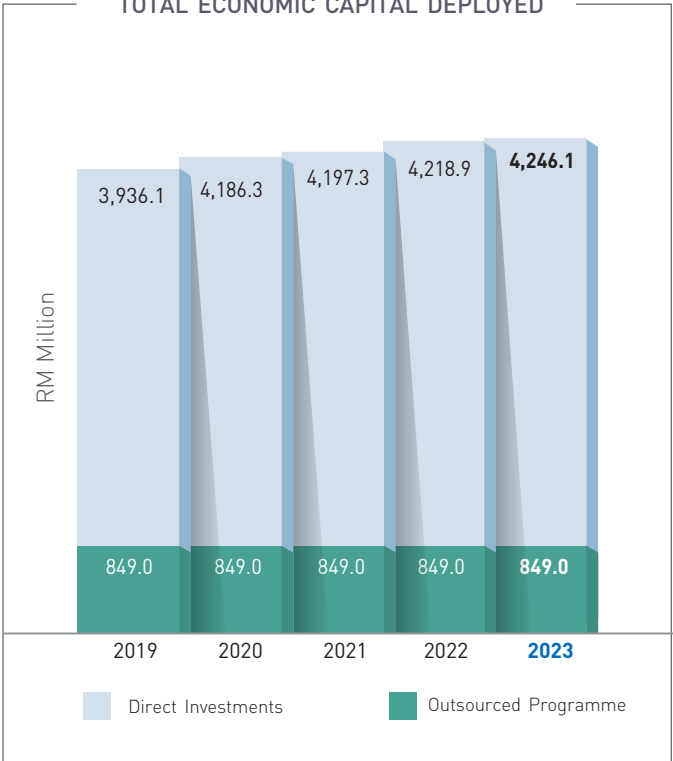
TOTAL FUNDS RECEIVED



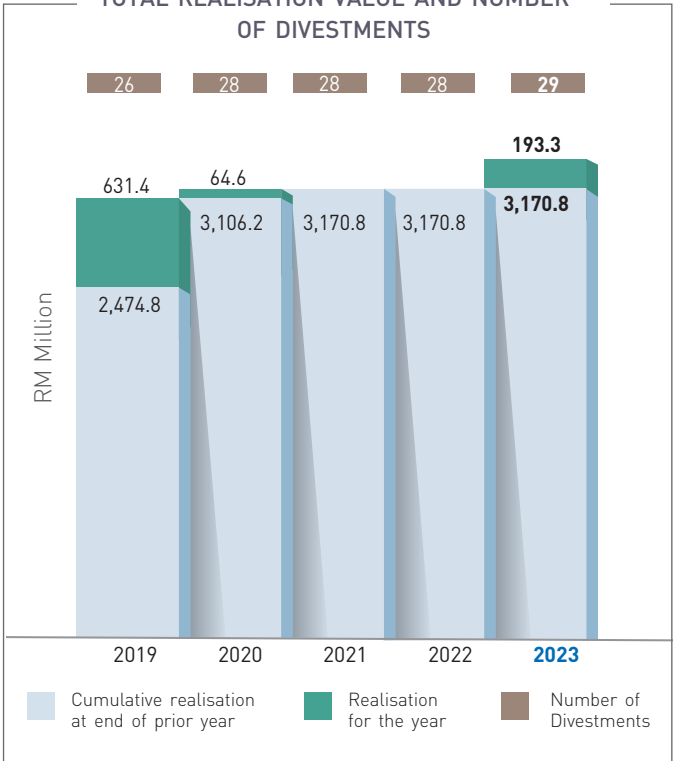
TOTAL VALUE AND NUMBER OF COMMITTED INVESTMENTS



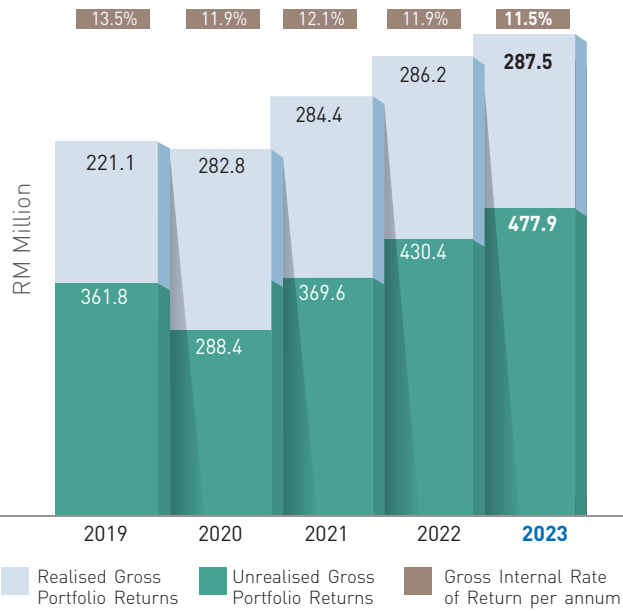
TOTAL ECONOMIC CAPITAL DEPLOYED



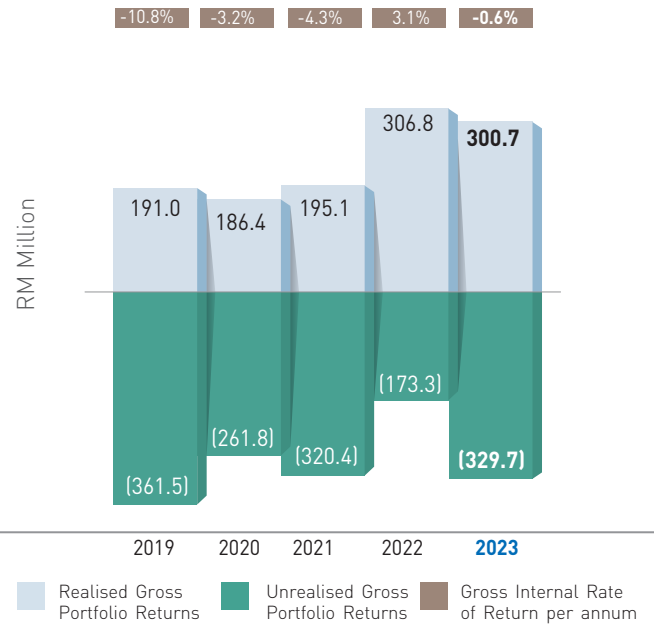
DIRECT INVESTMENT – TOTAL REALISATION VALUE AND NUMBER OF DIVESTMENTS



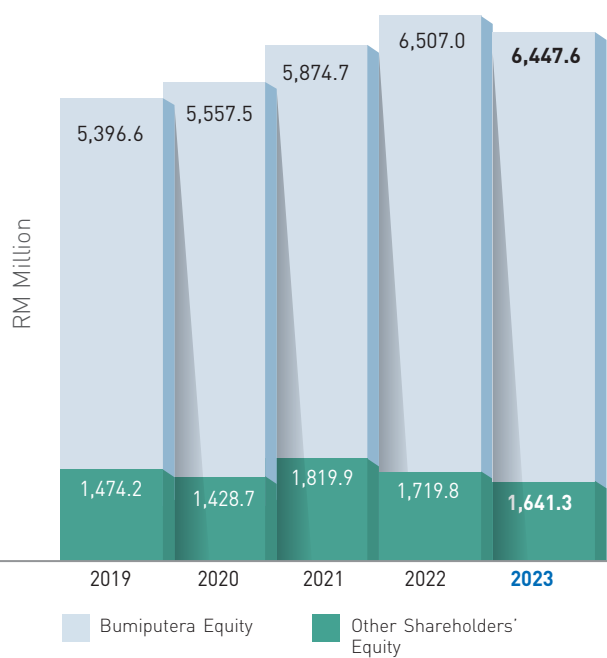
FUND PERFORMANCE – EKUINAS DIRECT (TRANCHE II) FUND



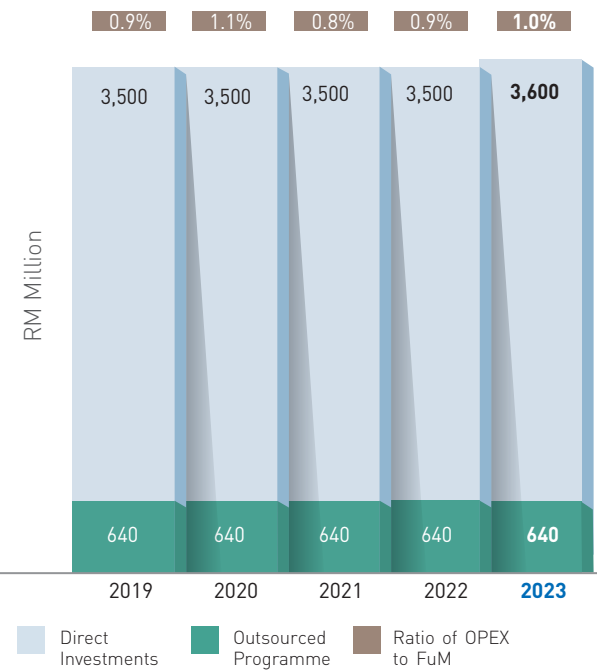
FUND PERFORMANCE – EKUINAS DIRECT (TRANCHE III) FUND



TOTAL BUMIPUTERA EQUITY AND OTHER SHAREHOLDERS' VALUE CREATED



FUNDS UNDER MANAGEMENT AND FUM OPEX RATIO



“

There is noticeable excitement among technologists, entrepreneurs and policymakers who envision AI as a catalyst for unprecedented levels of efficiency, productivity and economic growth. The potential benefits are manifold, ranging from optimised supply chains and personalised services to breakthroughs in healthcare and education. However, interwoven with this excitement is a thread of apprehension and concern, particularly among workers whose livelihoods may be at risk due to automation and AI-driven job displacement. ”

TAN SRI SHAHRIL RIDZA RIDZUAN
Chairman

CHAIRMAN & CEO'S

JOINT STATEMENT



DATO' SYED YASIR ARAFAT SYED ABD KADIR
Chief Executive Officer

DEAR STAKEHOLDERS,

The year in review was a reminder and study of prudence, patience and discipline in the face of the pressure for quick wins underpinned by proactive governance and purpose. Coming out of 2022, we knew 2023 was going to be another tough year. All the geopolitical and macroeconomic risks of the persistent Russia-Ukraine invasion, escalating US-China trade war, the ongoing generative artificial intelligence (AI) conundrum and compounded even further by the Hamas-Israel conflict, raised risk levels and added significant drag on the local and global economies.

Eventually, the protracted anticipation of geopolitical stability and an expected return to economic normalcy eventually gave way to a pervading sense of disappointment. Furthermore, as Malaysia stands at the crossroads of technological innovation, the unexpected introduction of generative AI technology has ignited a complex array of emotions and perspectives. On one hand, there is noticeable excitement among technologists, entrepreneurs and policymakers who envision AI as a catalyst for unprecedented levels of efficiency, productivity and economic growth. The potential benefits are manifold, ranging from optimised supply chains and personalised services to breakthroughs in healthcare and education.

However, interwoven with this excitement is a thread of apprehension and concern, particularly among workers whose livelihoods may be at risk due to automation and AI-driven job displacement. Malaysia's workforce, like many others globally, faces the looming shadow of technological unemployment, where routine tasks once performed by humans are increasingly automated. This raises profound questions about the future of work, skills retraining and social safety nets in a rapidly evolving digital economy.

Moreover, the potential impacts of AI extend beyond the realm of employment. There are broader societal implications to consider, including issues related to data privacy, algorithmic bias and the concentration of power among tech giants. As Malaysia integrates AI into various sectors, from finance and manufacturing to transportation and agriculture, policymakers must grapple with the ethical, legal and regulatory dimensions of this transformative technology.

In navigating these complexities, Malaysia has an opportunity to chart a balanced path forward—one that harnesses the transformative potential of AI while mitigating its disruptive effects. This necessitates a collaborative effort involving government, industry, academia and civil society to shape responsible AI deployment strategies, promote digital literacy and ensure that the benefits of AI are equitably distributed across society. By embracing innovation while upholding principles of inclusivity and fairness, Malaysia can strive towards a future where AI serves as a force for positive change, enhancing the well-being and prosperity of all its citizens.

CHAIRMAN & CEO'S JOINT STATEMENT

MARKET REVIEW: TREADING THROUGH THE TURBULENCE TOWARDS CLEARER SKIES AND CALMER WATERS

Almost seven (7) months into the year 2023, markets heaved a tentative sigh of relief as the US Federal Reserve (the Fed) announced what was widely expected to be its 11th and final rate hike in a series of aggressive announcements amounting to a cumulative 525 basis point rise from March 2022 to July 2023. The ensuing fallout from the end of cheap money continued well into 2023, as the Fed's sharpest monetary tightening in more than 40 years continued to hamper sentiment and valuations in private equity (PE) markets, causing the number of investments, exits and fundraising to plunge further in its steepest decline since the global financial crisis (GFC).

Global private equity deal value and deal count fell 60% and 35% respectively from their peaks in 2021, whilst exit value was down 66% and the number of funds closing off also nosedived by nearly 55%. Deals of all sizes declined in 2023 and were well off five-year averages¹. The shock of the steep rise in interest rates forced dealmakers to pause and to sit on the sidelines to take stock and reassess their portfolios. Global dry powder across private asset classes and fund types continued to pile up, reaching USD3.9 trillion, setting another record in 2023.

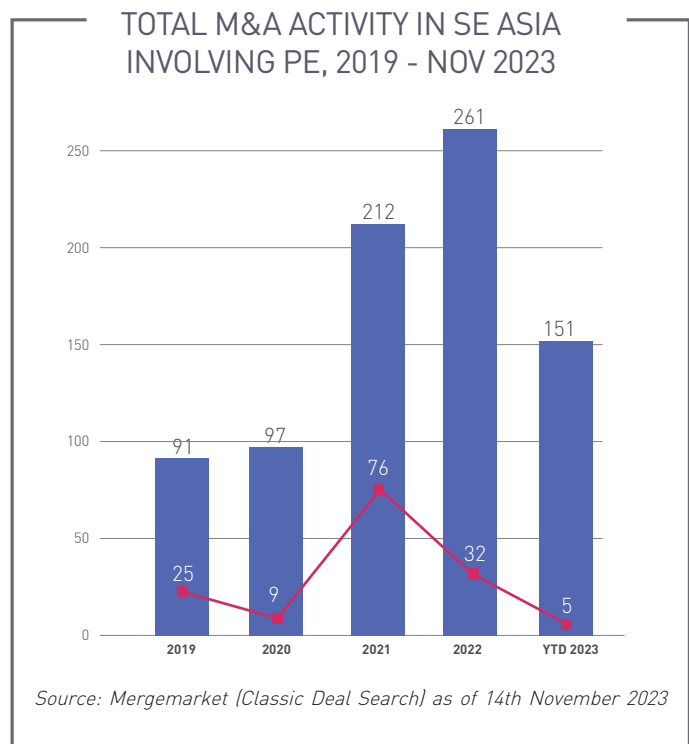
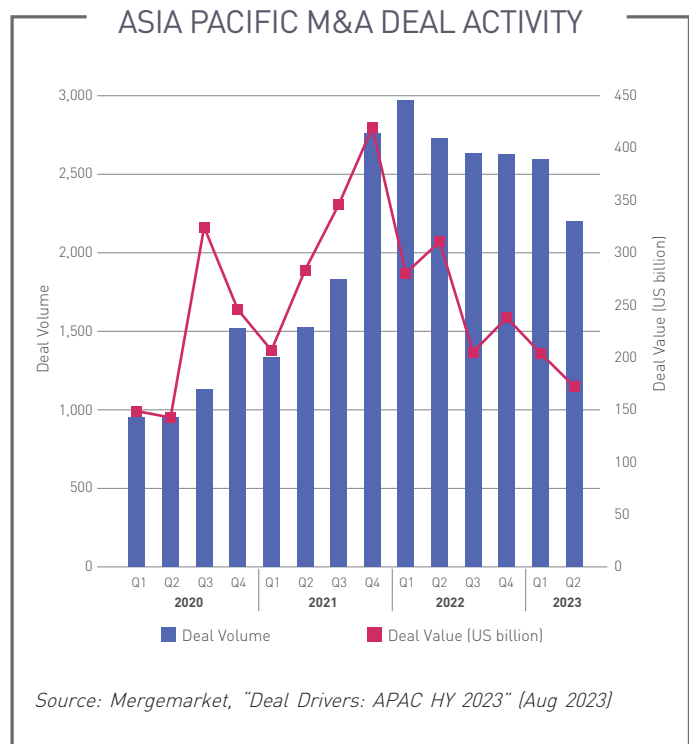
With a record 26% of dry powder for global buyout funds now still undeployed for four years or more, the pressure on general partners (GPs) to deploy funds has intensified². Deal activity across Asia Pacific declined by 16% year-on-year (YoY) in the first half of the year (1H2023), marked by a slowdown in big-ticket deals and resilience in mid-sized transactions. Industrials and Chemicals was the standout sector for M&A dealmaking, with announced deals rising 14% YoY to 885, largely reflecting consolidation in the sector. Telecoms, Media and Technology (TMT) was the second most prolific sector, followed at some distance by the Financial Services and Consumer sectors. Southeast Asia and India are expected to contribute increasingly larger deal activity in the dealmaking space³.

Comparatively, public markets fared slightly better than private equity. Whilst lagging in both numbers and proceeds compared to 2022, the 1,298 initial public offerings (IPOs) globally chalked up a total of USD123.2 billion in proceeds, down from 1,415 and a total of USD184.3 billion in 2022⁴, or a decline of 8% and 33% respectively. With aggressive tightening of monetary policy

¹ Source: Private Equity Outlook 2024: The Liquidity Imperative by Bain & Company

² Ibid.

³ Source: Mergermarket Deal Drivers APAC 1H2023 (Aug 2023)



driving down liquidity and increasing financing costs, most companies looking to go for IPO were highly selective and cautious, as the lacklustre post-listing performance of many large offerings reflected the mismatch in pricing and valuation expectations between issuers and investors. As a result, many companies, like GPs, chose to postpone their offerings, whilst looking out for clearer market signals and signs of stability.

CREATING VALUE IN A NEW ERA OF TECHNOLOGICAL CHANGE

As most developed markets sputtered, IPO activity in developing markets saw some bright spots with Indonesia, Malaysia and Turkiye recording increases in deal volume and proceeds. India, Saudi Arabia and Thailand also recorded increases in IPO activity compared to Hong Kong's 20-year low in proceeds⁵.

Whilst Southeast Asia's (SEA) PE activity fell in tandem with the rest of Asia Pacific (APAC), concluding 2023 with a total of 22 deals deploying USD3.9 billion, down from 38 deals deploying USD6.7 billion in 2022, markets saw visible momentum gained towards the second half of 2023. Healthcare deals accounted for more than a third or 36% of PE investments in SEA, followed by Telecommunications and Digital Infrastructure at 31%, as well as Business Services at 15%. In addition, there were 13 PE-backed exits valued at US\$3.3b in 2023⁶. Valuations continued to hold up at a median P/E multiple of 17.8x and an EV/EBITDA multiple of 13.3x.

In this environment, the pressure to invest or divest prematurely would rank high on the reasons for companies and investors to diverge from their original course. Our 2022 Annual Report's theme, 'Discipline in Disruption' highlighted the importance of 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.

This year, our clarity of identity and purpose defines and informs our decision-making amidst the existential challenges posed by digitalisation and Artificial Intelligence. This year's Annual Report theme, "Digital Dystopia Dilemma", marks a new era where a global technological wave, possibly the most epoch-changing revolution of our lifetime, is poised to change our lives in ways we cannot yet imagine. We are mindful of the potential threat that this new technology presents, especially to our health,

safety, jobs and livelihoods. On our part, as we navigate our way through this technological tsunami, we are also single-minded in our efforts to add, upskill and strengthen the digitalisation capabilities and expertise of our portfolio companies to ensure their readiness in meeting the next wave of competition.

PERSISTING WITH OUR PLANS AMIDST VOLATILITY

Moving forward through the increasingly complex environment, our focus for 2023 was three-pronged; first to deploy most of our remaining dry powder for Tranche IV. The second was to deploy at least 50% of the capital for Dana Asas by the end of the year, and thirdly, to maintain the momentum of growth for our portfolio companies amidst rising headwinds.

Underpinning our three-pronged focus is the intensification of our value-creation activities designed to strengthen and futureproof our portfolio companies. These activities are focused on three priorities, the first of which is the ongoing digitalisation of all our portfolio companies. We recognise that together with talent & brand marketing development, companies need people to build strong brand presence and successfully manage multiple customer touchpoints, from in-store to online platforms, such as social media and e-commerce.

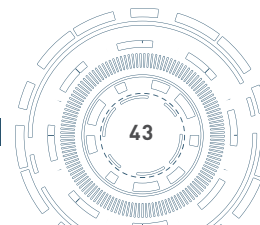
Next is the execution of our sustainability strategy. Now into our second year, our phased plan continues with initiatives rolled out for the integration of environment, social and governance (ESG) factors in our portfolio companies. Furthermore, we are resolutely committed to advancing the ILTIZAM initiatives, actively supporting the growth and success of the broader



⁴ Source: EY Global IPO Trends 2023

⁵ Ibid.

⁶ Ibid.



CHAIRMAN & CEO'S JOINT STATEMENT

Bumiputera entrepreneurial community. On this front, our ILTIZAM Catalyst and ILTIZAM Advance initiatives further complement our Entrepreneurship ecosystem.

Going into 2023, consumer sentiment remained cautious. Coming off a high in 2022, worries of inflation persisted, impacting consumer demand despite expectations for finances and employment perks to improve on the back of a recovering post-pandemic economy. From rising food inflation to the significant depreciation of the Ringgit against most major currencies, the average Malaysian's spending power was certainly impacted, a knock-on effect reflected in the performance of our portfolio companies, especially Revenue Valley and Al-Ikhsan. Weak consumer demand dragged down the performance of our retail portfolio companies and we saw a YoY decline of 7.0% in consolidated EBITDA across our entire portfolio of investments.

In 2023, we stepped up deal activity to replenish our deal pipeline as we pivoted away from Consumer and Digital-related sectors towards Healthcare and Industrials.

ADVANCING OUR ESG AGENDA

Our purpose as a PE firm continues to be guided by our social values and commitments. As such, the effort to integrate the ESG Framework internally across our business and portfolio companies continues seamlessly. Stepping into our second year of implementation, Ekuinas is pleased to report that, together with our portfolio companies, we achieved 100% of our Corporate ESG targets for 2023 for the second year in a row since the implementation of our ESG Framework. By working closely with our portfolio companies and stakeholders, the teams successfully completed all 11 activities and tasks set out in our Sustainability Plan for 2023.

More information about our achievements in implementing our ESG framework can be found on page 109 of this report.

FINANCIAL HIGHLIGHTS

To date, the total cumulative funds received from the government as of 31 December 2023 amounted to RM4.0 billion, 80.0% of the allocated RM5 billion originally allocated under Rancangan Malaysia Ke-9 (RMK9) & Ke-10 (RMK10). In 2023, Ekuinas continued to actively pursue opportunities to realise the gains from both our Direct and Outsourced funds, and to deploy our capital.

As at 31 December 2023, our cumulative committed investments stood at RM4.5 billion, including a total of RM19.5 million that was committed under Ekuinas Direct Dana Asas in 2023. As for Ekuinas Outsourced investment funds, cumulative co-invested funds amounts to RM509.4 million to date. Overall, our cumulative economic capital deployed up to the year 2023 amounted to RM5.1 billion.

Whilst we did not manage to close a deal in time in FY2023 for the Ekuinas Direct Funds Tranches II, III and IV, we made significant progress in crystallising one (1) divestment and two (2) new investments, which will be completed by Q2 2024; Symbiotica Speciality Ingredients Sdn Bhd under Tranche IV Fund and Mizou Holdings Sdn Bhd under Dana Asas.



TOTAL CUMULATIVE FUNDS RECEIVED

RM4.0 Billion

PORTFOLIO REVENUE GROWTH

7.0 %

KEY PERFORMERS FOR 2023

Exabytes
22.5 %
Revenue Growth

Medispec
15.4 %
Revenue Growth

PERFORMANCE HIGHLIGHTS

As of 31 December 2023, our Cumulative Committed Direct Investment stood at RM4.1 billion. Overall, the Gross Internal Rate of Return (GIRR) for Tranches II and IV was 11.5% and 43.0%, respectively. Tranche III, however, delivered a GIRR of -0.6%.

The overall YoY revenue growth for our portfolio companies totaled 7.0%. However, the overall EBITDA for the same period decreased by 7.0%, from RM359.5 million in 2022 to RM334.2 million. Key performers for 2023 were Exabytes and Medispec; both companies delivered high double-digit revenue growth of 22.5% and 15.4% respectively.

For our Outsourced Funds, Tranche I recorded a GIRR of 4.1%, whilst Tranche II recorded a GIRR of -3.1% for the year. We have also been focused on exits for our all outsourced funds and will continue to keep a close eye on the fund performances whilst readying for exit when valuations inch back up to more favourable levels.

Overall, Ekuinas continues to achieve our target for Bumiputera equity at 1.6x capital invested or a total value of RM6.4 billion.

Ekuinas officially launched the Dana Asas fund with RM100 million commitment for Bumiputera investments in March 2023 for an investment period of three (3) to five (5) years. The launch of Dana Asas was an important new initiative to expand Ekuinas' support for smaller Bumiputera enterprises in their initial growth stages. The fund is focused on domestic growth capital, prioritising the Education, FMCG, Healthcare, Services, Retail & Leisure and Oil & Gas Sectors. Dana Asas aims to grow the business pipeline with lower deal ticket sizes and smaller-sized Bumiputera companies, focusing on growth capital to back capable entrepreneurs with a longer holding period which allows for value creation initiatives.

As of 2023, RM10.6 million was invested out of the RM19.5 million capital committed, and we continue to find ways to support Bumiputera businesses with our value creation initiatives.

INTENSIFYING VALUE CREATION ACROSS OUR PORTFOLIO

Staying true to our ideals, we maintained our tailored approach toward value creation to address pressing issues and foster growth within each portfolio company. Amongst the eight (8) growth and development value creation pillars, marketing and branding were key for all 11 portfolio companies. This was followed closely by digitalisation and talent development which remained top priorities as cornerstones for operational efficiency and advancement.

The focus of our value creation activities remained on addressing key risks, as well as bolstering operational excellence, organisational resilience, adaptability and agility, while supporting revenue growth across all portfolio companies. The value creation activities for our portfolio companies are as follows:

1. REVENUE VALLEY

Our goal was to keep improving customer experience at Revenue Valley restaurants and encourage brand engagement. To that end, we continued collaborations with MyBurgerLab and Dato' Fazley Yaakob to launch special limited-time menu offerings for both New York Steak Shack and Tony Roma's. These collaborations are aimed at increasing market share and brand interaction, supplementing these marketing efforts with limited time offers to attract customers and drive sales. Internally, we also facilitated the implementation of EATEC, a software for food service procurement, inventory, forecasting and recipe management to enhance and optimise business operations.



CHAIRMAN & CEO'S JOINT STATEMENT

2. COSMOPPOINT GROUP

Cosmopoint Group continues to provide access to quality education and promote lifelong learning in 2023. As an ongoing drive to build its library of products, Cosmopoint Group launched three (3) new programmes including Sijil Kemahiran Malaysia (SKM) modules for technical skills, with two (2) new Malaysian Qualifications Agency (MQA)-accredited products in the pipeline. To create awareness and promote its overall brand position, Cosmopoint Group refreshed the Kuala Lumpur Metropolitan University College (KLMUC) logo and had the then Higher Education Deputy Minister, Datuk Mohammad Yusof Apdal, officiate the launch of its new premises at Wisma Hong Leong in August 2023. Partnerships with government agencies, such as the Royal Malaysia Police (PDRM), were maintained to build a pipeline of MBA students whilst collaborations with UNITAR, a sister company, are also on-going, specifically for the Cosmopoint College brand. Amongst the synergistic opportunities being evaluated are the upgrading of existing infrastructure, increasing and improving brand awareness and also exploring new untapped markets.



3. UNITAR

UNITAR remains dedicated to its mission to create highly employable and entrepreneurial global citizens, including the promotion of lifelong education opportunities for working adults. In 2023, UNITAR expanded its course offerings and took significant strides towards creating a holistic and innovative learning ecosystem. This included the launch of three (3) new products in 2023, with seven (7) more in development to be launched in 2024. As part of its expansion plan into areas outside of the Klang Valley, UNITAR and its sister brand, Cosmopoint College, are in partnership at six (6) locations which have shown improvement in the overall new student enrolment year-on-year. Embracing digitalisation, UNITAR has embarked on improving both its Learning and Student Management Systems and bolstered its online presence through digital marketing. To further support UNITAR's growth, investments have also been made in its human capital by employing seasoned professionals from the industry. Through these endeavours, UNITAR has maintained a strong financial position and remains vigilant towards optimising operations to keep raising UNITAR's profile as a university driving online learning and providing opportunities for working adults.

4. EXABYTES

Dedicated to catering to the evolving needs of customers seeking to grow their online businesses, Exabytes expanded its services by introducing a cybersecurity offering in late 2023 and pursuing an ISO27001 certification for a Security Operation Centre. As part of its strategic growth initiatives as a one-stop solutions provider, Exabytes successfully completed the acquisition of APC Hosting, a small provider of hosting services in Singapore and launched partnerships to enhance gross profit margins and distinguish its operations and support services in the market. The company also revamped its website interface and established live tracking to monitor the effectiveness of its marketing, resulting in heightened brand visibility and increased order rates for its domain registration products. To fortify stability, Exabytes implemented cost optimisation measures to improve its financial standing. We also enrolled several key senior management members to attend executive MBA

programmes in China, fostering insights into the nation's digitalisation strategy. Exabytes achieved substantial revenue growth in Indonesia and Singapore due to strong demand for its cloud as well as dedicated server and instant design product sales respectively. Encouraged by this remarkable progress, we look forward to greater possibilities in 2024.

5. FLEXI VERSA GROUP (FVG)

In 2023, FVG acquired Silcotech, an elastomeric solutions provider, thereby gaining access to new capabilities in silicon rubber manufacturing and gained exposure in new sectors such as medical devices. The acquisition supports FVG's aspiration to become a full-fledged electronic manufacturing services provider. Enhanced inventory control and steady cashflow throughout the year in the growing Healthcare and Medical Devices sectors have boosted prospects for its newly established manufacturing plant in China. Progress in enterprise resource planning (ERP) implementation remained consistent across key operating subsidiaries, with systems now up and running. FVG also emphasised its online presence to build greater brand recognition.

6. DAVEX

In order to drive higher margins for all markets, Davex continued to launch new products in 2023, one of which is electric vehicle chargers (EVC) in the Malaysian market. Advancing its regional growth plan, a General Manager and Head of Commercial were hired to lead the organisation as Davex continues to explore opportunities for professional trade, projects and strategic partnerships in Thailand and Brunei to increase its in-market presence and spearhead sustainable smart solutions. Davex also prioritised digitalisation and embarked on building an Internet-of-Things (IoT) platform to offer smart building and energy management solutions to end-users. Davex also revamped the Davis Lighting and Xenergi websites for all markets and enhanced social media engagements in an effort to drive higher customer engagement and build deeper connections with target audiences.

7. ICON OFFSHORE (ICON)

As the market demand around sustainability solutions intensifies, our goal was to effectively position ICON in the industry as a leading offshore support vessel (OSV) player in Malaysia with a healthy balance sheet and strong capabilities. ICON emphasised driving operational efficiency with the hiring of a new Head of Operations. ICON is also in discussions on potential acquisitions that will strengthen its rig and vessel service. Prospects remain positive for ICON as the sector sustains its strength, anticipating better charter rates in 2024 compared to 2023.

8. ORKIM

With a strong record of growth, Orkim was a standout performer for the year. Orkim underwent a corporate rating exercise under the Malaysian Rating Corporation Berhad (MARC), obtaining a AA-rating, indicating its robust capacity to meet financial obligations on a timely basis. In 2023, it repaid existing shareholder advances, reduced net debt and increased cash reserves. We also mobilised Orkim Merit and embarked on our first international partnership with SEATRANS to serve a time charter contract with Shell Philippines. Orkim maintained active involvement in the Malaysian Shipowners Association (MASA) to drive brand positioning in the market. Additionally, Orkim also expanded its senior management team and facilitated crew training programmes at the Akademi Laut Malaysia to enhance skills and competencies. In driving talent development and digitalisation for continuous progress, Orkim also implemented new HR management systems in August 2023.



CHAIRMAN & CEO'S JOINT STATEMENT

9. MEDISPEC

Medispec remained dedicated to deepening industry roots through product diversification and regional growth to meet the needs of its customers. By August 2023, Medispec had launched 22 new products in the Ethical segment and five (5) new Vitamode products. Three (3) more Ethical products and one (1) Vitamode product are slated for launch in 2024, as Medispec explores new brand directions and taglines after receiving approval from Lembaga Iklan Ubat (KKLIU). Medispec also emphasised stock clearing and promotions to improve inventory turnover and will introduce IT system enhancements. Strategic efforts to build the Vitamode brand, collaborating with targeted industry partners via public events and talks has led to greater brand awareness on Vitamode and its range of products. While we initiated registration for new market entry into Indonesia, we also focused on stabilising the operations for Ascen Plus outlets ahead of expanding the Medispec footprint, including filling key operational positions for Ascen Plus to drive opportunities for growth.



10. AL-IKHSAN SPORTS

Al-Ikhsan sustained its growth as the largest multi-brand sports retailer in the country by deepening its market penetration in 2023. By December, it had opened 26 new outlets, bringing the total number of outlets to 186. Al-Ikhsan launched new products including the Manchester United Football Club (MUFC) away kit, AL Merdeka

collection and continued collaboration with key opinion leaders (KOLs) for enhanced visibility. 2023 marked a special year for Al-Ikhsan as it celebrated its 30th anniversary. Al-Ikhsan engaged with public relations and marketing consultancies to amplify brand recognition and enhance sales. With these efforts in place amidst soft consumer sentiment, we were able to ramp up stock clearance efforts. On the other hand, digitalisation efforts implemented across 29 stores improved efficiency of inventory tracking and management. Al-Ikhsan is set to launch the ALX brand, an in-house brand for premium sporting wear. Our collective efforts on product diversification and expansion is rooted on strengthening Al-Ikhsan's niche as a multi-brand sports retailer that delivers on the needs and demands of its diversified customers.



11. KAISAR FARMASI

In line with Kaisar Farmasi's commitment of promoting better health and well-being, we launched 26 new home-brand products, including supplements, medical consumables and cosmetics. Kaisar inaugurated ten (10) new outlets by December 2023, bringing the total number of outlets to 28. It also reviewed underperforming stock, evaluated vendors and updated operational systems for greater efficiency. As it continues to grow, Kaisar has sought to better define its brand and undertook an exercise to develop a brand name and logo for its supplements and medical devices. This included appointing a digital agency to manage its social media, website and affiliate marketing. Kaisar also conducted reviews in human capital processes to ensure it fulfils its commitment to deliver accessible, cost-effective and quality healthcare goods and services.

DEPLOYING CAPITAL AND CRYSTALLISING VALUE

With the launch of our new Dana Asas fund in March 2023, Ekuinas has further underlined its commitment to support high-calibre Bumiputera entrepreneurs with a dedicated RM100 million for funding growth capital for mid-market Bumiputera companies. Following our inaugural investment into Kaisar Farmasi, Ekuinas is working towards closing at least one (1) more deal for the fund in 2024. Ekuinas is also gearing up to launch its Dana Asas II fund to maintain its steady commitment towards supporting Bumiputera entrepreneurship.

Additionally, our recent endeavour to divest one (1) of our O&G investments, held for over a decade, reached successful completion in March 2024. This entailed partially divesting our majority stake in ICON Offshore Berhad. Notably, this exit proved profitable, a significant achievement considering the widespread losses experienced by Malaysian investors in the O&G Services sectors since the crude oil price crash in 2014/2015.

Ekuinas continues to remain committed in its role as an institutional Bumiputera investor. We are also mindful of our responsibility to manage funds held in trust for the Bumiputera community; crystallising and maximising the value of our investments means that more capital can then be re-deployed for future investments that will continue to benefit the Bumiputera community. Furthermore, part of the gains from our divestments will be channelled directly back to the wider Bumiputera community, as we have done in the past. We are also firmly convinced that only by continuing to play our part as a commercially-disciplined investor, would we be able to guarantee our continued sustainability as a PE firm and therefore continue to be able to deliver on our mission.

As for new investments, at the time of writing, Ekuinas successfully closed two (2) new deals in Q2 2024 (one of which is under Dana Asas) in two (2) different sectors, namely Pharmaceutical and Industrial Equipment.

We remain vigilant of the challenges around due diligence, not only in ensuring robustness of the data, but also in understanding the specificity of each business, the macro factors and shifts impacting and disrupting the operating environment, business and industries. With Dana Asas in particular, we are discovering that while the deal amounts involved are typically smaller than those for our main Direct funds, the earlier-stage nature of Dana Asas investments makes the due diligence process more

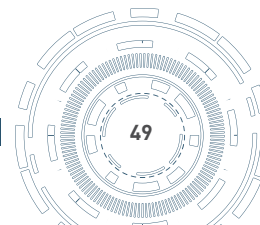
arduous, with smaller companies usually having greater challenges in maintaining data quality and back-office processes being less robust compared to those of more mature companies. We will continue to invest the appropriate time and effort to ensure that our investment decisions are informed by the necessary granularity and completeness of information to provide assurance for the long-term success of our investment activities.

FULFILLING OUR SOCIAL MANDATE

Ekuinas continues to step up our efforts to create long-term value and positive social impact for all our stakeholders, from individuals, families to communities, particularly the Bumiputera. 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. Also, through our ILTIZAM platform, we aim to deepen the impact of our initiatives to create enduring pathways to safeguard economic opportunities and upliftment, towards sustainable income.

This year, Ekuinas' Direct and Outsourced funds successfully increased Bumiputera equity ownership by RM6.4 billion or 1.6 times the capital invested. There has also been an increase of 28.1% in Bumiputera management and a total increase of 15.2% in Bumiputera employees since Ekuinas' entry (FY2022: 21.9% and 14.4% respectively) across all our portfolio companies. The launch of Dana Asas was a key milestone in fulfilling our commitment to support Bumiputera entrepreneurship through our core investment business.

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 individuals and communities.



CHAIRMAN & CEO'S JOINT STATEMENT



In 2023, through ILTIZAM, Ekuinas disbursed a total of RM13.8 million through its initiatives benefitting a total of 74,000 individuals, families, entrepreneurs and businesses across Malaysia. This commitment for 2023 brings Ekuinas' total expenditure under ILTIZAM to RM100 million since its inception. ”

In 2023, through ILTIZAM, Ekuinas disbursed a total of RM13.8 million through its initiatives benefitting a total of 74,000 individuals, families, entrepreneurs and businesses across Malaysia. This commitment for 2023 brings Ekuinas' total expenditure under ILTIZAM to RM100 million since its inception in 2012. For all initiatives under ILTIZAM's Entrepreneurship pillar, we identify and attract capable, enthusiastic and promising entrepreneurs and businesses at varying stages of maturity and provide them with various customised assistance to strengthen business fundamentals and propel them towards a path for growth to becoming industry leaders. We see these efforts as complementary to Ekuinas' own investment mandate and agenda, creating pathways for entrepreneurs and businesses to progress from mere survival towards business success. ILTIZAM disbursed RM3.3 million under the Entrepreneurship pillar to support Bumiputera businesses.

RM9.4 million was disbursed under the Education pillar across multiple programmes designed to develop academic, vocational and skills for children and youths. RM1.1 million was invested in uplifting marginalised and underserved communities as well as the preservation of arts and culture.

Further details on our ILTIZAM initiatives are available on page 118.

OUTLOOK FOR 2024: TIDES ARE TURNING FOR MALAYSIA

Global economic growth is expected to remain uncertain in 2024 amid heightened geopolitical turbulence. The risk of further fragmentation and conflict in the global operating environment persists with a trilogy of threats – the Russia-Ukraine invasion, the US-China trade war and the genocide in Gaza – exacerbating the pressures of climate change and environmental crises. Inflationary concerns persist as the level of interest rates remains stubbornly high across all major economies. Technological innovation and accessibility in areas like AI, machine learning, quantum computing and beyond, risks a world divided by tech “haves” and “have-nots”⁷.

Following a landmark year of policy and framework launches by the Government of Malaysia, we anticipate 2024 to be a year of execution. Thematic plays will continue to be dominated by conversations on energy shifts, climate change, the decarbonisation of supply chains and food security. Malaysia is poised to capture growing opportunities in an era of global volatility. As the US-China trade war shows no sign of abating, more investors are looking towards “friendshoring” as a means of managing the risks embedded in their global supply chains. Malaysia has been identified as one of the major beneficiaries for the restructuring of these multinational supply chains, especially in key sectors such as Semiconductors and Medical Devices.

⁷ Source: Securities Commission Malaysia – Outlook for 2024

Overall, the Malaysian economy is projected to remain on a steady growth trajectory in 2024, backed by firm domestic demand, primarily through continued expansion in private sector spending. The Ministry of Finance expects growth of the Malaysian economy to accelerate to 4.0%-5.0% in 2024 from 3.7% in 2023⁸.

Looking forward, Ekuinas will be increasing our social commitment through the launch of Dana Asas II. Our goal is to continue to back high potential and capable Bumiputera entrepreneurs with the addition of RM100 million under the second tranche.

Active deal sourcing will continue to be a core focus, through our proprietary deal networks and third-party linkages. At the same time, we will be applying our ESG investment lenses to our deal pipeline whilst executing Phase 3 of our ESG Framework to further safeguard our business and portfolio companies against current and emerging risks. We will also continue to monitor our Outsourced PE Investments to ensure timely exits at favourable valuations.

In anticipation of the continued geopolitical and socioeconomic risks, Ekuinas will be adjusting our sector priorities and thematic focus areas to adapt to the uncertain environment. A key strategy for us this year will be to pivot away from consumer-oriented sectors to focus on investment targets engaged in export-oriented activities, bearing in mind the ongoing weak sentiment in domestic consumer demand, while also taking advantage of the competitiveness of the Ringgit. We are also investigating new avenues for Ekuinas to provide support for growing mid-market Malaysian companies in these challenging times, especially for Bumiputera companies which require capital to expand and grow.

A NOTE OF APPRECIATION

In hindsight, 2023 was the first full year in operation without the constraints of SOPs as the pandemic receded. Despite the persisting local and global hurdles, Ekuinas persevered in its endeavours to achieve our key performance indicators (KPIs) amid volatile market circumstances. We are deeply grateful to the many stakeholders who have steadfastly supported us on our journey, enabling us to contribute to the growth and advancement of the Malaysian PE landscape. Our appreciation goes out to the Government of Malaysia, especially the Ministry of Economy for their support.

Ekuinas would also like to record our gratitude and appreciation to our founding Chairman, Raja Tan Sri Dato' Seri Arshad Raja Tun Uda, for his deep wisdom and guidance over the past 14 years. Under his stewardship, Ekuinas has grown and evolved, braved challenges and disruptions to fulfil our financial and social mandate.

We also extend our gratitude to our esteemed Board of Directors for their invaluable wisdom and guidance which have been instrumental in our achievements within this complex ecosystem. We came out of 2023 with a total FuM of RM4.2 billion.

To our dedicated staff and employees across our portfolio companies, we express our sincere appreciation. It is a privilege to collaborate with such a talented and passionate team. Your commitment and contribution to our shared vision have been integral to Ekuinas' success over the years.

Looking ahead, Ekuinas remains grounded in our commitment to create long-term value for the Government, stakeholders and portfolio companies as we advance the next generation of leading Malaysian companies and uplift Bumiputera communities.

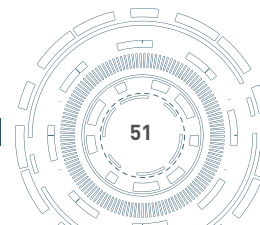
Our current vision and goals are aligned with the national commitment to grow domestic direct investment (DDI) under the MADANI Economy Framework and Ekuinas will continue to play its part in strengthening Malaysia's investment and business landscape. With your continued support, we are confident in our ability to propel Malaysia's PE industry and homegrown companies to greater heights, solidifying our nation's position as a premier investment destination in the region.

Thank you for your ongoing partnership and we eagerly anticipate another year of shaping our country's vibrant future together.

Tan Sri Shahril Ridza Ridzuan
Chairman

Dato' Syed Yasir Arafat Syed Abd Kadir
Chief Executive Officer

⁸ Source: Securities Commission Malaysia – Outlook for 2024



A TRIBUTE TO

Y.M. RAJA TAN SRI DATO' SERI ARSHAD RAJA TUN UDA
THE FOUNDING CHAIRMAN OF EKUINAS



Dear Tan Sri Chairman,

May your journey ahead be bright and fulfilling as the path you have paved for all of us. Our heartfelt gratitude for your dedication, guidance and friendship.

Thank you, Tan Sri.





AN EXCERPT FROM

Y.M. RAJA TAN SRI DATO' SERI ARSHAD'S FAREWELL ADDRESS TO EKUINAS



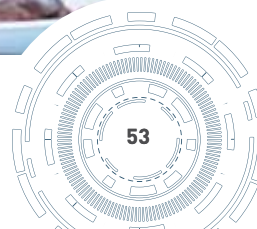
Together, we have built a company that is not only financially successful but also one that values integrity, innovation and excellence in all that we do. As I bid farewell, I offer you some advice that has guided me throughout my career and I hope will continue to serve you well:

- 1** — Embrace Change: The business landscape is constantly evolving, and our ability to adapt and embrace change will determine our success. Stay agile, open-minded and proactive in seeking out new opportunities for growth and innovation.
- 2** — Nurture Relationships: Our relationships with investors, partners and colleagues are invaluable assets. Cultivate strong, mutually beneficial relationships built on trust, respect and clear communication. These connections will be instrumental in navigating challenges and seizing opportunities.
- 3** — Stay Focused on Values: Our values are the foundation of who we are as a company. Uphold the highest standards of ethics, transparency and accountability in all of your dealings. Let integrity be your compass as you make decisions that impact our business and our stakeholders; and through it all, stay humble.
- 4** — Never Stop Learning: The world of finance is complex and ever-changing. Stay curious, stay hungry for knowledge, seek out opportunities for professional development.

As I embark on the next chapter of my journey, I leave with a deep sense of pride in all that we have accomplished together and confidence in the bright future that lies ahead for Ekuinas.



- Raja Arshad Raja Tun Uda -



AN EXCERPT FROM THE REPORT:

EMBRACING VOLATILITY

GLOBAL ECONOMIC OUTLOOK

2023-2027 (2H 2023 UPDATE)

BY KEARNEY GLOBAL BUSINESS POLICY COUNCIL

WHAT IS THE FIVE-YEAR ECONOMIC OUTLOOK?

Developments over the past 15 years—the Great Recession, the COVID-19 pandemic, the war in Ukraine, and resultant shocks to energy and inflation—have disrupted the global economy in fundamental ways. As one participant at the 2023 CEO Retreat warned, “we could be entering a lost decade. Will we have the stability to go through the recession that’s needed to bring inflation under control?” This remains an open question given fragilities in the system, including high levels of debt across sectors and countries, higher debt-servicing levels, acute economic vulnerabilities in emerging and developing countries, and mounting political challenges—from rising populism to a fragmentation of longstanding global institutions. Foundational ideas, including the superiority of open markets, liberal trade

and maximum efficiency, are all in question right now in the turbulence of the immediate post-COVID world.

Indeed, in a word, the five-year economic outlook is “lackluster.” While growth will tick upward in 2025, the average growth rate out to 2027 is lower than our forecasts from 1H 2023. Lower-than-anticipated growth in China, along with structural factors such as persistent inflation, possible additional monetary tightening and labor market challenges, weigh on the outlook. A retreat from globalisation—though perhaps not as pronounced as many analysts have feared—will dampen the economic outlook as protectionism grows.

WHEN WILL THE GLOBAL ECONOMY BEGIN TO SEE RENEWED GROWTH?

In our 1H 2023 Outlook, we projected growth of 1.8 percent this year. As of September 2023, the outlook for 2023 has improved—to 2.5 percent. Significant headwinds remain, however. We are expecting to see annual average global output growth of 2.6 percent over the 2023–2027 forecast period, compared with 2.7 percent in our previous projections (see Figure 1 on page 54).

While a slight uptick in growth is anticipated in 2025, the longer-range global economic outlook is still anemic. Several factors account for this persistent low-growth story.¹ First, China—which in recent years has typically been the engine of global growth alongside India—is expected to underperform relative to previous projections. Second, while the global services Purchasing Managers Index has surged, the manufacturing index remains in contraction territory.

The International Monetary Fund (IMF) is treating the five-year outlook with similar caution. Its July 2023 World Economic Outlook Update echoed the expectation that China’s recovery could slow, in part as a result of unresolved real estate problems, which could in turn have damaging cross-border spillovers. Sovereign debt distress could also spread to a wider group of economies, including Egypt, Jordan, and Tunisia. However, factors to the upside include the strong action by authorities to contain turbulence earlier this year in the United States and Swiss banking sectors—which reduced the immediate risks of financial sector turmoil. And inflation in key markets, including the United Kingdom and France, could fall faster than expected, boosting growth prospects.

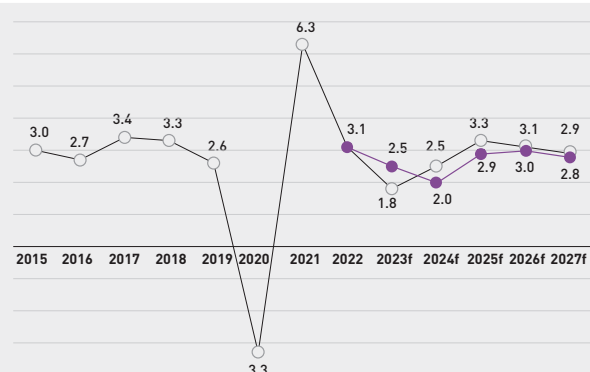
Figure 1

The economy will reach its weakest point in 2024 before recovering in 2025

Global economic output

(Year-over-year (y/y) percentage growth)

- GDP growth forecast (1H 2023)
- GDP growth forecast (2H 2023)



¹ Oxford Economics’ World Economic Prospects Monthly, 8 August 2023

WHAT KEY FACTORS WILL SHAPE THE ECONOMIC OUTLOOK THROUGH 2027?

Over the next five years, a few factors could have a disproportionately large impact on the direction of the global economy:

Geopolitical turbulence. The risk of further fragmentation and conflict in the global operating environment persists. The threat of escalation in the Ukraine conflict, uncertainty in US-China relations, and the potential global ripple effects of the 2024 presidential election in the United States are just a few of the wildcards that will shape geopolitics through 2027. Though Democrats and Republicans are aligned on a few geopolitical issues, such as the strategic rivalry with China, protecting domestic manufacturing, and access to strategic technologies, key areas of disagreement include climate change action, the war in Ukraine, and the relationship with traditional US allies.

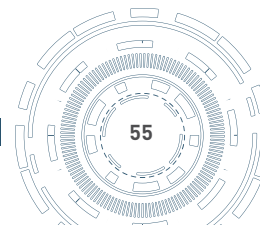
Role of climate change and environmental pressures. July 2023 saw multiple global temperature records broken. And new data from the World Resources Institute's Aqueduct Water Risk Atlas shows that 25 countries—housing one-quarter of the global population—face extremely high water stress each year, frequently using up almost their entire available water supply. These climate issues are combining with critical mineral shortages, with implications for the energy transition. To avoid critical minerals shortages, an estimated 330 new mines are needed over the next decade, including 59 lithium mines. For context, the world currently has about 25. Global cooperation to confront these and related climate challenges will be crucial but is far from a foregone conclusion.

Inflation trajectory. While levels of inflation have fallen from their heights in 2022, they remain stubbornly high. Remarkably, regulators and central banks were able to contain the contagion from the collapse of Silicon Valley Bank and other US regional banks, as well as Credit Suisse in Switzerland, without impeding their efforts to reduce inflation. However, they still face significant headwinds in the near term. The key challenge for policymakers

will be how to meet their targets of 2 percent inflation without pushing their economies into recession in the process. Indeed, in the words of Federal Reserve chief Jerome Powell, "The longer inflation remains high, the more risk there is that inflation will become entrenched in the economy. So the passage of time is not our friend here".

Labour market imbalances. Other than the dynamics of aging populations in certain advanced economies and the high proportion of young people in many emerging markets discussed above, persistent global productivity challenges remain. Total hours worked has rebounded less well after the COVID-19 crisis than has employment, with hours worked per worker having persistently declined. The low level of hours per worker in low-income countries is directly related to the lack of good work opportunities. And globally, employed women work around seven paid hours per week fewer than men, with notable degrees of variation of that gender gap by region. As high inflation continues to weigh on income levels, these labour market imbalances—and associated inequalities—risk becoming more pronounced.

Technology innovation and accessibility. Since the release of our 1H 2023 Outlook, technology innovations have continued to advance at a striking pace. Generative AI tools such as ChatGPT and others are proliferating, with one participant at our 2023 CEO retreat arguing that generative AI could see the world accumulating "a 10-fold increase in GDP, valued at some \$14 quadrillion which could result in a better civilization". As striking and as promising as the economic gains of generative AI may be, significant potential risks are also associated with the technology—and regulatory guardrails are lagging. Further, the intensifying US-Sino decoupling in critical technologies amid rising protectionism and industrial policies are continuing to fragment the global economy. As technology advances, in areas such as AI, machine learning, quantum computing and beyond, risks may be mounting of a world divided by tech "haves" and "have-nots".



AN EXCERPT FROM THE REPORT:
EMBRACING VOLATILITY
GLOBAL ECONOMIC OUTLOOK 2023-2027
(2H 2023 UPDATE)
 BY KEARNEY GLOBAL BUSINESS POLICY COUNCIL

WHERE MIGHT WE BE GOING?

To account for the high degree of uncertainty in economic outlook, we developed a set of four complementary scenarios for our 1H 2023 Outlook. These scenarios—alternate and contrasting visions—of the macroeconomy through 2027 served to complement our baseline projections. For our 2H 2023 assessment, we have revisited this set of scenarios and refreshed our analysis to account for developments over the past six (6) months, as well as dynamic changes in the five (5) factors we believe will shape the economic outlook. While the four (4) narratives that follow are not predictions, as a set, they represent a plausible range of potential futures around which strategic leaders can plan.

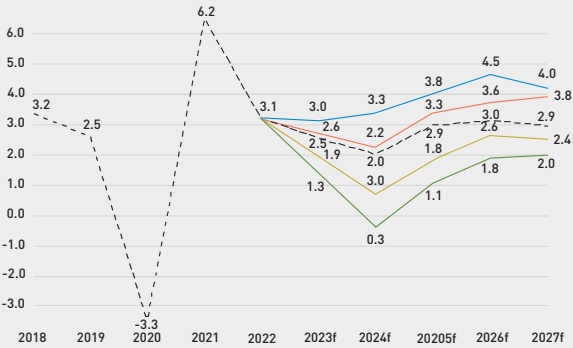
- In **Uncharted Waters**, the combination of geopolitical and economic dislocations creates significant drag on the global economy.
- In **New Gemini**, a bipolar world emerges as the United States and China accelerate economic decoupling and spheres of influence emerge, a transition that results in below-trend output growth.
- In **Omnidirectional Navigation**, a fragmentation of global trade and investment flows ultimately leads to a rewired global economy requiring greater agility and resilience. Global output exceeds baseline projections.
- And in **Full Steam Ahead**, the United States, China, Europe

and other key players work to refresh and revitalise the global economic order through strategic institutional reforms that help to stabilise the foundations on which the global economy is built—and growth rebounds significantly.

By using modeling, we have quantified the impact of each of these scenarios on global and regional growth. As noted above, baseline projections suggest global growth will average 2.6 percent over the five-year forecast period. Yet our analysis finds that this number could range from as low as 1.2 percent to as high as 3.7 percent, depending on how effectively the world can address the aforementioned factors shaping the global economy (see Figure 2).

Our research also suggests that key indicators such as unemployment rates, exports and private consumption will also vary dramatically (see Figure 3 on page 57). Unemployment rates range from a five-year average of 5.8 percent in the best-case scenario, Full Steam Ahead, to 7.4 percent in the worst-case scenario, Uncharted Waters. And the export growth rate ranges from a five-year average high of 4.8 percent to a contraction of 1.0 percent respectively. Finally, private consumption reaches a five-year best-case average growth rate of 5.0 percent compared with just 0.4 percent in the worst case.

Figure 2
2H 2023 Scenario Analysis
Global economic output 2018-2027
 (y/y percentage growth)



GDP Output	2023f	2024f	2025f	2026f	2027f	Average 2023-2027
Baseline	2.5	2.0	2.9	3.0	2.9	2.6
Full Steam Ahead	3.0	3.3	3.8	4.5	4.0	3.7
Omnidirectional Navigation	2.6	2.2	3.3	3.6	3.8	3.1
New Gemini	1.9	0.7	1.8	2.6	2.4	1.9
Uncharted Waters	1.9	-0.3	1.1	1.8	2.0	1.2

- Baseline
- Full Steam Ahead
- Omnidirectional Navigation
- New Gemini
- Uncharted Waters

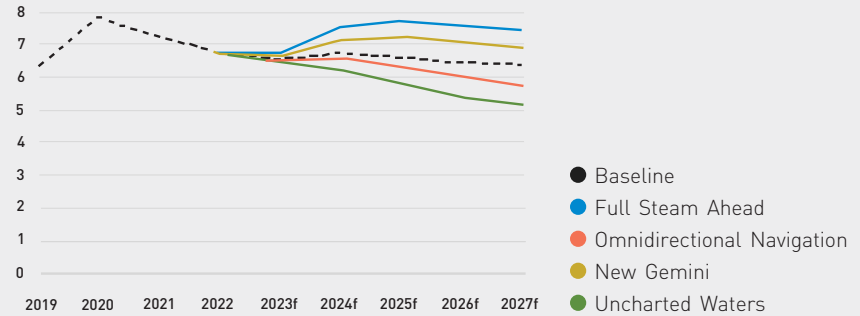
Sources: Oxford Economics, Kearney analysis

Figure 3

Scenario Implication for Unemployment, Export, and Consumption

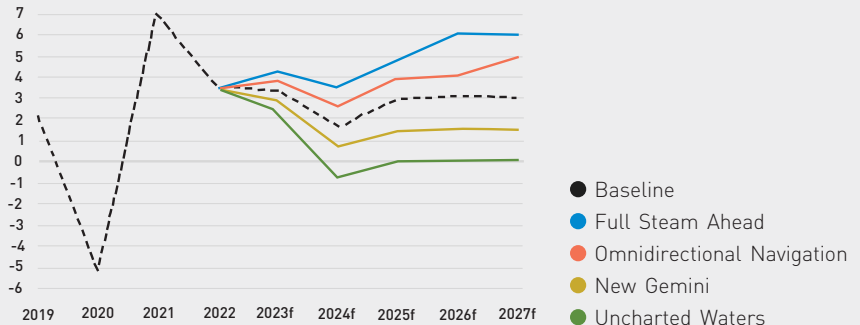
Unemployment rate
Level values (%), world

	Average 2023-2027
Vision	
Baseline	6.5
Full Steam Ahead	5.8
Omnidirectional Navigation	6.2
New Gemini	7.0
Uncharted Waters	7.4



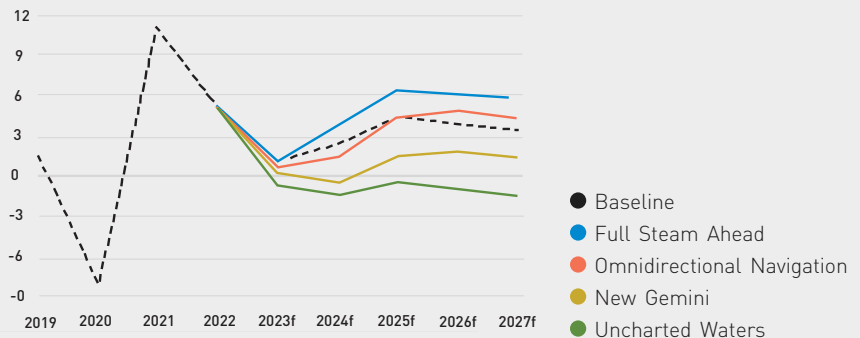
Exports of goods and services
% change, y/y world

	Average 2023-2027
Vision	
Baseline	3.1
Full Steam Ahead	4.8
Omnidirectional Navigation	3.2
New Gemini	0.9
Uncharted Waters	-1.0

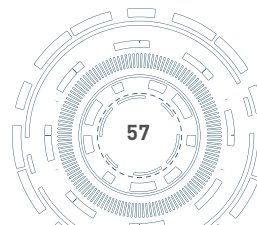


Private consumption
% change, y/y, world

	Average 2023-2027
Vision	
Baseline	2.8
Full Steam Ahead	5.0
Omnidirectional Navigation	3.9
New Gemini	1.6
Uncharted Waters	0.4



Sources: Oxford Economics, Kearney analysis



EMBRACING VOLATILITY GLOBAL ECONOMIC OUTLOOK 2023-2027 (2H 2023 UPDATE)

BY KEARNEY GLOBAL BUSINESS POLICY COUNCIL

VISION 1: UNCHARTED WATERS

A Global Economy Defined By High Volatility

In Uncharted Waters, the world is sailing into an uncertain future. **Geopolitical fractures** intensify through 2027, particularly as the Russia-Ukraine war intensifies and US-China relations deteriorate. The threat of large-scale physical and cyber conflict looms, especially as the United States appears more divided and distracted in the lead up to and aftermath of its presidential elections in 2024. Rising hostilities between Washington and Beijing also serve to weaken international efforts at conflict resolution, stoking dormant tensions elsewhere in the world.

Inflation proves enduring after central banks ease too early on the necessary and aggressive monetary policies they put into place in early 2023, prompting a resurgence of inflation and stop-start cycles of rate increases. Further, **extreme weather and other climate-related shocks** continue to interrupt production, disrupt supply chains and impose high costs. The effects are felt most acutely in energy and commodity markets, increasing prices for consumers and placing additional strain on heavily indebted emerging markets. The high cost of energy, as well as food and other necessities, fuels popular unrest and government instability.

Labour shortages, though somewhat mitigated by lower growth, continue to challenge many economies, especially in major developed countries such as the United States, Japan, United Kingdom, Germany and Australia, amid aging populations. The

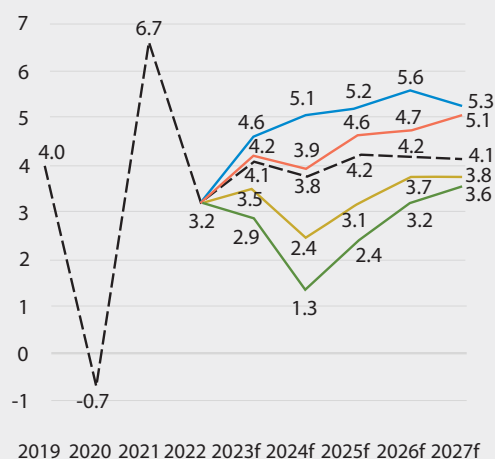
rise of populist leaders and anti-immigration sentiment serves to compound many of these challenges and create further drags on productivity. For many emerging markets with large youth populations, including those in sub-Saharan Africa and the Middle East, limited job opportunities in a low-growth economic environment create additional governance challenges as popular dissatisfaction grows.

Persistent supply chain disruptions combined with limited cross-border exchanges of people and ideas slows the rate of **technology innovation**. A splintering of technology ecosystems, starting with a split between China and the United States, serves as an additional complicating factor to technology innovation and governance. Both countries face obstacles in their race to “win” the race for AI, with China suffering from restricted access to semiconductors and the United States scrambling to find alternative sources of rare earth minerals and other raw materials as China restricts access.

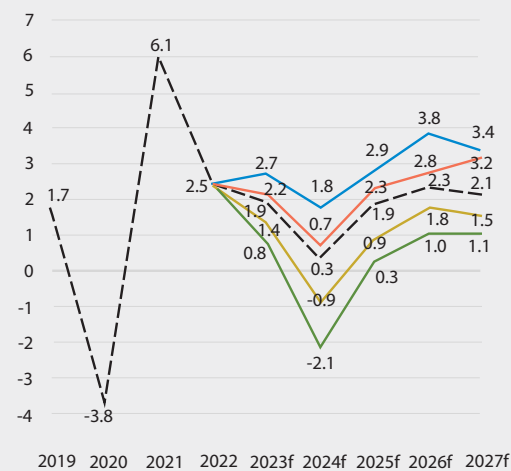
Taken in combination, the global economy finds itself in Uncharted Waters—a landscape fraught with inefficiencies and volatility, prompting corporations and investors to stay closer to home amid dwindling opportunities abroad (see Figures 4 and 5). Growth averages just 1.2 percent through the forecast period.

Figure 4
Regional Output for Asia and Australasia and the Americas

Asia and Australasia output growth
(% change)



Americas output growth
(% change)



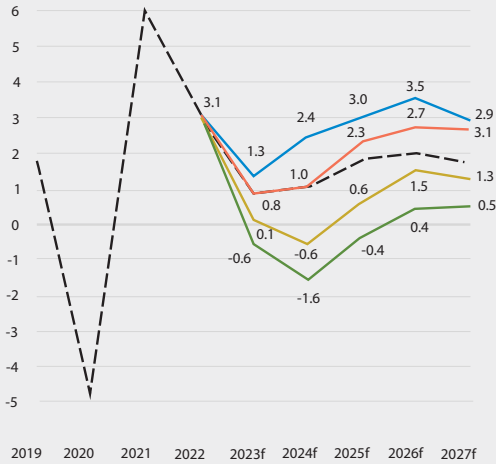
● Baseline ● Full Steam Ahead ● Omnidirectional Navigation ● New Gemini ● Uncharted Waters

Figure 5

Regional Output for Europe and Eurasia as well as for Africa and the Middle East

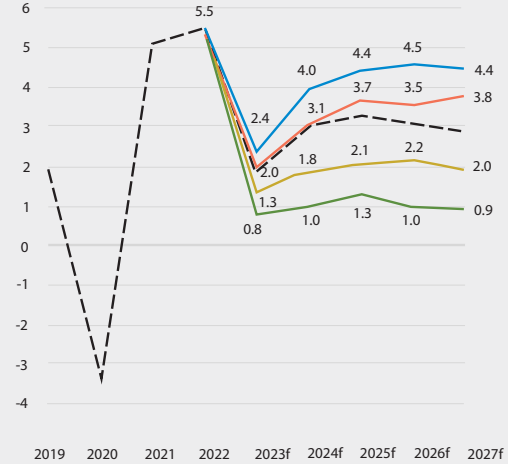
Europe and Eurasia output growth

(% change)



Africa and Middle East output growth

(% change)



● Baseline ● Full Steam Ahead ● Omnidirectional Navigation ● New Gemini ● Uncharted Waters

VISION 2: NEW GEMINI

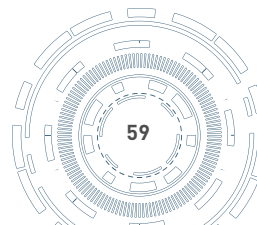
A Bipolar World

In New Gemini the world divides into two distinct spheres of influence—one led by the United States, the other by China. As both powers move to decouple their economies from one another and as other countries face pressures to “take sides,” there are significant disruptions to global supply chains and the overall efficiency of the global economy. The United States strengthens ties with longstanding allies in the European Union as well as with countries in Asia Pacific, including Japan, South Korea and Australia. China’s strategic partners include Russia, several Arab Gulf states, and many developing countries across Latin America, Africa, and Southeast Asia, while India seeks to balance relations with both spheres and maintain neutrality. While geopolitical relations between Washington and Beijing remain strained throughout the decoupling process, the **threat of imminent conflict recedes** as the world recalibrates to the relative predictability of this new bipolar world. A temporary ceasefire amid negotiations in the Russia-Ukraine war, combined with a US presidential election that is less disruptive than anticipated, serve to ease geopolitical tensions.

Inflation falls from the highs experienced in 2022 as **central banks** successfully carry out monetary policy tightening without sending major economies into recession. However, reaching 2 percent targets remains elusive as the rewiring of supply chains places upward pressure on prices. In the race to **AI supremacy**, the United States maintains a competitive advantage over China as the latter struggles with limited access to advanced US technologies and semiconductors produced in the US sphere of influence. China remains a leader in the production and refining of rare earth elements and imposes some

limitations on—though does not stop—exports to rivals. In parallel, the United States makes positive strides to improve domestic production of semiconductors and find alternative sourcing options for critical minerals, offsetting some of the losses from decoupling. However, the bifurcation of US and Chinese technology complicates cross-border exchanges of data, digital services, key technological goods and talent. Technology standards also diverge between these two spheres, complicating companies’ ability to serve competing markets across geographies.

In this environment, **global energy and commodity** markets see limited to moderate volatility. While there are supply disruptions owing to the decoupling process and instances of extreme weather, reduced demand in a lower-growth environment combined with an overall reduction in geopolitical tensions help to mitigate these factors. **Labour markets** generally remain tight, albeit reconfigured by disruptions to the free flow of labour across the respective spheres of influence. The United States and China, as well as other markets, compete aggressively to build a “workforce of the future,” resulting in a race to both recruit talent and build it domestically. Despite initial dips early in the forecast period, labour productivity rebounds by 2027 as markets are rewired in New Gemini. While there is below-trend economic output for most of the forecast period, averaging 1.9 percent, the global economy—and the world—reach a new state of equilibrium by 2027.



EMBRACING VOLATILITY GLOBAL ECONOMIC OUTLOOK 2023-2027 (2H 2023 UPDATE)

BY KEARNEY GLOBAL BUSINESS POLICY COUNCIL

VISION 3: OMNIDIRECTIONAL NAVIGATION

A World Defined By Fierce Competition and Growing Fragmentation

In Omnidirectional Navigation, the global economy fragments into several different hubs of economic and political power. The world is defined by shifting blocs and trading partners amid high levels of competition as countries strive to lead in innovation, technology, and other areas. While the United States, China and the European Union remain major centers of economic power, middle power players emerge in an increasingly multipolar landscape. India, Türkiye, several Arab Gulf states and Singapore, for example, serve as strategic trading hubs with a diverse set of partners.

While no one hub emerges to dominate the others, the emphasis on greater trade and the cross-border exchange of goods, services and people serves to temper broader **geopolitical tensions**. These developments help to offset **labour market imbalances** and enhance productivity gains by allowing for the greater flow of young workers from emerging markets to developed economies with aging workforces. However, other developments complicate the landscape. A divisive 2024 US election results in a divided government and a weakened president, with limited scope to implement a clear policy agenda. This lack of clear geopolitical leadership contributes to an effective stalemate of the Russia-Ukraine war, with neither side garnering the economic or military strength to effectively make significant territorial gains. The result is a frozen conflict. In some ways the world that emerges from this mix of fragmentation, and trade represents a new iteration of globalisation—a mix of traditional approaches with a wider variety of partners, combined with some degree of protectionism

to improve domestic resilience. For example, US-China competition remains fierce with an acute focus on economic factors, albeit with some persistent restrictions around sensitive advanced technologies. With this notable exception, **cross-border technology flows** are generally strong, and the environment of fierce economic competition spills into the race for next generation technologies, including AI. The United States, China and the European Union all invest heavily into R&D—and to set new regulatory standards. The race for innovation, coupled with higher than baseline growth, help to facilitate advances in the energy transition. These dynamics, combined with the open cross-border flow of goods, serve to mitigate **energy and commodity market** volatility.

In this multifaceted and complex economic operating environment, it takes some time for **inflationary pressures** to ease as supply chains and investments are reconfigured. Despite some short-term inefficiencies, central banks are generally successful in advancing accommodating monetary policy and maintaining economic stability.

In *Omnidirectional Navigation*, a rewired global economy emerges from the fragmented landscape, with supply chains and investment flows increasingly localised and regionalised in nature. Countries that demonstrate agility in balancing economic ties with a range of partners across several spheres of influence outperform economic expectations. Output growth averages 3.1 percent over the forecast period.

VISION 4: FULL STEAM AHEAD

A Refresh of Global Economic Organisation

In Full Steam Ahead, global powers, including the United States, European Union and China, seek a **geopolitical reset**. This begins in earnest following decisive results in the 2024 US presidential elections and a push from the US administration to reduce tensions and return the global economy to stability. International efforts strive to rebuild the global linkages damaged during the COVID-19 pandemic though with an eye on resiliency for certain strategic sectors. Global leaders pay particular focus on modernising the rules, norms, and institutions that govern the global economic order, including reforms to the Bretton Woods Institutions.

While levels of distrust and some diverging trade and economic practices remain, there are notable increases in trade and

investment flows over the course of the forecast period. A balance is struck in enacting policies to achieve greater domestic self-sufficiency. After periods of bilateral negotiation, countries are generally able to reach consensus on appropriate subsidy levels for critical domestic industries. Notably, the United States and European Union come to a mutual understanding on climate and industrial policies and reduce tensions they experienced in 2022 and 2023.

Yet following a string of increasing extreme weather events, it is evident that developing and implementing a global response to **climate change** is the leading challenge for world leaders. Despite lingering distrust, the United States and China build on efforts by the European Union in this strategic area, with a

VISION 4: FULL STEAM AHEAD (CONTINUED)

A Refresh of Global Economic Organisation (continued)

specific focus on clean energy technologies. Technology competition between the United States and China remains fierce in strategic areas, including AI, advanced semiconductors and quantum computing, but exceptions are made for climate-related technologies. The exchange of goods, services, and expertise in this sphere expands the deployment of solar, wind, electric vehicles and related technologies. The potential for nuclear fusion as a viable power source also grows in a **tech innovation-friendly** environment, fueled by increased global growth and expanded scientific and academic cooperation. This, coupled with more predictable supply chains and a calmer geopolitical environment, reduces global energy market disruptions.

Businesses benefit from a stronger degree of predictability in the global operating environment. **Labour market imbalances** in many countries also ease as demand smoothens, immigration

remains open, and technology improvements boost automation. Levels of productivity tick up throughout the forecast period. Further supporting this higher degree of predictability are central banks, which are largely able to stabilise their economies in 2023 and 2024 through tightened monetary policies while maintaining healthy levels of growth. Levels of inflation fall, approaching 2 percent targets by mid-decade. Financial institutions respond favorably to these policies, tightening lending standards while keeping markets liquid and sound.

Overall, the global economy is on relative steady ground by 2027, bolstered by a refreshed and revitalised system of rules-based order. With a reduced likelihood of geopolitical conflict, there is reason for optimism that growth and development can continue to charge full steam ahead on this new foundation. Output growth averages 3.7 percent through the forecast period.

CONCLUSION AND IMPLICATIONS FOR BUSINESS

While any one of these scenario outcomes is possible, our baseline analysis suggests that low-trend growth will likely characterise the years ahead. Geopolitical instability, environmental pressures, persistent inflation and labour market imbalances all continue to dampen the outlook. These and other fragilities will likely strain globalisation as countries react to uncertainty with industrial policies, decoupling and moves to enhance domestic self-sufficiency. A note of caution underpins the overall outlook, and companies should take it into account in their planning.

However, there are a few bright spots. India and the broader Asia region continue to drive growth, suggesting a continuing role for Asia as a key economic and political powerhouse. The rapid pace of technology development has the capacity to accelerate productivity and innovation, potentially counteracting some labour market imbalances. And inflation and global unemployment are set to stabilise by late 2024/early 2025.

To help businesses best respond to these changes in the short and long term, we have identified four implications to address the shifts in the global operating environment:

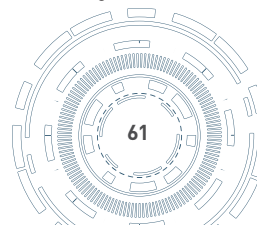
Lean into volatility. High levels of uncertainty and the greater geopolitical and economic fragmentation are highly likely over the next five years. As the title of this report suggests, strategic businesses will continue to invest in new ventures, diversify markets, and pursue innovative solutions rather than shrinking operations and falling into a defensive crouch. Such actions will

build resiliency, create additional business opportunities and drive growth.

Develop risk preparedness. In tandem, strategic businesses will continue to prioritise operational resiliency. Building and maintaining capacity in risk preparedness and management programs will be crucial. Such programs can help mitigate the impact of outside shocks, from minor inconveniences such as shipping delay times to worst-case scenarios ranging from another pandemic to cybersecurity threats to a major conflict.

Embrace innovation. Businesses that demonstrate agility in how they incorporate and leverage technologies such as AI, quantum computing and machine learning will hold a competitive advantage. This includes building an understanding of which new tools to embrace and how to deploy them. Training to build the new generation of tech-savvy workers will be another strategic priority as persistent talent shortages may hinder the ability of firms to implement and use new technology.

Find opportunities in push to meet environmental standards. Scenario projections through 2027 that include global efforts to address climate change are those that experience the highest growth rates. Innovations such as climate management technologies are likely to flourish in this market. Firms that embrace climate-friendly practices, develop climate-friendly innovations, and incorporate environmental risk-management practices early on will be best positioned to contend with the effects of climate change.





4

OUR PERFORMANCE IN 2023



Investment Performance Report

Portfolio Reporting

- Ekuinas Direct (Tranche II) Fund
- Ekuinas Direct (Tranche III) Fund
- Ekuinas Direct (Tranche IV) Fund
- Ekuinas Outsourced (Tranche I) Fund
- Ekuinas Outsourced (Tranche II) Fund
- Notes to the Portfolio Reporting

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<https://ekuinas.com.my>

INVESTMENT PERFORMANCE REPORT

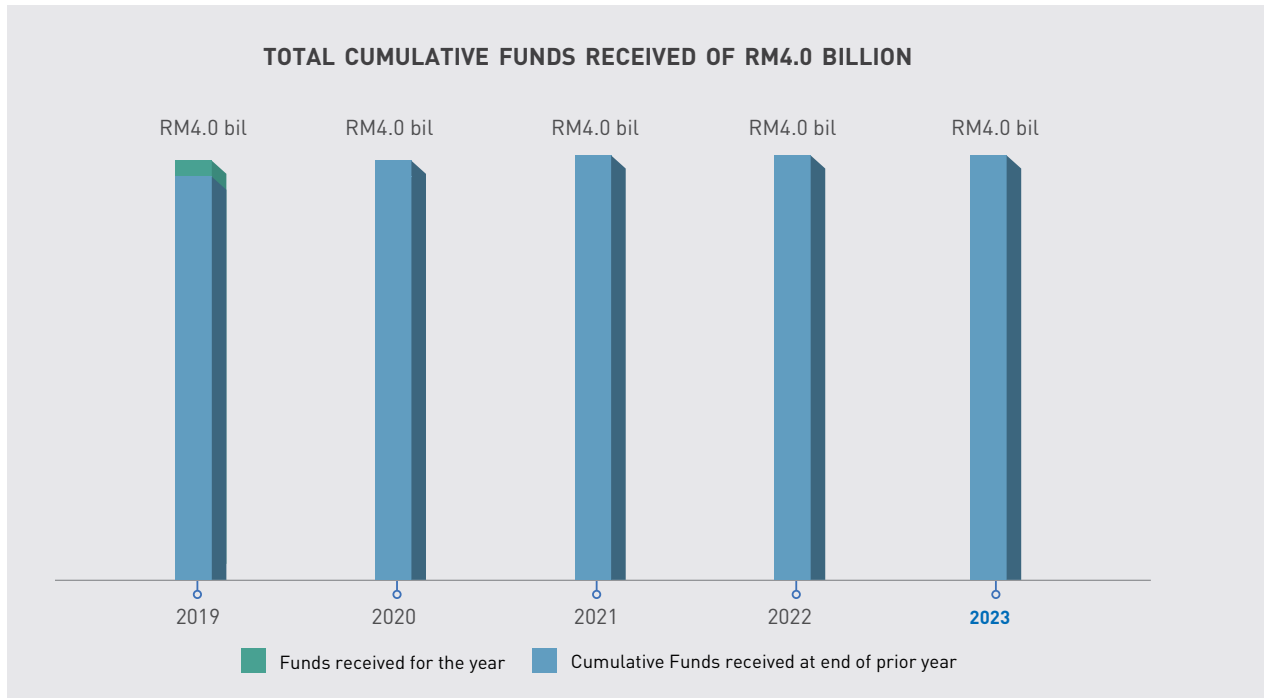
INVESTMENT THESIS

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.

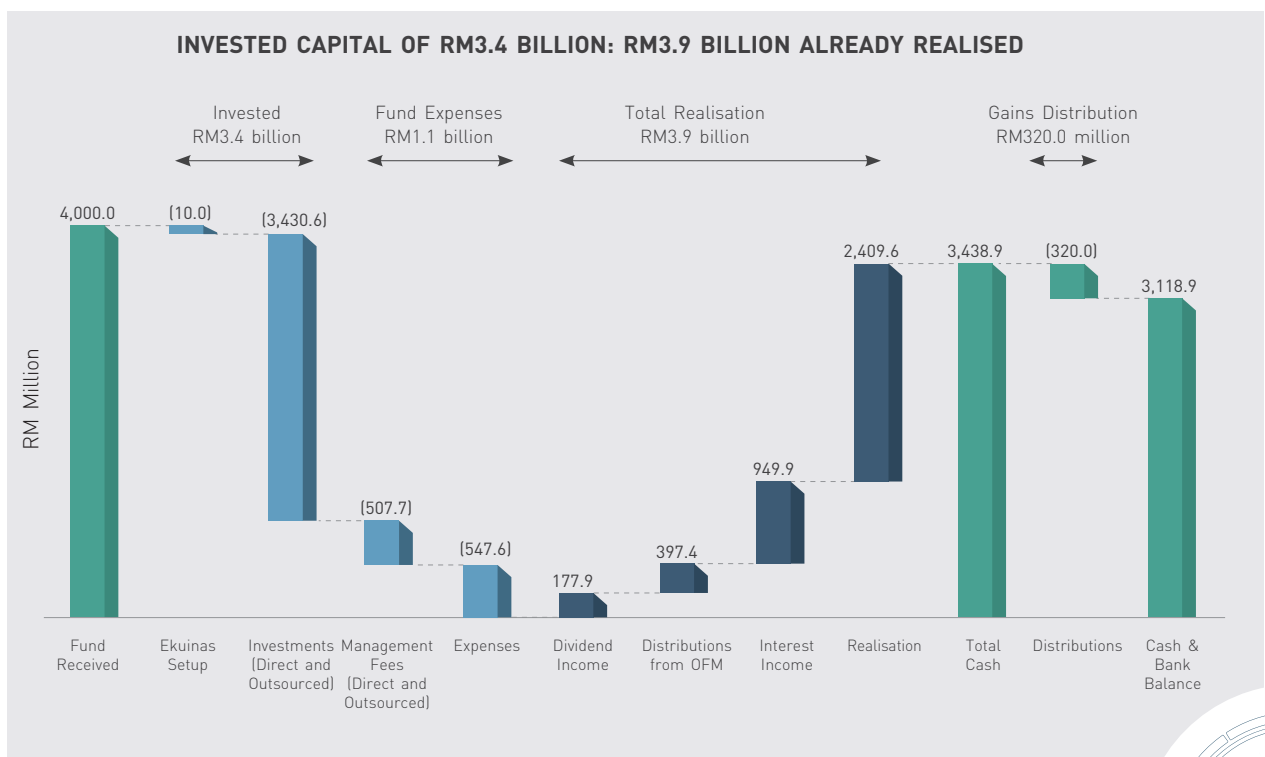


A Overall

1. Funds Received



2. Funds Utilisation



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	EKUINAS DANA ASAS (TRANCHE I) FUND
Vintage Year 2010	Vintage Year 2012	Vintage Year 2014	Vintage Year 2019	Vintage Year 2023
Status Fully realised	Status Deployed	Status Deployed	Status Investing	Status Investing
Capital Committed RM1.0 Billion	Capital Committed RM1.0 Billion	Capital Committed RM1.5 Billion	Capital Committed RM1.0 Billion	Capital Committed RM100 Million
Term 5 + 2 + 1 years	Term 5 + 2 + 1.5 + 2 + 2 years	Term 5 + 1 + 2 + 4 years	Term 5 + 4 years	Term 8 + 2 years
INVESTMENT PERIOD OF 3 TO 5 YEARS				
INVESTMENT FOCUS				
Legal Form & Structure One Fund Manager and One Investor		Geographical Focus Malaysia	Industry Focus Education, Oil & Gas, FMCG, Retail & Leisure, Healthcare and Services	
Buyout and Growth Capital Fund				Growth Capital Fund

B Direct Investments (continued)

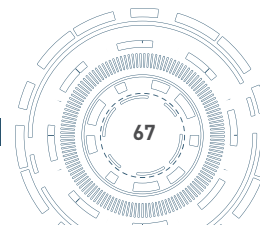
2. Investment Activities

a. Cumulative Direct Investment Activities as at 31 December 2023

RM million Portfolio Company	Sector	Stake	Committed Investment	Committed Investment by Others	Total Economic Capital Deployed
Ekuias 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%			
Ekuias 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 Manufacturing	100.0%			
4. Asia Pacific Institute of InformationTechnology 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 in January 2020



INVESTMENT PERFORMANCE REPORT

B Direct Investments (continued)

2. Investment Activities (continued)

a. Cumulative Direct Investment Activities as at 31 December 2023 (continued)

RM million Portfolio Company	Sector	Stake	Committed Investment	Committed Investment by Others	Total Economic Capital Deployed
Ekuias 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	100.0%	1,701.8	-	1,701.8
9. UNITAR*#	Education	100.0%			
10. ICON##	Oil & Gas	0.3%			
11. Flexi Versa Group Sdn Bhd (FVG)*	Manufacturing	76.1%			
12. Exabytes Capital Group Sdn Bhd (Exabytes)	Technology Services	45.4%			
13. ICON+	Oil & Gas	55.6%			
14. ICON@^+	Oil & Gas	0.1%			
15. ICON	Oil & Gas	-			
Ekuias Direct (Tranche IV) Fund					
1. Medispec (M) Sdn Bhd	Healthcare	75.0%	69.6	-	69.6
Ekuias Dana Asas (Tranche I) Fund					
1. Eagle Cliffe (M) Sdn Bhd (Kaisar Farmasi)	Healthcare	34.8%	19.5	-	19.5
Cumulative Total Investment Undertaken			4,124.0	122.1	4,246.1

* Includes follow-on investments

Transfer from Ekuias Direct (Tranche I) Fund

** Includes acquisition of minority interest

+ After share consolidation in November 2023

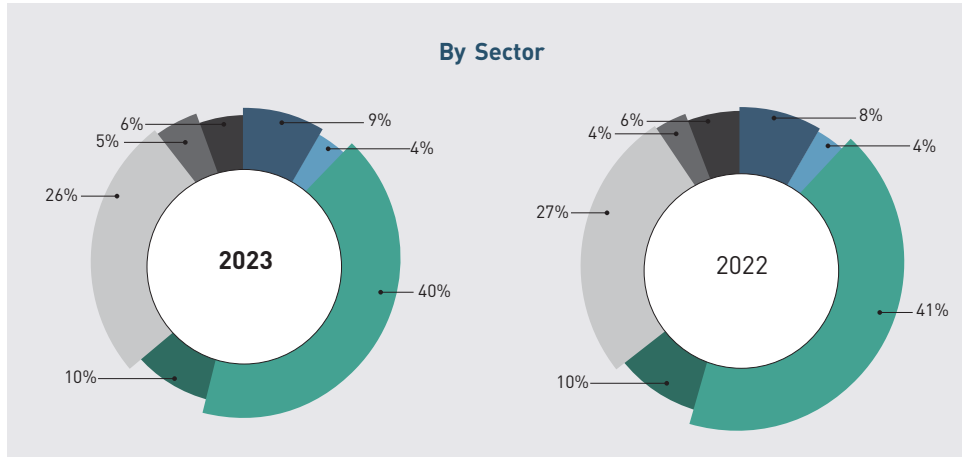
@ Transfer from Ekuias Direct (Tranche II) Fund

^ After share consolidation and issuance of rights issue in January 2020

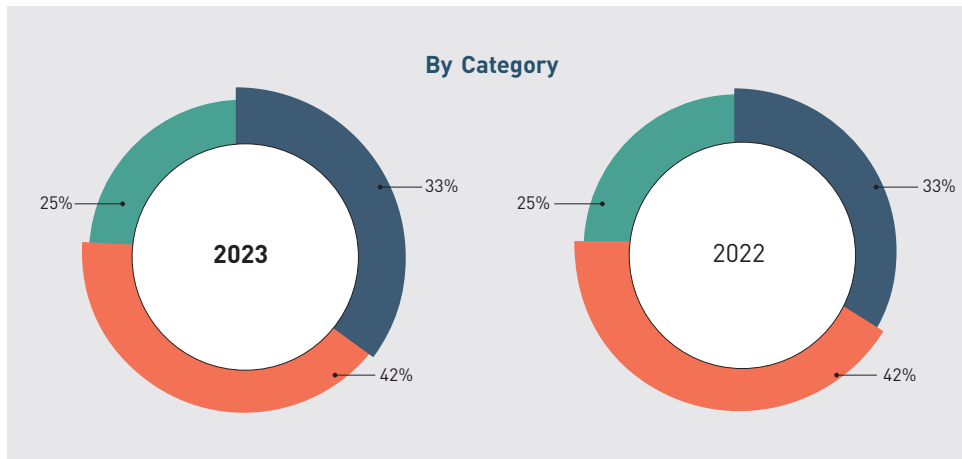
B Direct Investments (continued)

2. Investment Activities (continued)

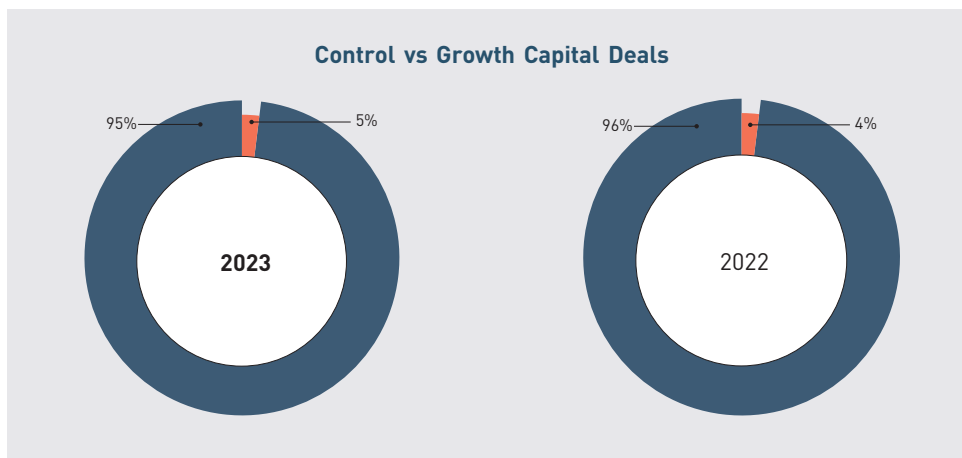
b. Investment Composition Analysis - Active



- Retail - F&B
- Retail
- Oil & Gas
- Education
- Manufacturing
- Healthcare
- Technology Services



- Investment in Bumiputera/Malaysian Company
- Buyout of Malaysian Company
- Acquisition on Non-Core Assets



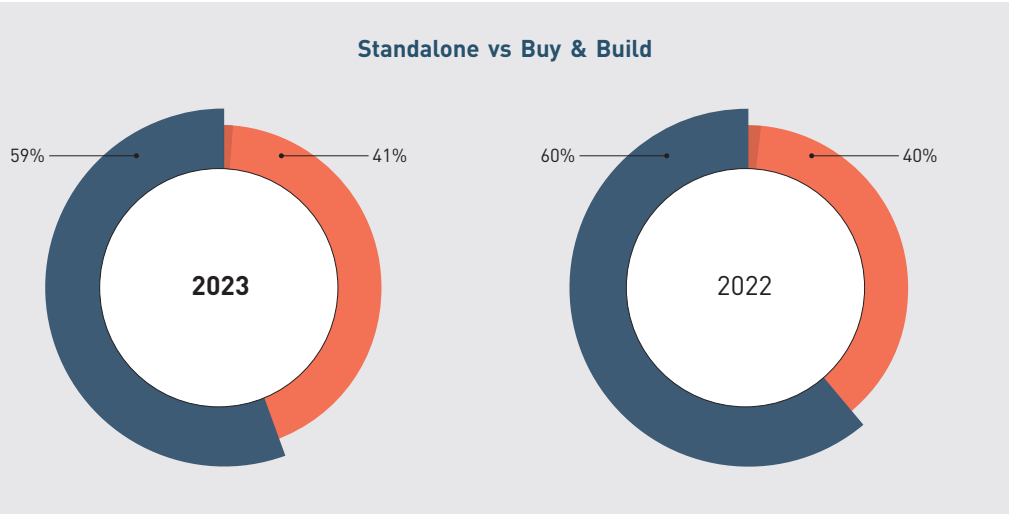
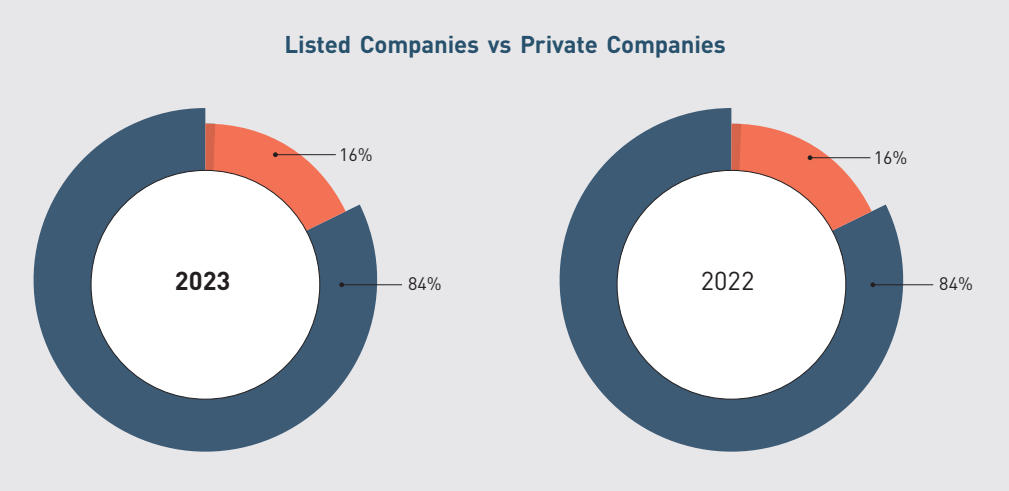
- Control
- Growth Capital

INVESTMENT PERFORMANCE REPORT

B Direct Investments (continued)

2. Investment Activities (continued)

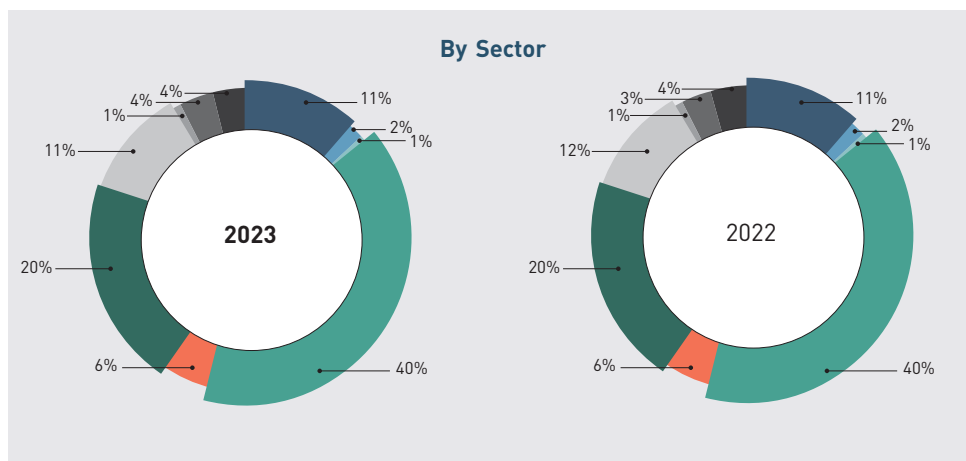
b. Investment Composition Analysis – Active (continued)



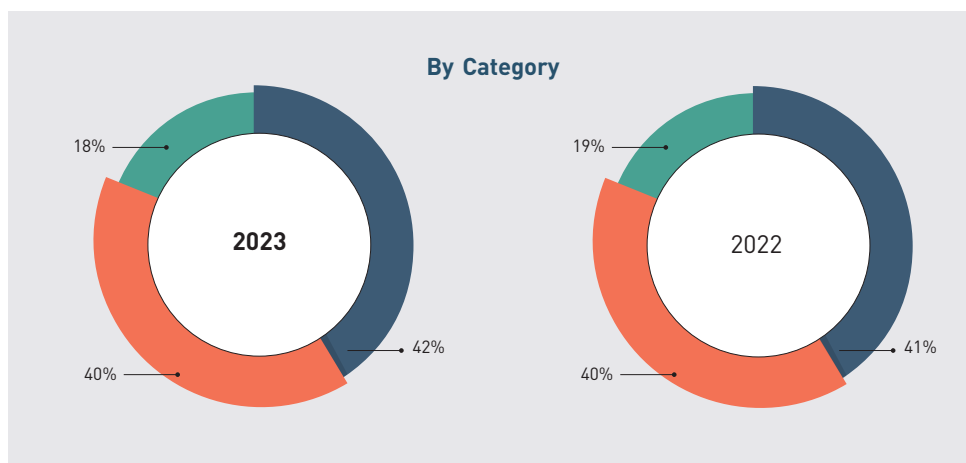
B Direct Investments (continued)

2. Investment Activities (continued)

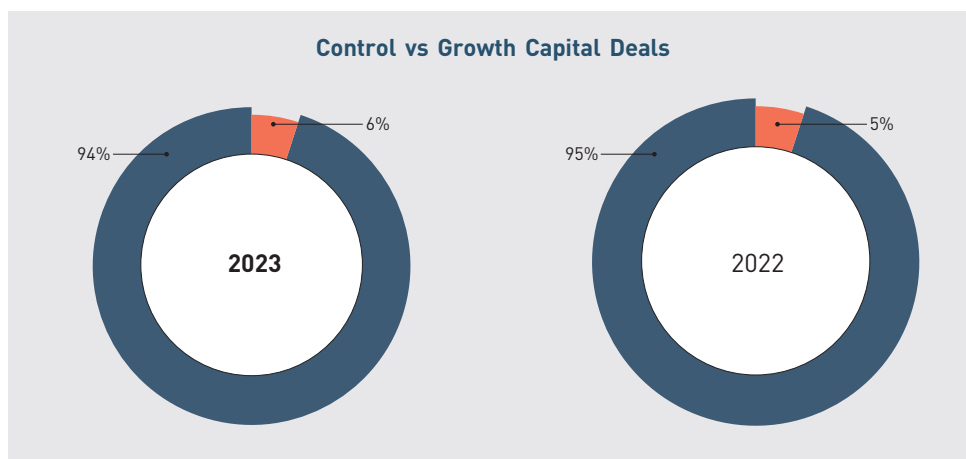
c. Investment Composition Analysis – Cumulative



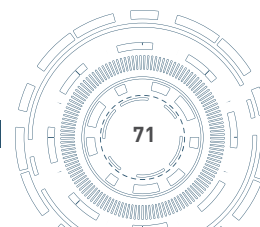
- Retail - F&B
- Retail
- FMCG
- Oil & Gas
- Services
- Education
- Manufacturing
- Food Manufacturing
- Healthcare
- Technology Services



- Investment in Bumiputera/Malaysian Company
- Buyout of Malaysian Company
- Acquisition on Non-Core Assets



- Control
- Growth Capital

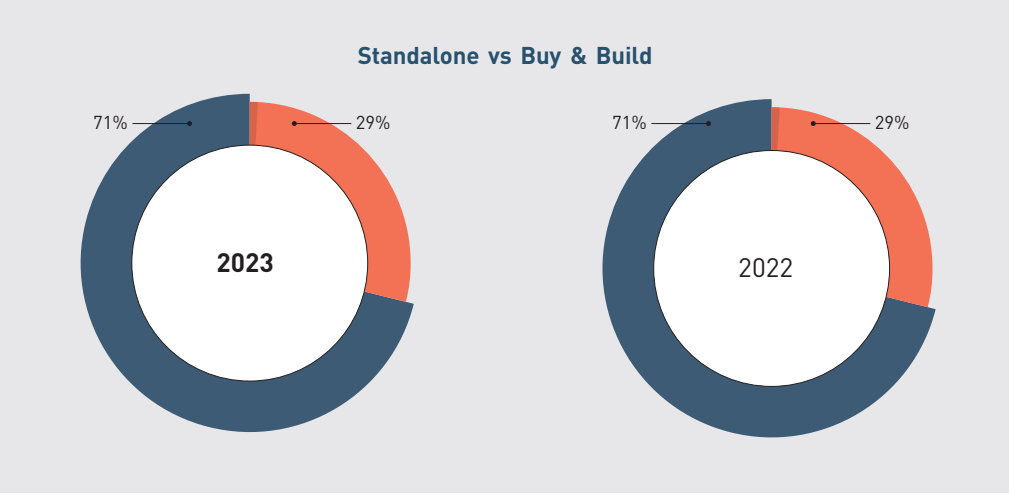
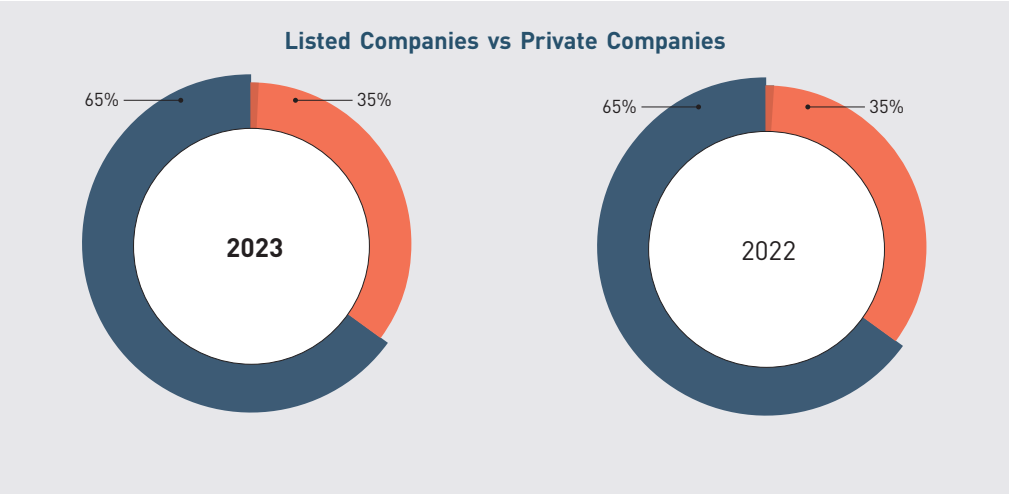


INVESTMENT PERFORMANCE REPORT

B Direct Investments (continued)

2. Investment Activities (continued)

c. Investment Composition Analysis – Cumulative



B Direct Investments (continued)

3. Realisation Activities

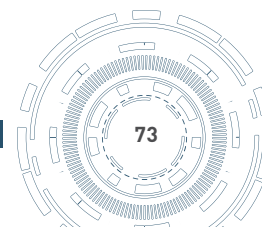
Cumulative Realisation Activities as at 31 December 2023

Realised Investment RM million	Year of Realisation	% of Investment 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	
UNITAR & Cosmopoint [*]	2017	100.0	
RV [*]	2017	100.0	
Tranglo	2018	100.0	
Medix & PMCare	2018	100.0	3,364.1
APIIT Lanka [^]	2019	100.0	
Primabaguz	2019	100.0	
ICON [^]	2019	N/A	
Coolblog	2020	100.0	
ICON [#]	2023	100.0	
Partial realisation			
ICON [^]	2014	89.1	
ICON [*]	2020	N/M	

[^] Realisation at fund level across multiple funds

[#] Before settlement of debts

^{*} Transferred to Ekuinas Direct (Tranche III) Fund



INVESTMENT PERFORMANCE REPORT

B Direct Investments (continued)

4. Portfolio Companies' Performance

Portfolio Companies' Performance – Combined Revenue and EBITDA

Company RM million	Revenue (RM million) ^①			EBITDA (RM million) ^{*②}		
	2023 [#] A	2022 B	% Growth A - B	2023 [#] A	2022 B	% Growth A - B
Education Group	104.8	79.9	31.2%	12.4	7.5	65.3%
Retail - F&B	66.4	80.0	-17.0%	0.2	7.3	-97.3%
Oil & Gas	447.8	427.9	4.7%	231.3	225.4	2.6%
Retail	489.6	485.7	0.8%	36.3	70.5	-48.5%
Manufacturing Group	377.0	360.2	4.7%	17.8	20.1	-11.4%
Technology Services	121.0	98.8	22.5%	19.5	9.7	>100.0%
Healthcare	176.7 [^]	134.4	31.5%	16.7 [^]	19.0	-12.1%
Combined Portfolio Companies	1,783.3	1,666.9	7.0%	334.2	359.5	-7.0%

① Proforma based on 100% consolidation

* EBITDA figures exclude any non-recurring and exceptional item

Unaudited for 2023

[^] Includes post-acquisition results of Eagle Cliffe (M) Sdn Bhd

5. Investment Activities

5.1 Ekuinas Direct (Tranche II) Fund

a. Investment Performance

	2023	2022
Gross IRR p.a.	11.5%	11.9%
Net IRR p.a. (before carried interest)	8.3%	8.6%

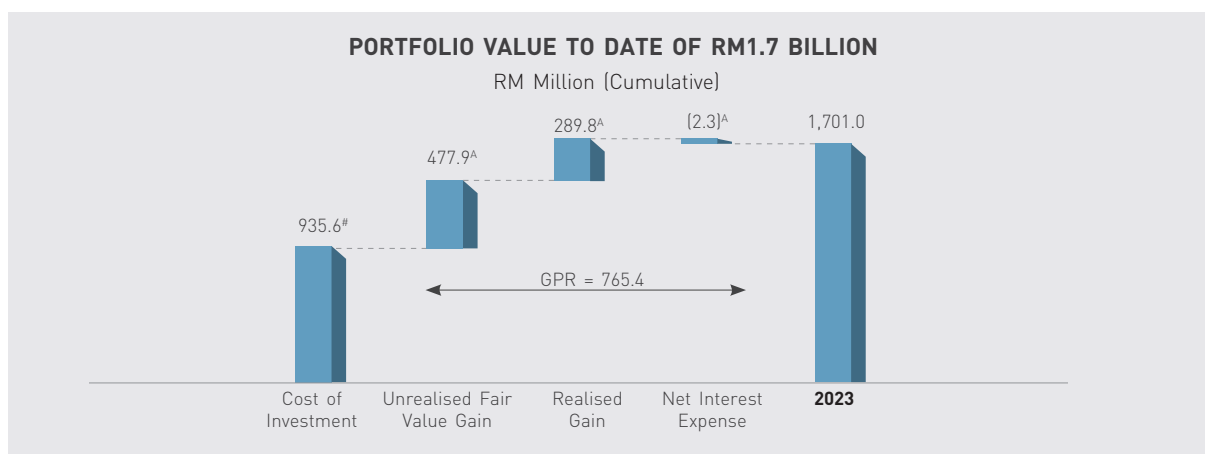
Net IRR is derived after management fees and other operating expenses

B Direct Investments (continued)

5. Investment Activities (continued)

5.1 Ekuinas Direct (Tranche II) Fund (continued)

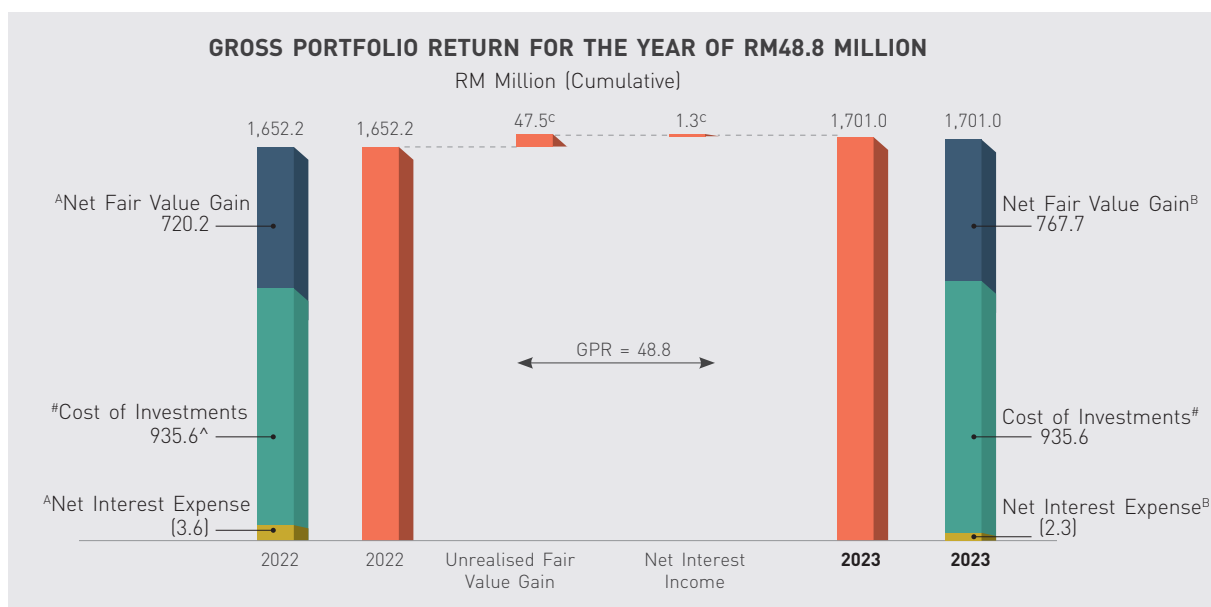
b. Ekuinas Direct (Tranche II) Fund Accumulated Portfolio Value Enhancement



^A These numbers combined add up to cumulative Gross Portfolio Return as at end 2023 of RM765.4 million

[#] Net of financing

c. Ekuinas Direct (Tranche II) Fund Portfolio Value Movement as at 31 December 2023



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

^B These numbers combined add up to cumulative Gross Portfolio Return for 2023 of RM765.4 million

^C These numbers combined add up to Gross Portfolio Return movement for the year of RM48.8 million

[#] Net of financing

[^] Adjusted for comparability

INVESTMENT PERFORMANCE REPORT

B Direct Investments (continued)

5. Investment Activities (continued)

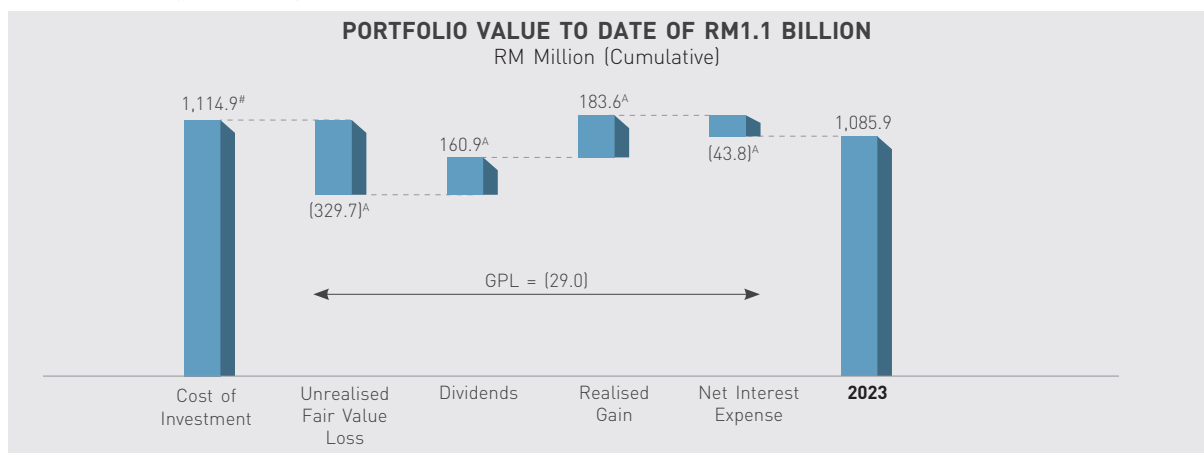
5.2 Ekuinas Direct (Tranche III) Fund

a. Investment Performance

	2023	2022
Gross IRR p.a.	-0.6%	3.1%
Net IRR p.a. (before carried interest)	-5.1%	-2.1%

Net IRR is derived after management fees and other operating expenses

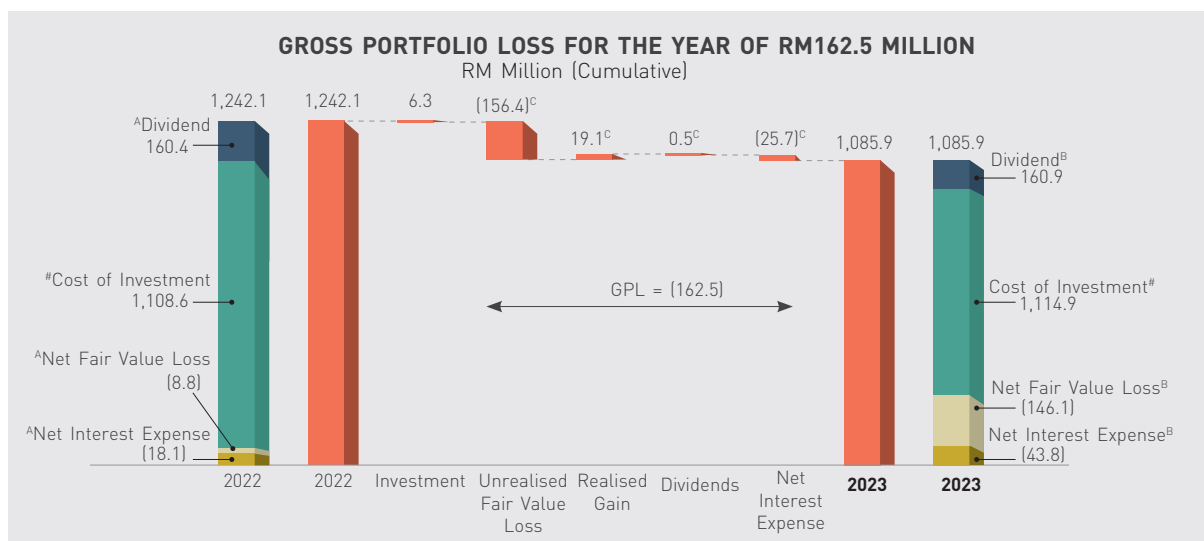
b. Ekuinas Direct (Tranche III) Fund Accumulated Portfolio Value Enhancement



^A These numbers combined add up to cumulative Gross Portfolio Loss as at end 2023 of RM29.0 million

[#] Net of financing

c. Ekuinas Direct (Tranche III) Fund Portfolio Value Movement as at 31 December 2023



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

^B These numbers combined add up to cumulative Gross Portfolio Loss for 2023 of RM29.0 million

^C These numbers combined add up to Gross Portfolio Loss movement for the year RM162.5 million

[#] Net of financing

B Direct Investments (continued)

5. Investment Activities (continued)

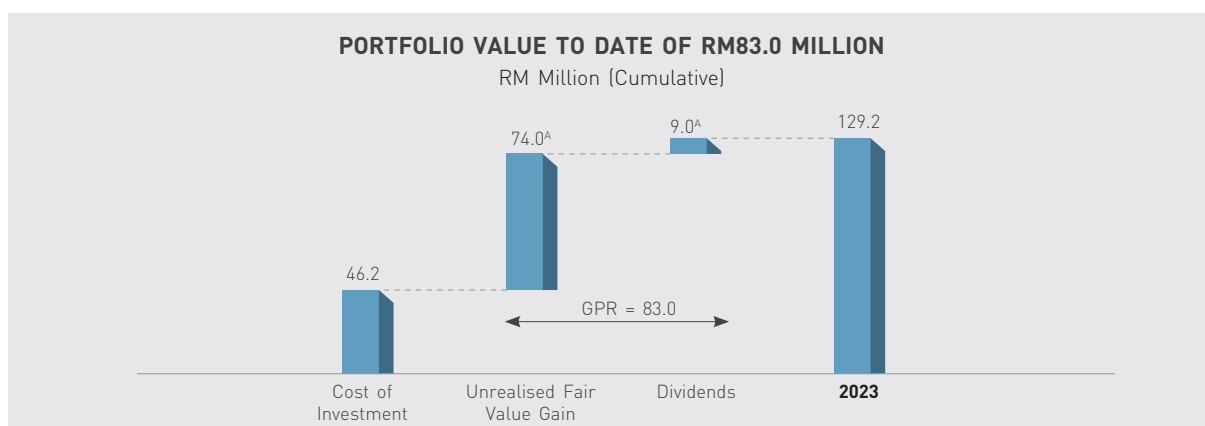
5.3 Ekuinas Direct (Tranche IV) Fund

a. Investment Performance

	2023	2022
Gross IRR p.a.	43.0%	77.2%
Net IRR p.a. (before carried interest)	-2.4%	8.4%

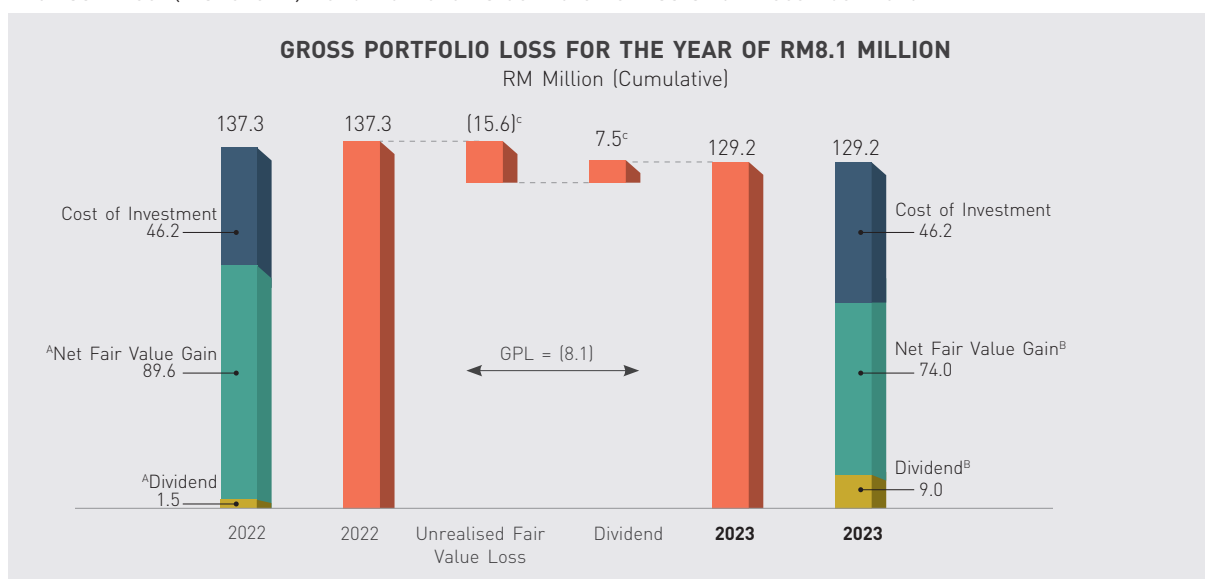
Net IRR is derived after management fees and other operating expenses

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



^A These numbers combined add up to cumulative Gross Portfolio Return as at end 2023 of RM83.0 million

c. Ekuinas Direct (Tranche IV) Fund Portfolio Value Movement as at 31 December 2023



^A These numbers combined add up to cumulative Gross Portfolio Return for 2022 of RM91.1 million

^B These numbers combined add up to cumulative Gross Portfolio Return for 2023 of RM83.0 million

^C These numbers combined add up to Gross Portfolio Loss movement for the year of RM8.1 million

INVESTMENT PERFORMANCE REPORT

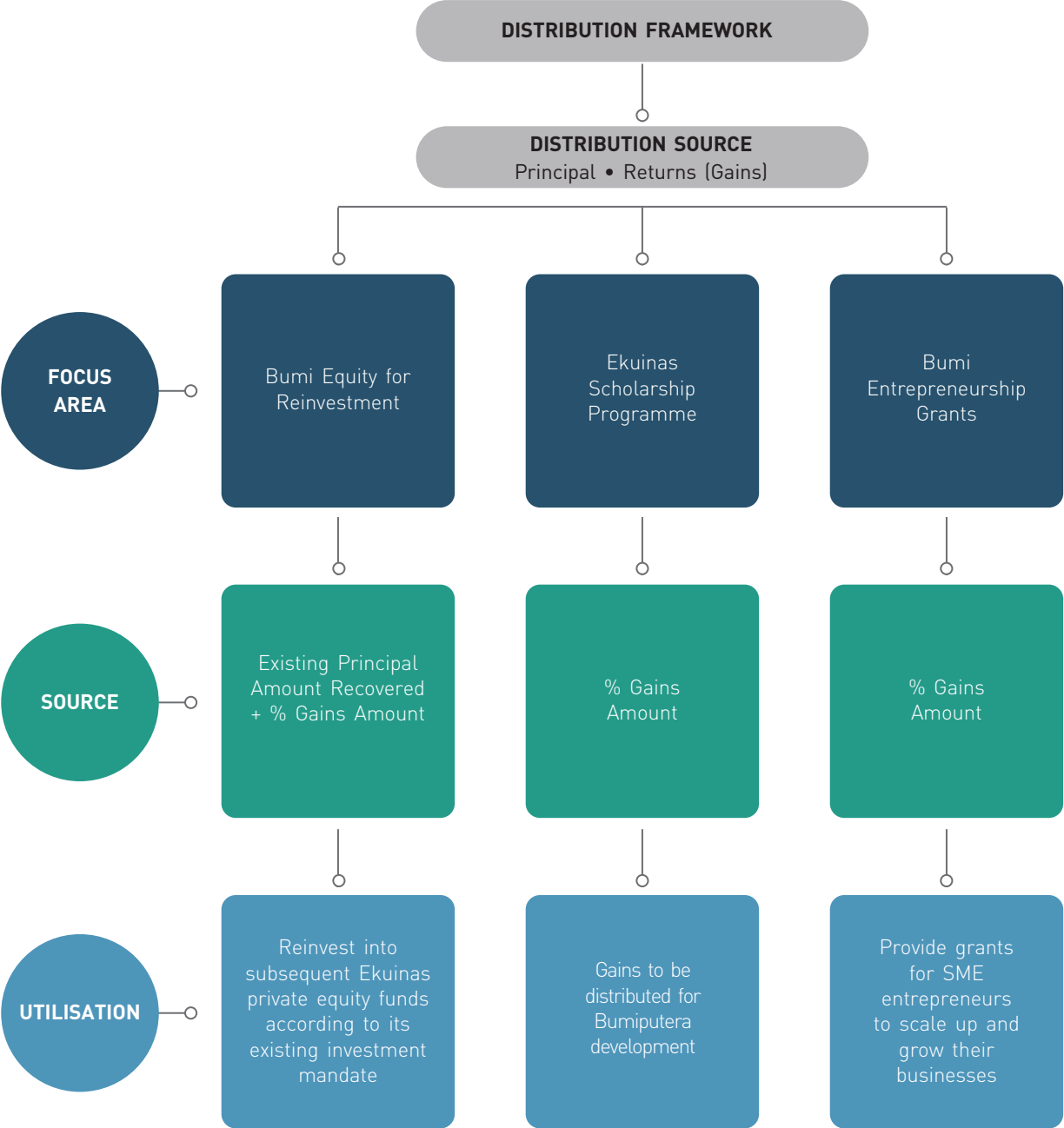
B Direct Investments (continued)

6. Distribution

Distributed Amount as at 31 December 2023

RM320.0 million

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



PORTFOLIO COMPANIES AT A GLANCE



Kuala Lumpur Metropolitan University College

Cosmopoint Group

Investment type
Majority investment in a strong Malaysian company

Acquisition date
March 2012

Ownership
100.0%



Unitar International University

Investment type
Majority investment in a strong Malaysian company

Acquisition date
May 2012

Ownership
100.0%



Revenue Valley Sdn Bhd

Investment type
Majority investment in a strong Malaysian company

Acquisition date
January 2012

Ownership
95.0%



Al-Ikhsan Sports Sdn Bhd

Investment type
Investment in a strong Malaysian company

Acquisition date
July 2016

Ownership
35.0%

ICON OFFSHORE

Icon Offshore Berhad


Investment type
Majority investment in a strong Malaysian company

Acquisition date
November 2012, merger of TKS and Omni

Partial Divestment
June 2014

*Note:
Completed divestment of 50.2% stake in March 2024*

Ownership
56.0%



Orkim Sdn Bhd

Investment type
Buyout of non-core assets of GLC

Acquisition date
August 2014

Ownership
95.5%



Eagle Cliffe (M) Sdn Bhd

Investment type
Investment in a strong Bumiputera company

Acquisition date
February 2023

Ownership
34.8%




Davex (Malaysia) Sdn Bhd

Investment type
Majority investment in a strong Malaysian company

Acquisition date
December 2017

Ownership
100.0%




Medispec (M) Sdn Bhd

Investment type
Majority investment in a strong Malaysian company

Acquisition date
February 2021

Ownership
75.0%



Exabytes Capital Group Sdn Bhd

Investment type
Investment in a strong Malaysian company

Acquisition date
March 2019

Ownership
45.4%



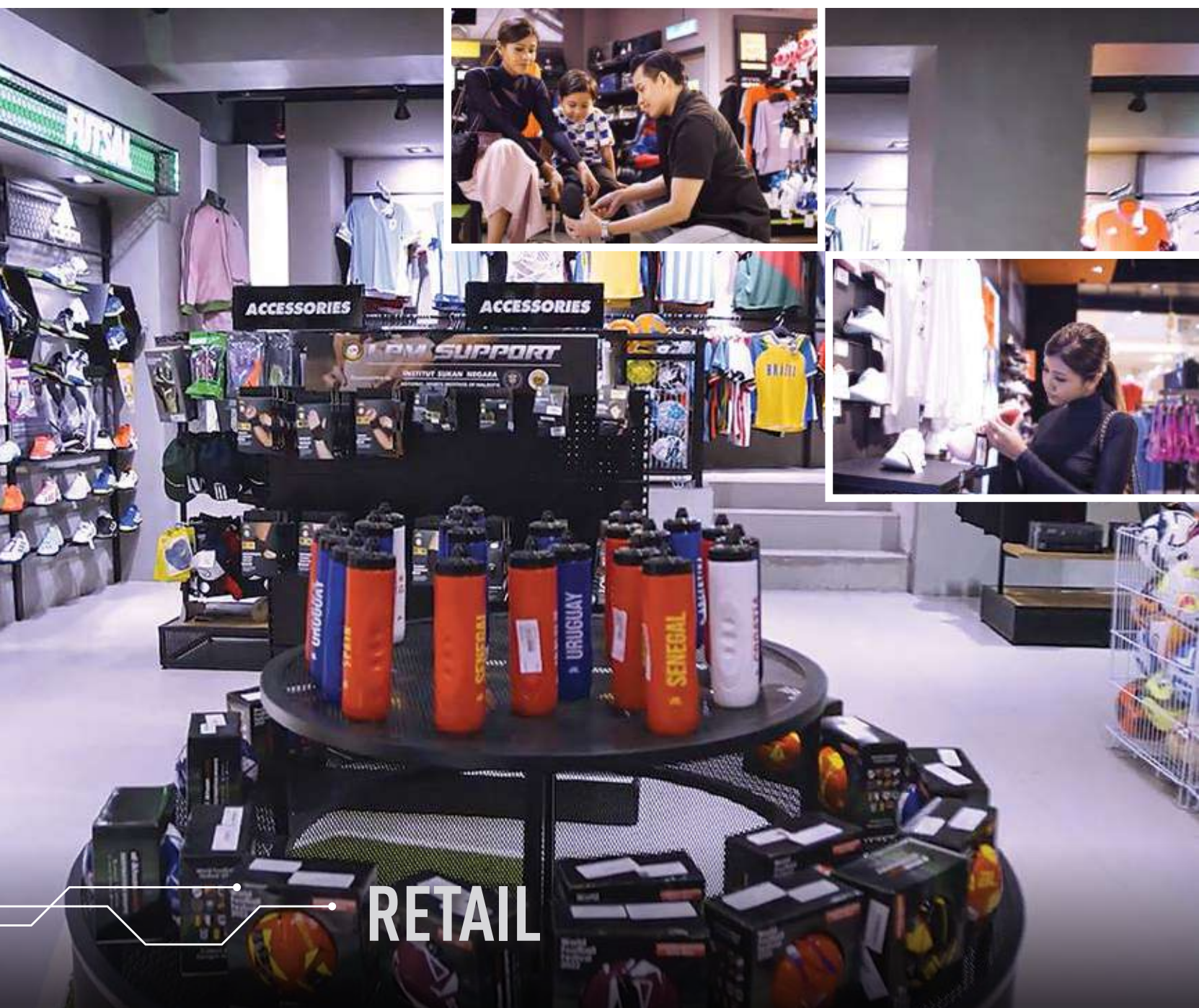
Flexi Versa Group Sdn Bhd

Investment type
Majority investment in a strong Malaysian company

Acquisition date
April 2018

Ownership
76.1%

INVESTMENT PERFORMANCE REPORT



RETAIL



Al-Ikhsan Sports Sdn Bhd

Investment Type

Investment in a strong Malaysian company

Acquisition Date

July 2016

Ownership

35.0%

Profile

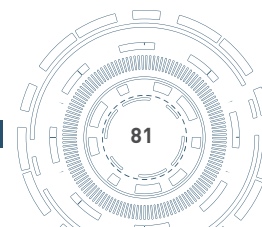
- Al-Ikhsan is a leading multi-brand sports retailer in Malaysia with three (3) decades of history and today has 186 corporate-owned outlets. The company retails sports equipment, apparel and footwear from major brands including Adidas, Nike, Puma, Asics, Umbro and Lotto
- Al-Ikhsan is also the principal owner of the brand AL Sports and markets various sporting goods under the AL trademark

Investment Rationale

- Investment in a leading multi-brand sports retailer in Malaysia with approximately 30% market share
- Opportunities for growth in profitability through operational improvement and sales

	2023 Unaudited RM million	2022 Audited RM million	Growth %
Revenue	489.6	485.7	0.8%
EBITDA before EI	36.3	70.5	-48.5%

EI: Extraordinary items.



INVESTMENT PERFORMANCE REPORT



EDUCATION

cosmopoint
COLLEGE OF TECHNOLOGY

KL
MTC Kuala Lumpur Metropolitan
University College

UNITAR
INTERNATIONAL
UNIVERSITY
Established since 1997

Cosmopoint Group

Investment Type

Majority investment in a strong Malaysian company

Acquisition Date

March 2012

Ownership

100.0%

UNITAR International University

Investment Type

Majority investment in a strong Malaysian company

Acquisition Date

May 2012

Ownership

100.0%

Profile

Cosmopoint Group

- Established: 1991
- Locations: Kuala Lumpur + 10 colleges nationwide
- Type of education: Tertiary
- Specialises in: Marketable industry-relevant courses that include IT, Business Management, Culinary Arts and Multimedia
- Student population: Approximately 4,500

UNITAR International University

- Established: 1997
- Locations: Selangor + 10 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 programmes. Flexible modes of delivery combining online, conventional and hybrid further supports our commitment to life-long learning
- Student population: Approximately 9,000

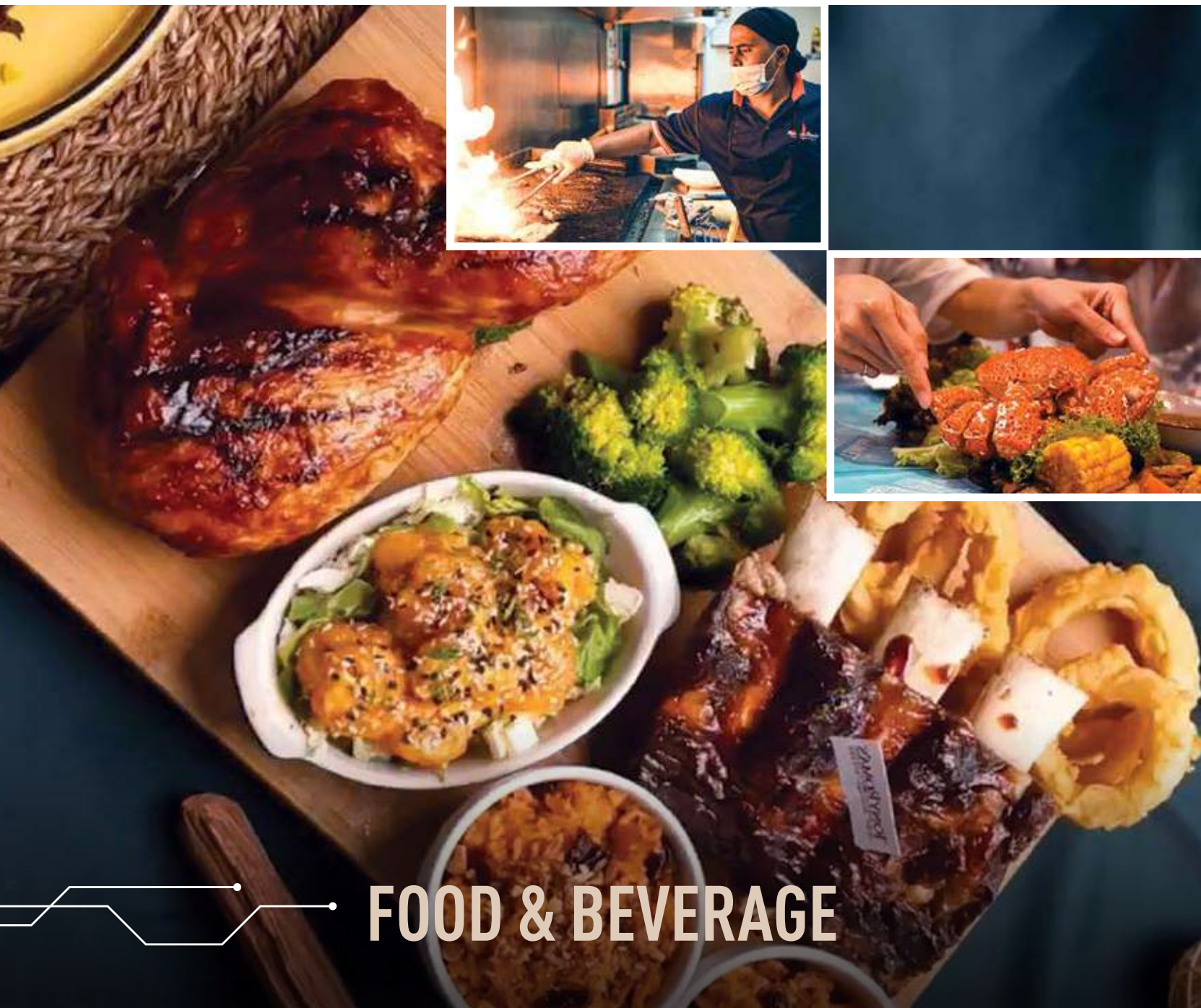
Investment Rationale

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

	2023 Unaudited RM million	2022 Audited RM million	Growth %
Revenue	104.8	79.9	31.2%
EBITDA before EI	12.4	7.5	65.3%
Number of students (approximate)	13,500	11,030	22.4%

EI: Extraordinary items

INVESTMENT PERFORMANCE REPORT



FOOD & BEVERAGE



Revenue Valley Sdn Bhd

(Tony Roma's, Manhattan FISH MARKET, New York Steak Shack and Daporlah)

Investment Type

Majority investment in a strong Malaysian company

Acquisition Date

January 2012

Ownership

95.0%

Profile

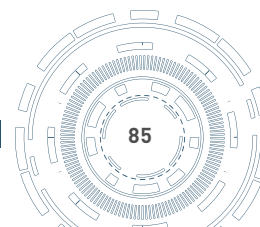
- Established: 2002
- Corporate owned outlets: 29
- Franchise outlets: 10
- Type: Casual Dining

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, Myanmar, Jordan, Maldives and Sri Lanka
- Experienced management team and opportunity to develop professional managers

	2023 Unaudited RM million	2022 Audited RM million	Growth %
Revenue	66.4	80.0	-17.0%
EBITDA before EI	0.2	7.3	-97.3%

EI: Extraordinary items



INVESTMENT PERFORMANCE REPORT



OIL & GAS

ICON OFFSHORE



Orkim Sdn Bhd

Icon Offshore Berhad

Investment Type

Majority investment in a strong Malaysian company

Acquisition Date

November 2012, from the merger of TKS and Omni

Partial divestment

June 2014

Ownership

56.0%

Note:

Completed divestment of 50.2% stake in March 2024

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, with 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

	2023 Unaudited RM million	2022 [^] Audited RM million	Growth %
Revenue	199.8	193.4	3.3%
EBITDA before EI	76.6	83.3	-8.0%
PAT before EI	6.7	12.9	-48.1%

EI: Extraordinary items

[^] Comparative restated for like comparison (exclude rig segment)

Orkim Sdn Bhd

Investment Type

Buyout of non-core assets of GLC

Acquisition Date

August 2014

Ownership

95.5%

Profile

- One of Malaysia's leading Clean Petroleum Product (CPP) and Liquefied Petroleum Gas (LPG) tanker owner-operator
- 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 the marine logistics industry
- Established track record with key oil majors including Petronas, Shell, Petron and BHP
- Highly experienced management team with opportunity to further develop in-house capabilities

	2023 Unaudited RM million	2022 Audited RM million	Growth %
Revenue	248.0	234.5	5.8%
EBITDA before EI	154.7	142.1	8.9%

EI: Extraordinary items

INVESTMENT PERFORMANCE REPORT



MANUFACTURING



Flexi Versa Group
Sdn Bhd

Davex (Malaysia) Sdn Bhd

Investment Type

Majority investment in a strong Malaysian company

Acquisition Date

December 2017

Ownership

100.0%

Profile

- Founded in 1983, Davex is a homegrown total energy efficiency solutions provider, with roots in lighting design, consultancy and manufacturing
- Davex's offerings span end-to-end lighting, energy efficiency (EE) and renewable energy (RE) solutions with an orientation towards enabling smart and sustainable cities. In addition, the company provides turnkey and contract manufacturing services to customers within the same industry
- Davex has served customers in the commercial, industrial and residential sectors, with wholesale presence in Australia. The company's lighting segment operates under the brand name Davis Lighting. Its energy and sustainability solutions are marketed under the brand name Xenergi
- Notable large-scale projects include 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)

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

	2023 Unaudited RM million	2022 Audited RM million	Growth %
Revenue	93.7	96.4	-2.8%
EBITDA before EI	(11.0)	(10.6)	-3.8%

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 electronics and mechanical design, SMT/PCBA, box build assembly, precision components services (elastomeric and LSR solutions, precision die-cutting, RFI/EMI/ESD shielding fabrications, thermal and graphic-interface solutions), polymer processing, injection moulding, woodworking and wire harness assemblies
- The Group has successfully expanded its client base to include some of the world's leading brand names in medical devices, wireless telecommunications, high-end floor and personal care appliances, industrial equipment, IoT smart devices, automotive, acoustics and consumer electronics
- The company serves its customers via a regional manufacturing footprint with presence in Malaysia, China, Singapore, Vietnam, Philippines and Indonesia

Investment Rationale

- Strong relationships with large Original Equipment Manufacturers (OEM)
- Integrated manufacturing capabilities with regional footprint

	2023 Unaudited RM million	2022 Audited RM million	Growth %
Revenue	283.3	263.8	7.4%
EBITDA before EI	28.8	30.7	-6.2%

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

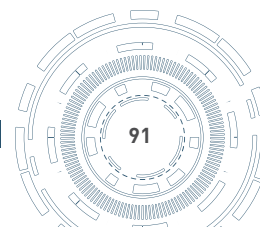
- Exabytes was founded in 2001 and focuses on becoming a one-stop solution provider targeting the needs of end-customers to grow their businesses online. Core products include domain registration, web hosting, website design, servers/VPS, cloud solutions, new retail solutions and digital marketing services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

Investment Rationale

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

	2023 Unaudited RM million	2022 Audited RM million	Growth %
Revenue	121.0	98.8	22.5%
EBITDA before EI	19.5	9.7	>100.0%

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 products & health supplements
- It markets more than 150 pharmaceutical drugs and more than 48 health supplements under its fast-growing internal private label brand, Vitamode

Investment Rationale

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

	2023 Unaudited RM million	2022 Audited RM million	Growth %
Revenue	155.1	134.4	15.4%
EBITDA before EI	17.6	19.0	-7.4%

EI: Extraordinary items

Eagle Cliffe (M) Sdn Bhd

Investment Type

Investment in a strong Bumiputera company

Acquisition Date

February 2023

Ownership

34.8%

Profile

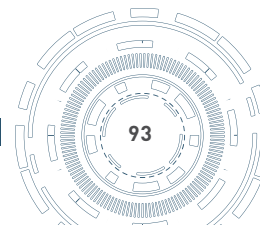
- Eagle Cliffe (M) Sdn Bhd or its retail name "Kaisar Farmasi", is a community pharmacy chain with 28 outlets located in Klang Valley and Perak
- Its diverse product offerings encompass a wide spectrum, ranging from regulated and over-the-counter medicines, medical devices, personal care essentials, baby care items, general health supplements and an assortment of traditional herbal remedies
- To date, Kaisar has over 30 products marketed under its private label brand, namely DeVital and DeVenus

Investment Rationale

- Investment in a leading Bumiputera community pharmacy chain with a solid market position
- Ekuinas supports a visionary and experienced Bumiputera entrepreneur, Nor Hazalina Ibrahim, who is a trained pharmacist with extensive regulatory (NPRA) experience

	2023 Unaudited* RM million
Revenue	21.6
EBITDA before EI	(0.9)

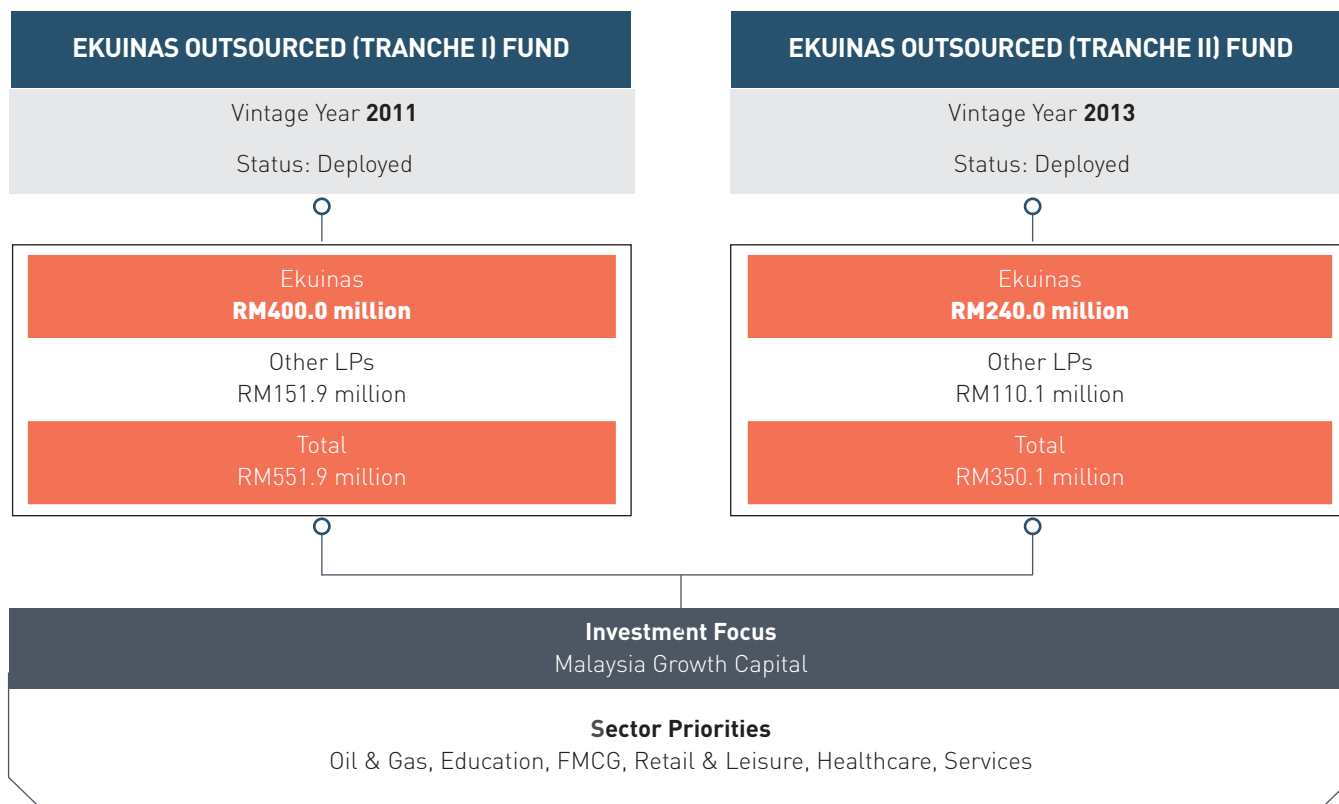
EI: Extraordinary items
* Represents post-acquisition results







INVESTMENT PERFORMANCE REPORT

C OUTSOURCED PROGRAMME

1. Fund Overview



2. Appointed Outsourced Fund Managers (OFMs)

NAVIS CAPITAL PARTNERS	TAEL PARTNERS	RM CAPITAL PARTNERS (RMCP)	COPE PRIVATE EQUITY
Fund Name Navis Malaysia Growth Opportunities Fund 1, L.P.	Fund Name TAEI Tijari (OFM) L.P.	Fund Name RMCP One Sdn Bhd	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

C OUTSOURCED PROGRAMME (continued)

3. Investment activities

Cumulative Outsourced Programme Investment Activities as at 31 December 2023

RM million	Fund	Sector	Committed Investment by OFMs			Other Co-Investors	Total Economic Capital Deployed
			EkuiNAS' Committed Capital	Other LPs	Sub Total		
EkuiNAS Outsourced (Tranche I) Fund							
Atelier Asia Sdn Bhd (Atelier)*	Navis MGO	FMCG					
MCAT Box Office Sdn Bhd (MBO)*	Navis MGO	Retail & Leisure					
SEG International (SEGi)*	Navis MGO	Education					
Strateg Sdn Bhd (Strateg)*	Navis MGO	Services					
HG Power Transmission Sdn Bhd (HGPT)*	Navis MGO	Services	264.0	110.2	374.2	334.2	708.4
Brickfields Asia College (BAC)	Navis MGO	Education					
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					
EkuiNAS Outsourced (Tranche II) Fund							
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					
Packerman Sdn Bhd (Packerman)	RMCP	Manufacturing	75.6	46.0	121.6	19.0	140.6
MBG Holdings Sdn Bhd (MBG)	COPE	F&B and Retail					
My-Sutera Holdings Sdn Bhd (My-Sutera)	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.

4. Fund Performance

4.1 EkuiNAS Outsourced (Tranche I) Fund

Investment Performance	2023	2022
Gross IRR p.a.	4.1%	4.1%
Net IRR p.a. (before carried interest)	3.3%	3.4%

4.2 EkuiNAS Outsourced (Tranche II) Fund

Investment Performance	2023	2022
Gross IRR p.a.	-3.1%	-2.7%
Net IRR p.a. (before carried interest)	-4.1%	-3.8%

INVESTMENT PERFORMANCE REPORT

PORTFOLIO COMPANIES UNDER OUTSOURCED PROGRAMME



SEGi
University &
Colleges

SEG INTERNATIONAL BERHAD (SEGi)

Transaction Details

OFM:
Navis Capital Partners

Sector:
Education

Acquisition date:
March 2012



**THE
BIG
GROUP**

BIG SDN BHD (F&B)

Transaction Details

OFM:
Navis Capital Partners

Sector:
F&B

Acquisition date:
December 2014



ExcelVite


EXCELVITE SDN BHD

Transaction Details

OFM:
TAEI Capital Partners

Sector:
Manufacturing

Acquisition date:
April 2015



ROM STAR GROUP
Intelligent Pigging Solutions


ROMSTAR SDN BHD

Transaction Details

OFM:
RM Capital Partners

Sector:
Services

Acquisition date:
January 2016



PACKERMAN

PACKERMAN SDN BHD

Transaction Details

OFM:
RM Capital Partners

Sector:
Manufacturing

Acquisition date:
July 2016

D SOCIAL OBJECTIVE PERFORMANCE

a. Bumiputera Equity Value and Total Economic Value

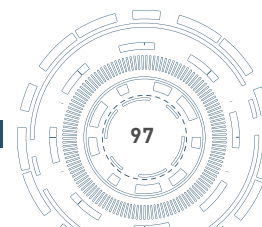
Total for Portfolio Companies	Bumiputera				Total Company			
	Ex Ante RM Million	As at 31 December RM Million	Bumiputera Value Created RM Million	Multiple of Ekuinas' Invested Capital	Ex Ante RM Million	As at 31 December RM Million	Economic Value Created RM Million	Multiple of Ekuinas' Invested Capital
2023	2,381.4	6,633.1	6,447.6	1.6x	5,791.8	8,734.1	8,088.9	2.1x
2022	2,381.4	6,695.2	6,507.0	1.6x	5,791.8	8,819.8	8,226.8	2.1x

b. Portfolio Companies – Management and Employees

	Bumiputera Headcount	Total Headcount	% Bumiputera to Total Headcount	% Increase in Bumiputera Headcount from Ex Ante
2023				
Management	251	779	32.2%	28.1%
Employees	9,969	17,061	58.4%	15.2%
2022				
Management	239	743	32.2%	21.9%
Employees	9,894	17,098	57.9%	14.4%

E EKUITI NASIONAL BERHAD - FUND MANAGEMENT COMPANY

Ekuiti Nasional Berhad	2023 RM million	2022 RM million
Total Funds under Management (FuM)	4,240.0	4,140.0
Operating Expenditure (OPEX)	41.3	38.3
Ratio of OPEX to FuM	1.0%	0.9%
Profit after Tax and Zakat (PAT)	3.9	1.1



PORTFOLIO REPORTING

AS AT 31 DECEMBER 2023

EKUINAS DIRECT (TRANCHE II) FUND

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	Buyout 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

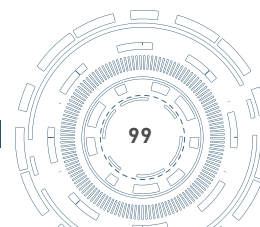
(a) Current Portfolio Summary as at 31 December 2023

Gross IRR	11.5% p.a.
Net IRR	8.3% p.a.

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

(b) Realisation Summary as at 31 December 2023

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	



PORTFOLIO REPORTING

AS AT 31 DECEMBER 2023

EKUINAS DIRECT (TRANCHE III) FUND

1. Fund Overview

FUND NAME	Ekuias 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: Ekuias Direct (Tranche III) Fund Fund Manager: Ekuiti Nasional Berhad Fund's Domicile: Malaysia
GEOGRAPHICAL FOCUS	Malaysia
INVESTMENT FOCUS	Buyout 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

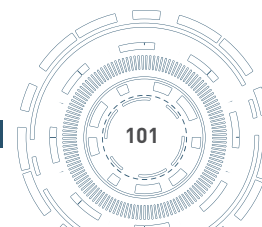
(a) Current Portfolio Summary as at 31 December 2023

Gross IRR	-0.6% p.a.
Net IRR	-5.1% p.a.

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

(b) Realisation Summary as at 31 December 2023

Company	Date of Disposal	Stake %	Total Realisation RM million
ILMU Education Group	29 December 2017	49.0	419.6
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	-	
Icon Offshore Berhad	30 January 2023	-	



PORTFOLIO REPORTING

AS AT 31 DECEMBER 2023

EKUINAS DIRECT (TRANCHE IV) FUND

1. Fund Overview

FUND NAME	Ekuias Direct (Tranche IV) Fund
VINTAGE YEAR	2019
STATUS	Investing
CAPITAL COMMITMENT	RM1.0 billion
TERM	5 Years + 4 Years
INVESTMENT PERIOD	3 to 5 Years
LEGAL FORM & STRUCTURE	One fund manager and one investor Fund: Ekuias Direct (Tranche IV) Fund Fund Manager: Ekuiti Nasional Berhad Fund's Domicile: Malaysia
GEOGRAPHICAL FOCUS	Malaysia
INVESTMENT FOCUS	Buyout 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

Current Portfolio Summary as at 31 December 2023

Gross IRR	43.0% p.a.
Net IRR	-2.4% p.a.

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

EKUINAS OUTSOURCED (TRANCHE I) FUND

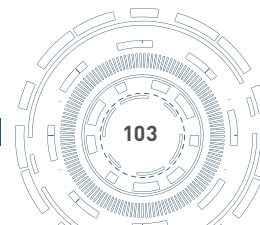
1. Fund Overview

FUND NAME	Ekuiнас 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. 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 Ekuiнас' negative investment list

2. Investment Performance

Current Portfolio Summary as at 31 December 2023

Gross IRR	4.1% p.a.
Net IRR	3.3% p.a.



PORTFOLIO REPORTING

AS AT 31 DECEMBER 2023

EKUINAS OUTSOURCED (TRANCHE II) FUND

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	<p>One fund manager and multiple investors. Outsourced to the following fund and fund managers:</p> <ol style="list-style-type: none"> 1) Fund: RMCP One Sdn Bhd Fund Manager: RMCP Cayman Ltd Fund's Domicile: Malaysia 2) Fund: COPE Opportunities 3 Sdn Bhd Fund Manager: CMS Opus Private Equity Sdn Bhd Fund's Domicile: Malaysia 3) 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

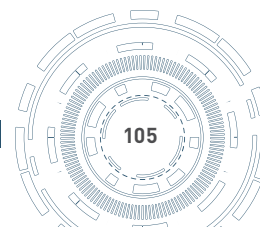
(a) Portfolio Summary as at 31 December 2023

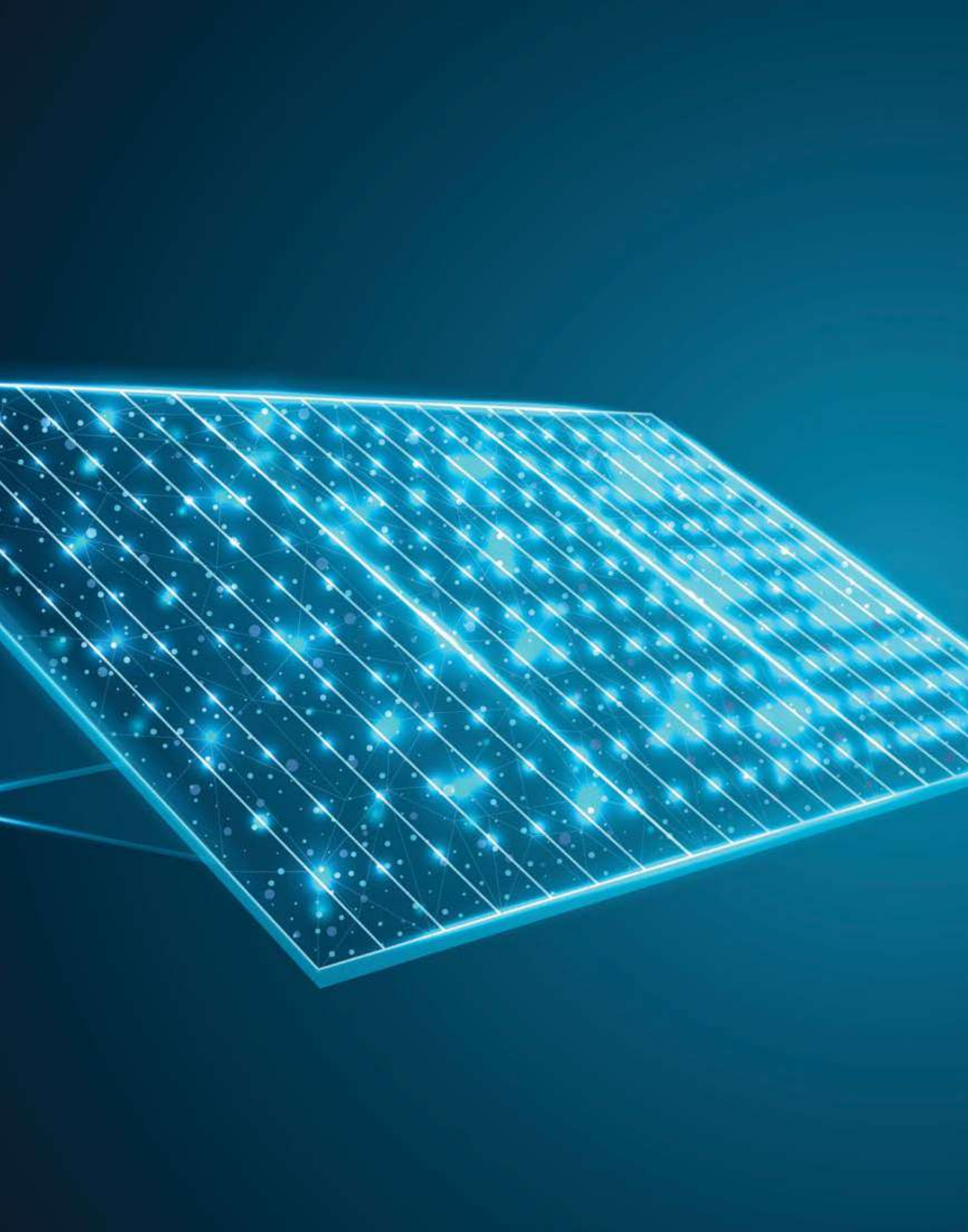
Gross IRR	-3.1% p.a.
Net IRR	-4.1% p.a.

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 98 to 104 for the financial year ended 31 December 2023, and has checked the information on Investment Performance as at 31 December 2023 included therein to supporting source data, and re-performed computations, where applicable.





S

OUR COMMITMENT TO SUSTAINABILITY



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– ILTIZAM for Entrepreneurship

– ILTIZAM for Education

– ILTIZAM for Community

– Zakat Wakalah Scheme

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– Statement on Corporate Governance

– Audit and Risk Management Committee Report

– Statement on Risk Management and Internal Control



<https://ekuinas.com.my>

CHARTING PROGRESS ON SUSTAINABILITY COMMITMENTS

As a private equity firm, Ekuinas recognises the importance of speed in which we are able to effect and influence businesses, especially in driving change in our portfolio companies and amongst stakeholders. Ekuinas is cognisant that our continued responsibility lies in ensuring that our initiatives remain anchored to the right values and are purpose-driven, underpinned by purposeful governance.

This awareness has been and continues to be the focus of our corporate social responsibility ('CSR') efforts under our ILTIZAM platform, and subsequently, our Sustainability Framework and initiatives targeted at deepening environmental, social and governance ('ESG') values in our business, investee companies and CSR activities.

Our sustainability priorities are embedded in three (3) focus areas:

SOCIAL: Since establishing our corporate social responsibility arm, ILTIZAM in 2012, Ekuinas has expanded its mandate and broadened the scope under our purview to include platforms and initiatives designed for the sustainable development of Bumiputera businesses, local talent and other communities in need.

GOVERNANCE: The implementation of corporate governance structures, policies and frameworks throughout Ekuinas and our portfolio companies.



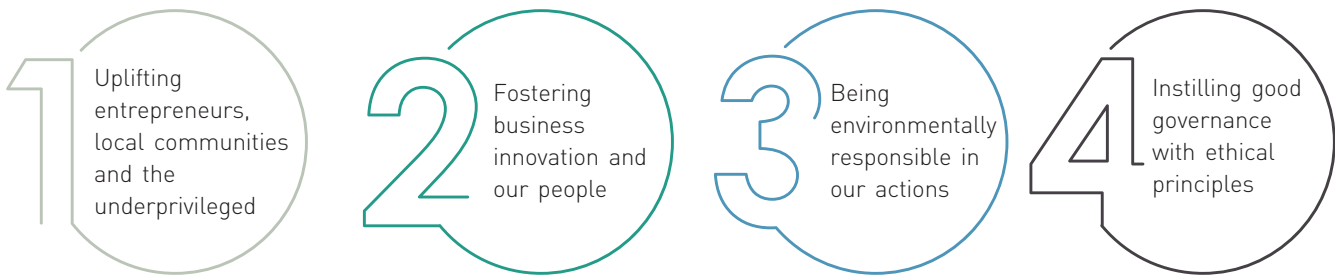
ENVIRONMENT: Integrating and extending the adoption of the Ekuinas ESG Framework to enhance sustainability adoption across our extended value chain and drive significant impact.



EKUINAS' ESG FRAMEWORK AND PROGRESS

Our ESG framework serves as a comprehensive system that connects our mandate to the initiative roadmap, investment approach, methodology, process enhancement and governance, leading up to reporting and disclosures. It also provides a structured approach in which we, together with our portfolio companies, remain focused on our purpose whilst being grounded by a thorough reporting mechanism for all our initiatives, progress and objectives, ensuring alignment with four (4) key sustainability themes that cover seven (7) of the Sustainable Development Goals (SDGs) as adopted by the United Nations in 2015.

The four (4) sustainability themes are guiding principles that anchor our initiatives as we continually refine our ESG strategy to meet our commitments:

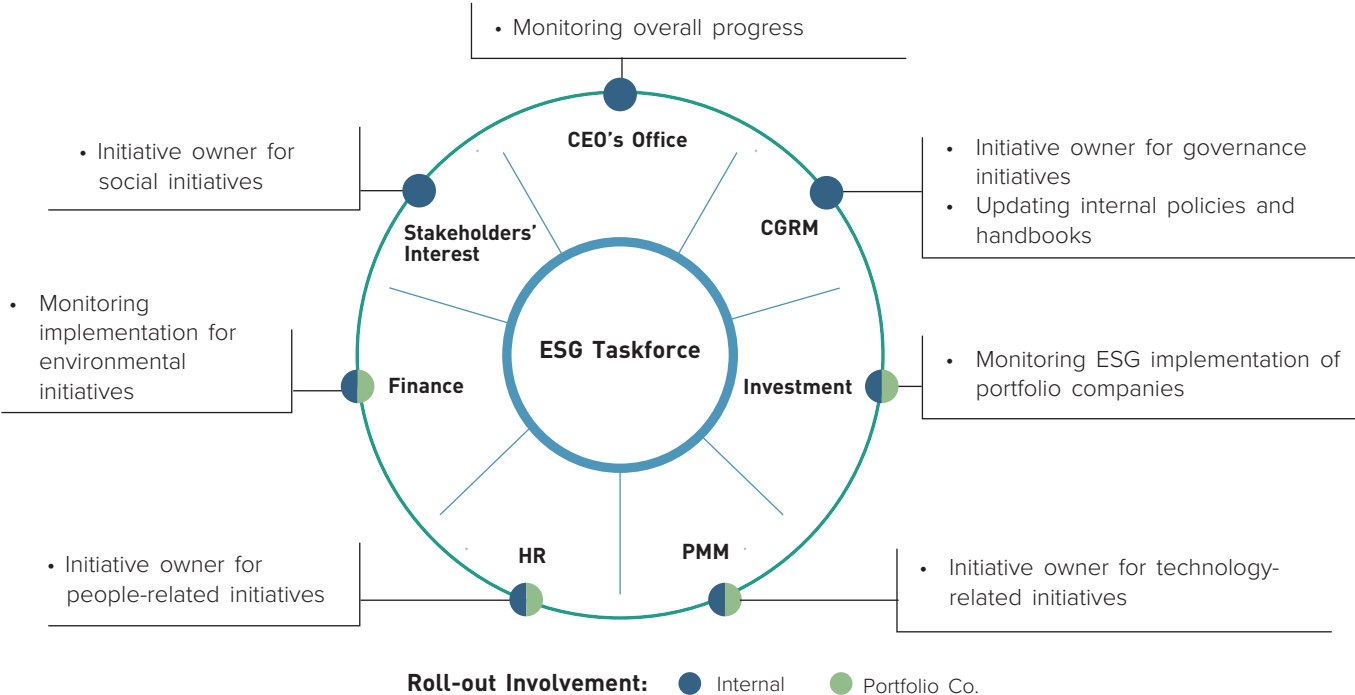


The framework's comprehensive three (3) year roll-out plan (2022–2024) is designed to establish a robust foundation of understanding, embracing and integrating ESG values and principles within Ekuinas as well as our portfolio companies. We aim to foster a deeper appreciation of how ESG adoption enriches business strategies, enhances organisational resilience and mitigates material issues and risks while paving the pathway for future opportunities by focusing initial efforts on internal capacity building.

Vision and Mission	<p>To be a world-class private equity fund management company</p> <p>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</p>				
Sustainability Themes	<p>Uplifting entrepreneurs, local communities and the underprivileged</p>	<p>Fostering business innovation and our people</p>	<p>Being environmentally responsible in our actions</p>	<p>Instilling good governance with ethical principles</p>	
Sustainability Targets and Metrics	All states across Malaysia to be supported by Ekuinas	100% of portfolio companies to implement at least two (2) significant technology-related initiatives	Achieve carbon neutrality by 2030	Record zero (0) incidents of corruption and bribery across operations	
	At least 90% of trainees to obtain permanent employment 12 months after completing Professional Development Programme (PDP)	All employees to receive at least ten (10) hours of training per annum	Develop a science-based emissions reduction plan in line with a 1.5°C pathway	100% of portfolio companies to commit to achieving relevant SDG benchmarks by 2030	
	100% of beneficiaries to receive education-related support that they would not have had prior	100% of employees across the organisation earn minimum wage, benchmarked to market by roles			
	All supported MSMEs to register an average revenue uplift of at least 15% in two (2) years post-programme	Record zero (0) incidents of labour standard breaches across operations			
Prioritised UNSDGs					
Material ESG Issues and Impact Areas	Greenhouse gases (GHG) emissions	Energy management	Water and waste management	Responsible sourcing	Ecological Impacts
	Human rights & community relations	Data privacy	Customer welfare and product quality	Labour practices and working conditions	
	Ethical conduct of business	Employee engagement, diversity & inclusion		Business continuity and risk management	

EKUINAS' ESG FRAMEWORK AND PROGRESS

To ensure Ekuinas and our portfolio companies effectively progress towards integrating the ESG Framework into their operations and investments, we established an ESG Taskforce consisting of representatives from relevant departments to underscore the importance of this shared goal and ensure commitment from all parties across the board. The ESG Taskforce meets on a quarterly basis to provide updates on the progress of each initiative and to promptly address any emerging issues.



MILESTONES FOR PORTFOLIO COMPANIES

In addressing the roll-out and integration of the ESG Framework across our portfolio companies, we recognise the diverse nature of industries, levels of awareness and maturity within each entity. Bearing this in mind, we have devised practical milestones to facilitate the meaningful initiation of the ESG journey by all portfolio companies.

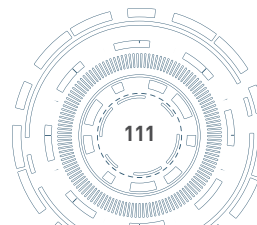
Milestones for Portfolio Companies					
Ratification of Ekuinas' Minimum ESG Standards by the Board of Directors of all portfolio companies	Adoption of ESG Framework with defined focus areas, targets and initiatives	Materiality assessment exercise conducted to identify material ESG issues to be managed	Adoption of ESG Targets by the Board of Directors of all portfolio companies for FY2023	Adoption and implementation of ESG Initiatives to meet identified ESG targets	Progress and/or achievement across all ESG Targets by portfolio companies

Overall, Ekuinas' portfolio companies are all on board with ESG implementation and have completed nearly all progress milestones listed above. Medispec will initiate its ESG Targets in 2024, while the latest addition to our portfolio companies, Kaisar Farmasi will also begin its ESG implementation in 2024.

OUR PROGRESS IN 2023

The roll-out of ESG initiatives in Phase 1 in 2022 enabled us to establish baselines to determine our future performance and align these initiatives with international benchmarks. Phase 1 provided us with deeper insight into where we stood to effectively assess our performance, especially in identifying potential risks and opportunities that require action and management.

Buy-in for our programmes was straightforward as our portfolio companies and stakeholders clearly saw the benefits and tangible outcomes of the initiatives Ekuinas sought to implement. We also commend our portfolio companies and stakeholders for their visionary stance demonstrated through their support of Ekuinas' Corporate ESG targets and initiatives, and in striving towards global benchmarks that will help them remain ahead of the curve in the ever changing environment.



EKUINAS' ESG FRAMEWORK AND PROGRESS

By working closely with our portfolio companies and stakeholders, the teams successfully completed all 11 tasks set out in our second year Sustainability Plan. A quick snapshot of our achievements are as follows:

	No	Long-Term ESG Targets	Target for FY2023
Local Communities and the Underprivileged	1.1	All states across Malaysia to be supported by Ekuinas' ILTIZAM programmes across all three (3) pillars and Zakat Wakalah	14/14 states
	1.2	At least 90% of trainees to obtain permanent employment within 12 months after completing PDP	90%
	1.3	At least 80% of targeted beneficiaries to achieve employment after six (6) months of completing ILTIZAM skill-related programmes	80%
	1.4	All supported MSMEs under EMP Advance to register revenue uplift in the two (2) years post-programme (for direct EMP support)	100% of MSMEs supported under EMP Advance in 2022 to have at least 15% revenue uplift since entering the programme
Fostering Business Innovation and our People	2.1	100% of portfolio companies to implement at least two (2) significant digital/technology initiatives within five (5) years post-acquisition	100% of portfolio companies (eight (8) out of eight (8))
	2.2	100% of Ekuinas and portfolio company employees to receive adequate and relevant training to perform their tasks	60% of Ekuinas and portfolio company employees attend at least one (1) training session per year
	2.3	Ekuinas and all of its portfolio companies to affirm their commitment to human rights standards across all of its operations	Ekuinas and 100% of portfolio companies to record zero (0) incidents of labour standard breaches across operations, aligned to standards set by local governing authorities
Being Environmentally Responsible in our Actions	3.1a	Achieve carbon neutrality by 2030	Maintain 100% collection of Scope 1 and Scope 2 emissions data for Ekuinas and portfolio companies in 2023
	3.1b	Achieve carbon neutrality by 2030	Conduct energy audit to establish baseline for Ekuinas energy usage
Instilling Good Governance with Ethical Principles	4.1	Record zero (0) confirmed incidents of corruption and bribery across Ekuinas and its portfolio companies	Zero (0) confirmed incidents (i.e. incidents which have been validated internally and subsequently reported to MACC)
	4.2	Full incorporation of ESG standards and processes into Ekuinas and its portfolio companies	100% of due diligences for new investments to include ESG considerations, or ESG due diligence is performed (i.e., material ESG risks identified and mitigation measures formulated)

Status

14 out of 14 states

99% for PDP 2022 (Batch 10)

81% Employment

3 programmes completed, 1 ongoing programme

100%

3 out of 3 companies (SOCIO, Hutan Ration & Quranic Pro Academy) from EMP Advance 2022 achieved at least 15% increase in revenue

100%

8 out of 8 companies completed

87% of Ekuinas employees completed

82% of portfolio company employees completed

Zero (0) incidents as of 31 December 2023

Maintained **100%** of collection for Scope 1 and Scope 2 carbon emissions data for Ekuinas and portfolio companies as of December 2023

Completed energy audit by Xenergi Sdn Bhd (Xenergi) in Q1 2023

Zero (0) confirmed incidents as of 31 December 2023

ESG due diligence conducted for new investments, Symbiotica Speciality Ingredients Sdn Bhd and Mizou Holdings Sdn Bhd

OUTLOOK FOR 2024

Having successfully accomplished the sustainability targets for Phase 2 in 2023, we are focused on maintaining our momentum into 2024. In tandem with greater realisation and awareness on ESG, any ongoing energy transition needs to be achieved in a manner that is measured and realistic. We will continue to maintain 100% collection of Scope 1 and Scope 2 emissions data for Ekuinas and incorporate additional metrics which are relevant to the operations of each of our portfolio companies. At the same time, we will prepare the implementation of emissions data for newly acquired portfolio companies.

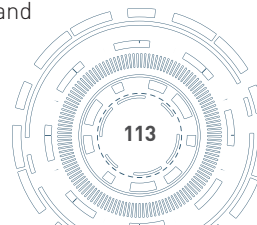
For the social aspects of our corporate impact, we are maintaining the ESG targets for ILTIZAM and will continue to ensure nationwide coverage of our support across initiatives under the three (3) focus pillars, which are Entrepreneurship, Education and Community. Fostering business innovation, new technology adoption and integration alongside strategic talent development will also remain as important priorities.

On the Governance front, instilling good governance while upholding ethical practices will remain paramount. As committed in our ESG programme, Ekuinas and our portfolio companies will strive to uphold zero (0) incidents of corruption and bribery. This will be achieved through ongoing awareness education and training, as well as continuing vigilance through the practice of our existing internal controls and governance processes.

In alignment with greater realisation and awareness of ESG considerations, including ongoing global net zero ambitions, Ekuinas recognises the importance of a measured, realistic and fit-for-purpose approach to sustainability. As the discourse around ESG standards and reporting mechanisms continue to evolve alongside the spectrum of opinion on the acceptance and adoption of these standards, we remain committed to maintaining a balanced perspective. The recent developments such as the pushback by Republican states in the United States and sceptics in Europe who are increasingly vocal in challenging the ideals and commitments of ESG, as well as the challenges faced by oil and gas companies in decarbonisation efforts, underscore the dynamic nature of this landscape.

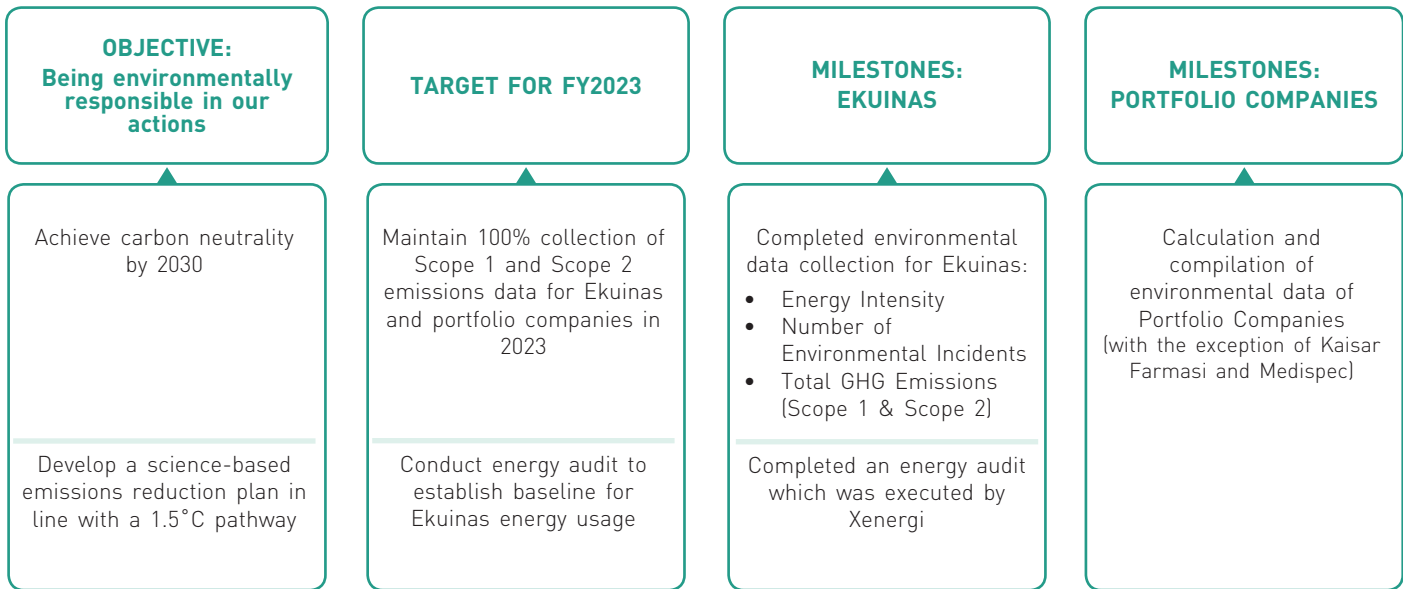
Therefore, Ekuinas will continue its measured approach to ESG with careful consideration, working closely with our portfolio companies' management to customise ESG implementation to fit the unique needs, capacities and material risks of each portfolio company. We continue to remain vigilant about emerging debates and strive to ensure that our approach contributes meaningfully to sustainability goals while fostering growth and innovation.

As we forge ahead into a new year, our commitment to sustainability remains steadfast as we acknowledge the ongoing journey that is ESG integration. We hope to catalyse meaningful impact towards achieving global goals for a more equitable and sustainable world, whilst fostering business growth and innovation. At Ekuinas, this purpose is deeply embedded in our ethos and principles, guiding our actions and propelling all our endeavours forward.

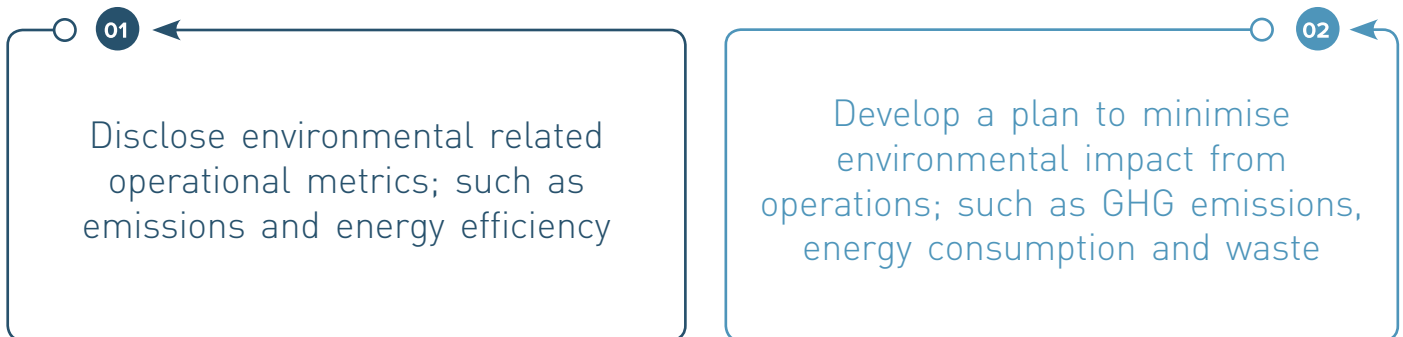


ENVIRONMENT

FOCUS AND MILESTONES



Our commitment to the environment is embedded in the Ekuinas ESG Framework launched in 2022. Under this framework, we pledge to **“be environmentally responsible in our actions”** and we have undertaken two (2) key initiatives in support of this pledge, to be implemented over a three-year period from 2022 to 2024.



Our milestones and goals are aligned with the national aspirations and we hope to achieve carbon neutrality by 2030. Whilst several countries globally have moderated their commitment, Malaysia continues to forge ahead with its transition away from the reliance on fossil fuel by stepping up its investments in renewable energy infrastructure. This shift was further supported by a landmark year in policy and incentive launches to direct the nation’s low carbon ambitions such as the Malaysia Renewable Energy (RE) Roadmap, Hydrogen Economy and Technology Roadmap (HETR), National Energy Transition Roadmap (NETR), i-ESG Framework, New Industrial Master Plan (NIMP) 2030 and the Bursa Malaysia Voluntary Carbon Market Handbook.

As Malaysia intensifies its efforts to advance the national ESG agenda, Ekuinas continues our efforts to reinforce environmental conscientiousness by embracing local and international standards and best practices.

In establishing baselines, Ekuinas has completed an energy audit which was executed by Xenergi, a subsidiary of our portfolio company Davex, gathering data on electrical energy consumption of our owned systems, equipment and building air handling unit (AHU) systems in our offices. The data has enabled us to establish a baseline for electrical energy consumption, our building energy index, potential energy savings and the payback period so that we are better able to implement energy saving efforts aligned with regulatory requirements prescribed by the Energy Commission.

In 2023, consistent data collection on energy consumption, environmental incidents and emissions remained at the forefront of our environment initiatives. We also prioritised transparent disclosures on environment-related operational metrics by companies within our portfolio. As economies gradually rebounded towards normalcy, our portfolio companies saw a notable uptick in post-pandemic business activities which resulted in heightened emissions data under Scope 1 and Scope 2. This period provided us with invaluable data that more accurately reflects a typical business operation on a full-year basis in the current global economic environment. Such data allows for a more precise determination of baselines and enhanced strategic planning for our sustainability initiatives.

Below is a summary of key achievements by our portfolio companies under their commitment to environmental responsibility:



ICON Offshore (“ICON”)

Under its commitment to uphold environmental standards and ensure sustainable operations, ICON had already identified and assessed materiality matters to define their targets. In providing logistical support services throughout the entire offshore oil and gas life cycle in 2023, ICON saw a decrease in fuel consumption and a 13% decrease in its Scope 1 emissions. Its waste management initiatives which aim to reduce generation of waste and effluents produced by ICON’s operations while ensuring responsible disposal also led to a 3% decrease in total waste.



Orkim

Also operating in the oil and gas space, Orkim’s strategic priorities and initiatives have focused on monitoring emissions, waste and water management and carbon reduction as it aims to achieve net zero emissions by 2050. In 2023, Orkim saw reduced fuel consumption against an increase in Scope 1 GHG emissions per nautical mile to 91%, as a result of increased offshore service vessel (OSV) utilisation under long-term contracts.



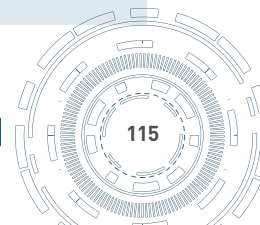
Revenue Valley Group (“RVG”)

Striving to become an environmentally sustainable organisation by 2024, the restaurants under RVG emphasised energy saving initiatives and food waste management in 2023. It implemented new systems to track food wastage, while improving the consistency and quality of data on food waste management in RVG restaurants including Tony Roma’s, the Manhattan FISH MARKET and New York Steak Shack.



Flexi Versa Group (“FVG”)

FVG progressed through the various stages of solar panel installation and its assessment is in progress. FVG scored a commendable 25% reduction in emissions per revenue with reduced fuel consumption.



ENVIRONMENT



Exabytes

In promoting environmental sustainability, Exabytes planted 500 trees in Penang to combat global warming and raise awareness about carbon emissions. As part of this tree-planting campaign, Exabytes provided customers with the option to contribute to planting a tree on its service checkout page. It also implemented measures to enhance the efficiency of its data centre equipment and hardware, aiming to optimise power management and reduce energy usage. These measures included installing a containment aisle in its data centre, implementing power-saving settings on servers and consolidating cloud services. Exabytes successfully achieved all its environment-related targets and metrics in 2023.



UNITAR

In 2023, UNITAR implemented several energy-saving initiatives which led to lower electricity consumption across its campuses. These initiatives included transitioning to LED lighting and prudent consumption of energy and energy saving measures. Additionally, UNITAR incorporated at least one student activity promoting the 3R (Reduce, Reuse, Recycle) concept on all campuses per trimester as well as digitalising all internal processes.



Cosmopoint Group

In its commitment to achieve relevant SDG benchmarks by 2030, Cosmopoint implemented initiatives to promote environmental responsibility. These included implementing measures to reduce paper usage during student activities by 50%, digitising all internal reports, guidelines and SOPs and reducing electricity consumption by 10%. It also engaged its students to promote sustainable practices through on-campus activities.



Davex

Davex is a homegrown lighting design consultancy and manufacturer that actively contributes to a zero-carbon future by providing energy solutions and encouraging eco-friendly practices across industries. In 2023, Davex completed its data collection on emissions from petrol and electricity consumption. It also concluded a product international electrotechnical commission (IEC) standard compliance process as well as a circular on energy-saving practices to regulate air-conditioner and lighting usage. Davex also implemented a new and improved wastewater treatment design as part of its commitment to prioritising environmental sustainability and societal well-being.



Al-Ikhsan Sports

The largest multi-brand sports retailer in Malaysia continues to promote environmental sustainability and the concept of 3R throughout its operations. Al-Ikhsan focused on increasing the usage of recyclable bags in-store and promoting merchandise made using recyclable materials through its marketing campaigns. It also optimised its supply chain to minimise its carbon footprint by establishing a centralised warehouse and replenishment model to improve deliveries from the warehouse to stores.

SOCIAL: ILTIZAM BY EKUINAS



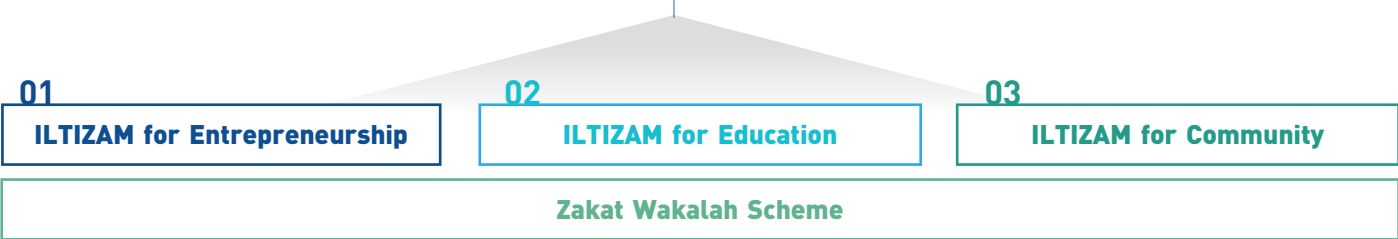
FUELING ASPIRATIONS & CREATING OPPORTUNITIES

As the economy charted a slow, but sure path to recovery and businesses shifted from survival to growth, 2023 started in full swing. Our corporate social responsibility efforts from prior years paved the way for further refinement and clarity of the flagship programmes under our three (3) focus pillars, Entrepreneurship, Education and Community.

ILTIZAM's priority remains to emphasise value creation and stringent corporate governance with programmes that are effective and impactful on ILTIZAM beneficiaries. Our end in mind is to provide Bumiputera stakeholders - entrepreneurs, youth, children and the community with the skills and relevant assistance to realise their potential, build sustainable income sources to generate long-term livelihoods and uplift themselves socio-economically.

Moving into 2023, this objective remains top-of-mind, anchored by our broader mandate to assist those in need who lack access to knowledge, skills and support required to spur active participation of Bumiputera and underprivileged communities in the economy.

ILTIZAM's Support Ecosystem



CONTINUED VALUE CREATION FOR A STRONGER ECOSYSTEM AND SUSTAINABLE GROWTH

In 2023, Ekuinas disbursed a total of RM13.8 million through its initiatives, benefitting a total of 74,000 individuals, families, entrepreneurs and businesses across Malaysia. This commitment for 2023 brings Ekuinas' total expenditure under ILTIZAM to more than RM100 million since inception.

RM13.8 million was spent in FY2023 with:

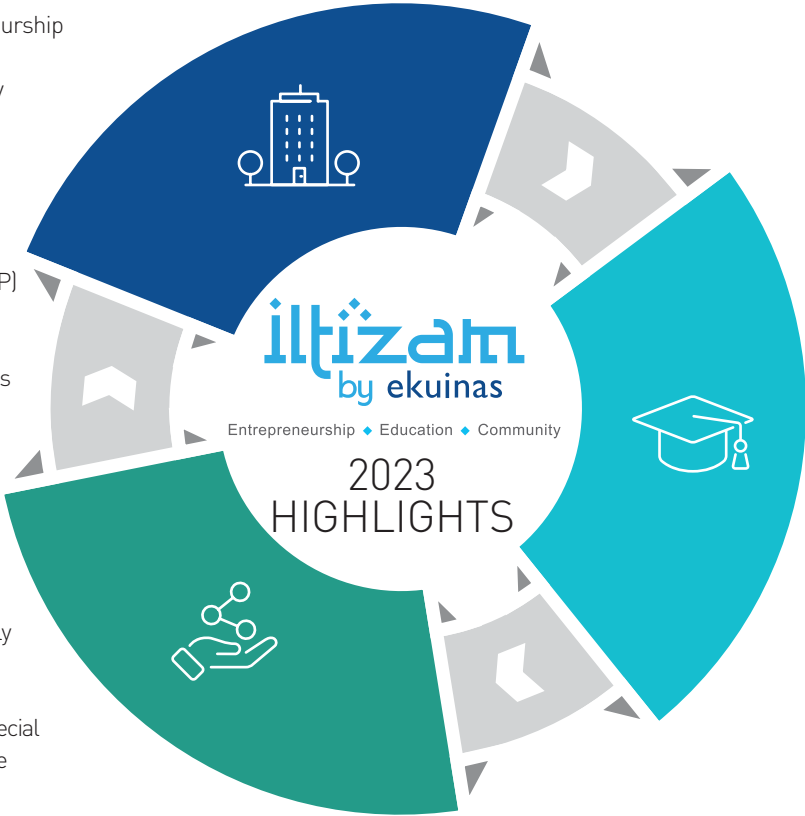
- RM3.3 million for Entrepreneurship
- RM9.4 million for Education
- RM1.1 million for Community

Entrepreneurship

RM3.3 million was disbursed through ILTIZAM Entrepreneur Mentorship Programme (EMP) focusing on creating opportunities for small and micro Bumiputera businesses through programmes for capacity building, mentoring and assistance.

Community

RM1.1 million was disbursed to approximately 10,829 beneficiaries from B40 families including asnaf, PPR communities, children with special needs, disabled persons, single mothers and orphans.



Education
RM9.4 million

was disbursed to support graduates and youth from underserved communities through the ILTIZAM Education Empowerment Programme (EEP) and the ILTIZAM Professional Development Programme (PDP), enhancing their marketability and employability via improved soft skills and knowledge.

Zakat Wakalah Scheme:

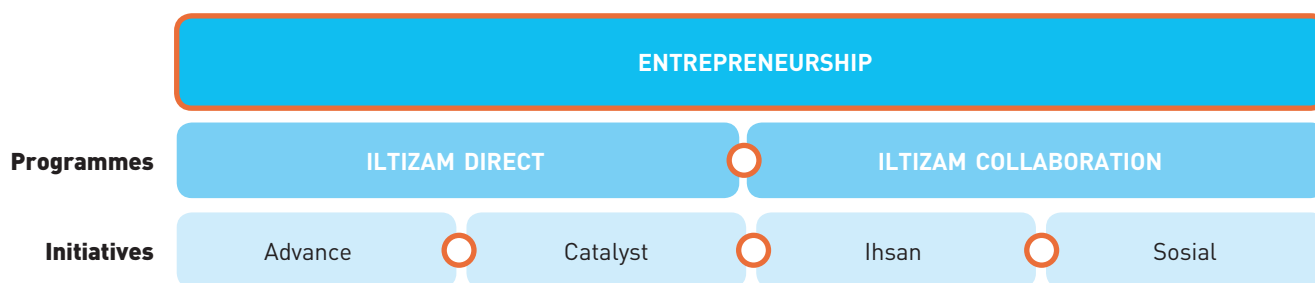
Ekuinas disbursed RM248,481 to aid 194 Cosmopoint College and 60 UNITAR International University students with their fees and living allowances. A further RM53,300 was disbursed to 12 recipients, covering education, medical relief, living allowances and surau repairs. A balance of RM54,200 was allocated for further support and disaster relief, and RM80,000 was earmarked for asnaf kafir & miskin via Kasihku programme with Lembaga Zakat Selangor (LZS).

ILTIZAM FOR ENTREPRENEURSHIP

Deepening the Pool of Bumiputera Entrepreneurs

Throughout the years, ILTIZAM has proactively engaged with Bumiputera micro, small and medium enterprises (MSMEs) nationwide, with the aim of addressing their challenges and requirements from both financial and non-financial perspectives. As a firm, Ekuinas remains committed to advancing equitable and sustainable Bumiputera economic participation and wealth creation, with a dedicated focus on fostering opportunities for entrepreneurs to develop and expand their businesses.

At the core of this mission is our guiding principle to establish clear pathways to enhance Bumiputera involvement in the economy. ILTIZAM's programmes are strategically designed to support capable and passionate entrepreneurs across MSMEs in various growth stages through capacity building and strengthening of business fundamentals to build a stronger foundation for consistent positive outcomes and sustainable growth. ILTIZAM Entrepreneurship pillar supports the following programmes and initiatives:



ILTIZAM's Entrepreneurship support system consists of two (2) main platforms, ILTIZAM Direct and ILTIZAM Collaboration. Through ILTIZAM Direct, Ekuinas continues to focus on creating opportunities for high-potential Bumiputera SMEs through curated programmes for capacity building, providing direct and customised assistance and mentoring, strengthening business fundamentals via flagship programmes; **ILTIZAM Advance** and **ILTIZAM Catalyst**. These programmes provide them with hands-on support and relevant technical skills to strengthen and scale their businesses. Meanwhile, under the ILTIZAM Collaboration platform, Ekuinas supports the entrepreneurship ecosystem through strategic collaborations with appointed partners to assist micro and small enterprises in re-aligning and re-building their businesses via **ILTIZAM Sosial** and **ILTIZAM Ihsan**. The programme played a significant role in the re-establishment of micro businesses post-pandemic.

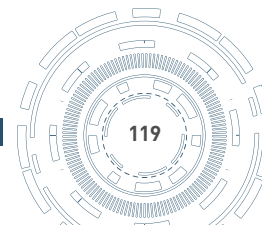
All ILTIZAM's initiatives under its Entrepreneurship pillar aim to identify and attract capable, enthusiastic and promising young Bumiputera entrepreneurs and businesses at varying stages of maturity to join the programme toward a growth path leading to industry leadership while fostering long-term business sustainability, resilience and commitment to innovation.

We continue to see these efforts as complementary to Ekuinas' own investment mandate and agenda as we raise the floor and create more pathways for entrepreneurs and businesses to progress from 'survive' to 'thrive'. On this front, ILTIZAM disbursed RM3.3 million under the Entrepreneurship pillar in 2023 to support businesses. This covers the following areas:

ILTIZAM DIRECT:

ILTIZAM Advance

ILTIZAM Advance is a capacity building initiative designed to assist Bumiputera small and medium enterprises (SMEs) in building and expanding their business to enter the next phase of growth. Similar to all our non-monetary VCPs, it emphasises and tailors plans to address each company's specific challenges on their path to scaling their business, network and distribution. ILTIZAM Advance assists SMEs by strengthening their operations or back-end support by focusing on the business model, operations and support aspects as well as financial planning, branding and marketing. Our goal is to continue to identify between five (5) to ten (10) companies per year who we can assist through our tailored VCPs. To date, the total number of companies assisted since 2013 stands at 21.



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In 2023, ILTIZAM Advance added three (3) new companies to its programme in 2023. They include:

1. **FM Media**, a creative agency company specialising in advertising campaigns, 3D visuals, digital media, video and motion graphics production since 2004.
2. **TrackerHero**, a technology company founded in 2016 focusing on workforce management systems, particularly for the security guards' industry.
3. **Tymba Education**, a professional accountancy centre and tuition provider for professional qualifications such as ACCA, MICPA-CAANZ, ICAEW and CIMA.

For the year in review, ILTIZAM Advance saw eight (8) companies participate in the value creation implementation phase, with three (3) of these companies completing the programme by the year end 2023. Highlights of the companies that have graduated from the programme in 2023 are:

1. Hutan Ration

- Hutan Ration is a company that prides itself on its energy bars and granola made with 100% halal natural ingredients without preservatives, additives, colouring and sugar. Each bar is formulated to the nutritional needs of different sports.
- Three (3) VCPs completed:
 - i. Profitability and cost analysis to identify more competitive product pricing against the market;
 - ii. Participating in local sports and trade events to position the brand in the market and raise brand awareness; and
 - iii. Produce an effective and engaging digital marketing strategy to promote the product which led to notably increased lead generation and website sales conversion.
- Key milestones:
 - i. Includes the collaboration with Al-Ikhsan Sports to manufacture four (4) flavours of energy bars unique to Al-Ikhsan Sports as well as securing product placement in the biggest sports retail outlet, Decathlon, in Kuala Lumpur and Shah Alam.
 - ii. Established connections with MATRADE to explore export opportunities and also actively participated in sports and trade events including Outdoor Expo Malaysia, KL Standard Chartered Marathon, Bromo

Desert Race 50 and Grand Fondo New York Kota Kinabalu, which opened doors to promising opportunities for the business.

2. Quranic Pro Academy (QPA)

- Quranic Pro Academy was founded in 2019 as an online education centre committed to providing the best, most accessible and affordable Quranic education for children and adults. QPA offers 15 types of classes and training, including Quran reading competency for students from various countries such as Malaysia, Brunei and Singapore.
- Three (3) VCPs completed:
 - i. Assessing the current state to enhance business and operating models and build a roadmap for expansion;
 - ii. Strengthening business strategy implementation and human resource operation; and
 - iii. Implementing a marketing plan to expand customer base including digitalisation with an app-based delivery platform which makes learning the Quran more enticing to the younger generations and allows users to learn and track their achievements.

3. Zaahara Ventures

- Zaahara Ventures is a company that has been manufacturing on-the-go Muslim essentials such as prayer wear (*telekung*) and prayer mats (*sejadah*) since 2015.
- Two (2) VCPs completed:
 - i. Improved distribution channels by participating in creative market events that promote premium local brands to increase market awareness. To date, Zaahara Ventures has participated in 18 local events and three (3) events in Singapore, with 30% of its revenue derived from participating in physical events; and
 - ii. Zaahara Ventures completed a rebranding exercise in December 2023, which refined its market positioning and significantly improved its product and brand position. The rebranding exercise included re-designing the Zaahara logo as well as a focus group discussion that provided valuable insight towards finalising the brand manual and strategy.



Active Work in Progress

Some of our work continues into 2024 as we strive to ensure our programme participants benefit fully from their participation in our programmes:

1. AKAL Corporate Advisors

- AKAL Corporate Advisors is the biggest Bumiputera company secretary that was founded in 2010 to provide quality corporate secretarial services.
- VCPs-in-progress
 - i. An overall business review will be conducted to identify areas of improvement in its service offerings and potential collaborations as well as to construct a long-term business plan for sustainable expansion;
 - ii. A customised system will also be set up to automate their billing process, human resource and customer relationship management modules to promote overall efficiency in AKAL's internal business processes; and
 - iii. In addition, AKAL's current website interface is being reviewed to improve the user experience.

2. Physiomobile

- PMMY Group Sdn Bhd, better 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 across the Klang Valley, one (1) in Melaka and one (1) in Johor.

- **VCP-in-progress:** Ekuinas is assisting Physiomobile to improve its web system and develop a mobile application to cater to the increasing demand for its services and overall provide a better customer experience. This initiative is ongoing and targeted to conclude by September 2024.

New Companies in 2023

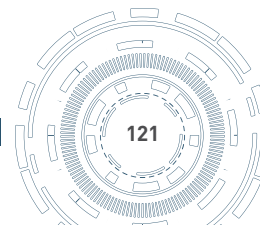
Work continues with the identification and eventual induction into the programme. Some of the new and exciting developments within the programme include the following:

1. FM Media Sdn Bhd

- FM Media Sdn Bhd is a creative agency company that specialises in advertising campaigns, 3D visuals, digital media, video and motion graphics production.
- Amidst shifts in market behaviour, Ekuinas' conducted a strategic business review of FM Media's strategy, processes, human capital requirements and financial performance to gain clarity about its current state and identify areas for improvement in its business direction, market segment/client networks and brand positioning.

2. TrackerHero

- Ultrack Technology Sdn Bhd (TrackerHero) is a technology firm that developed a field workforce management system with real-time oversight features. It is a leading provider of security workforce management solutions in Malaysia with key clients including Telekom Malaysia (TM), Tenaga Nasional Berhad (TNB), Perodua and PR1MA Corporation Malaysia (PR1MA).



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- VCPs-in-progress
 - i. Ekuinas is working together with Tracker Hero to implement an ISO standard and certification process to increase Tracker Hero's brand value and establish credibility and trust among clients and business partners.
 - ii. Helping Tracker Hero develop an integrated marketing strategy that moves from word-of-mouth marketing to more curated marketing to increase brand awareness and establish its position and name in the industry.

3. Tymba Education

- Tymba Education Group Sdn Bhd (Tymba Education) is a leading Bumiputera-owned company offering comprehensive professional qualification programme like ACCA and ICAEW. Tymba Education is recognised as a Gold-Approved learning partner by ACCA.
- VCP-in-progress: Tymba Education encountered a significant challenge in integrating a growing number of young lecturers, who, despite their potential, require additional training to meet competency standards. To address this, Ekuinas has partnered with a reputable ACCA course provider to deliver 'Train the Trainer' programmes directly at Tymba Education's premises. These programmes are meticulously tailored to address the specific needs and skill gaps of the tutors.

ILTIZAM Catalyst

Launched in 2022, this capacity-building initiative 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 and provides pre-set technical support and hands-on assistance from qualified consultants to address issues in fundamental areas such as financial, compliance, branding, marketing, digital adoption and leadership. The goal of this initiative is to assist potential small Bumiputera companies in their growth by addressing common business challenges in these identified key areas.

Over the short period, ILTIZAM Catalyst continues to grow from strength to strength. In 2023, the programme saw an 18% increase in total applications compared to the year before, with a notable increase in the number of qualified applicants with a more diverse geographical representation.

However, without diluting the programme, a rigorous evaluation process was conducted. Following site visits and the evaluation outcomes based on their business strength and passion to steer the business towards potential growth, 18 Bumiputera SMEs were chosen for ILTIZAM Catalyst 2023. The 18 selected companies comprised seven (7) business sectors including food and beverage, healthcare services, manufacturing, agriculture, retail, education and other services.

Well into its second year, the ILTIZAM Catalyst programme saw enhancements based on learnings from the first cohort to ensure maximum impact for the participating companies. Enhancements include a lengthened programme duration, from 12 months to 18 months, to allow for more effective assistance and higher impact outcomes. Specifically, the programme focused on equipping small businesses with support to address fundamental business areas such as finance and compliance, branding and marketing, to digital adoption and leadership. The participating companies in ILTIZAM Catalyst 2023 are expected to complete the programme in November 2024.



ILTIZAM COLLABORATION:

ILTIZAM Ihsan

The ILTIZAM Ihsan initiative continued in 2023 in partnership with four (4) *zakat* agencies in Selangor, Penang, Terengganu and Pahang as well as one (1) non-governmental organisation (NGO), Islamic Relief Malaysia, which extended the reach of the programme across the country encompassing nine (9) states, including Kuala Lumpur, Sabah, Sarawak, Melaka, Perlis, Johor, Selangor, Pulau Pinang and Negeri Sembilan. A total of RM1,660,000 was disbursed in 2023, benefitting 1,540 *asnaf* micro-entrepreneurs.

Well into the third year, this joint initiative with *zakat* management entities nationwide aims to provide one-off financial assistance to Bumiputera and *asnaf* micro-entrepreneurs who have been impacted by circumstances that resulted in reduced income. The programme, which was launched in 2021 to meet the needs of micro-entrepreneurs during the pandemic has since broadened its scope to assist and uplift deserving micro-entrepreneurs identified by the *zakat* agencies and social services agencies who have been affected by other circumstances such as accidents, natural disasters and health issues.

The initiative aims to provide support to micro-entrepreneurs to sustain their businesses, facilitate the generation of continuous income to ensure livelihoods, and to contribute to a positive spillover effect on the country's economy.

With the reopening of the local and global economy, business circumstances have since improved tremendously. Given the changing environment, ILTIZAM Ihsan has been incorporating further programme enhancements to remain relevant. At the same time, we will re-look to assess if ILTIZAM Ihsan needs to continue post-pandemic or we can deploy resources elsewhere.



ILTIZAM Sosial

Social entrepreneurship remains a vital factor in promoting inclusive economic growth by empowering individuals in typically marginalised communities through economic opportunities. ILTIZAM Sosial is a capacity building programme to support Bumiputera social enterprises through collaborations with NGOs to generate socio-economic impact in the communities around them.

In 2023, ILTIZAM disbursed RM182,218 and collaborated with two (2) NGOs to deliver the programme. The programme saw the continued collaboration with MyHarapan and, a new partner, NeoUprise, to deliver the programme and assist social entrepreneurs in Kelantan and Sarawak respectively. Both programmes featured clearly defined modules to address the different needs of the local social entrepreneurs including weekly coaching, expert sharing sessions and business showcases.

Amongst the programmes rolled out under ILTIZAM Sosial are:

- **ILTIZAM Cultivate** in partnership with MyHarapan continued their 12-month development skills programme focusing on personal and business advancement for ten (10) selected social entrepreneurs in Kelantan. The programme consists of four (4) core modules - namely market research, product/service design, environmental sustainability and technology and financial management or funding - as well as a community awareness and engagement programme. ILTIZAM Cultivate aims to create and strengthen the local social entrepreneurship ecosystem and enhance business resilience for long-term sustainability.
- **ILTIZAM Arise** in collaboration with NeoUprise is an eight (8) month programme aimed at elevating social entrepreneurs' business acumen and resilience in Sarawak and Sabah. The programme also involved Sarawak's state agency, TEGAS, and Sabah's state agency, the Sabah Creative Economy And Innovation Centre (SCENIC), covering six (6) critical areas; leadership, finance, processes, talent, problem-solving and decision-making. ILTIZAM Arise aims to enhance the leadership capabilities and increase the sustainability of impact-driven social enterprises within the state's ecosystem.



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ILTIZAM FOR EDUCATION

The ILTIZAM for Education pillar is designed to provide a holistic approach to bolster students in their academic, vocational and skills development from early to tertiary education and beyond. Recognising education as a critical means for social mobility and sustainable wealth creation, our programmes are geared towards inspiring and empowering students to gain knowledge and skills that will pave the way for income generation to elevate their quality of life. These programmes are regularly reviewed and enhanced to align with the current issues and needs of the students, graduates and communities we serve for maximum impact.

The programmes under ILTIZAM Education are as below:

1

ILTIZAM Education Empowerment Programme (EEP)

- a. Education Support Fund (ESF)
- b. Portfolio Collaboration Fund (PCF)
 - i. UNITAR ILTIZAM Apprenticeship Programme 2023
 - ii. ILMU Fund: Live and Learn Programme 2023
 - iii. Oil & Gas Marine Training and Development Programme
- c. Education Skills Programme (ESP)
 - i. Project ILTIZAM Beauty 2023 – Aesthetic
 - ii. Project HERO - Discover Muay Thai Academy
 - iii. Project Second Chance Heads Up by Saora Industry
 - iv. Project Walter by Walter Academy
- d. Back-to-School Programme (BTS)

2

ILTIZAM Professional Development Programme (PDP)

ILTIZAM Education Empowerment Programme (EEP) Education Support Fund

Under the Education Support Fund, ILTIZAM successfully partnered with various organisations on initiatives to provide for the various education needs of students. The new projects established in 2023 include:

- **A partnership with Yayasan Orang Buta Malaysia (YOBM)**
YOBM is a dedicated non-profit organisation in Malaysia focused on enhancing the living standards of blind and visually impaired individuals. Through this partnership, ILTIZAM has contributed RM115,000 towards significant initiatives. This funding has facilitated the repair of 100 Classic Perkins Braille machines, essential tools for education and communication among the visually impaired, and the refurbishment of 650 walking canes, restoring them to nearly new condition for use in special education schools. In alignment with our commitment to support the visually impaired community, ILTIZAM has sponsored 1,000 white canes. This contribution is part of the '*Seorang Buta Sebatang Tongkat Putih*' programme, a heartfelt initiative designed to honor International White Cane and Disabled Person Day.
- **Program Sentuhan Elit SPM** is a first-year collaboration with Yayasan Lembaga Tabung Angkatan Tentera (LTAT) to uplift the children of military personnel who serve our nation by providing them academic support to obtain their SPM certification. The programme guides SPM candidates at military-related schools, ensuring their success in core subjects of Bahasa Malaysia, English, Sejarah and Mathematics. ILTIZAM disbursed RM250,000 to provide intensive tuition in preparation for SPM, answering technique workshops, motivational programmes for parents and students as well as career workshops post-SPM, prioritising overall excellence in all subjects. The 568 students from five schools benefitted from this project, ending in March 2024. The schools are SMK Kem Terendak (Melaka), SMK Desa Tun Hussein Onn (Kuala Lumpur), Royal Military College (Kuala Lumpur), SMK Pangkalan TLDM (Perak) and Sekolah Tahfiz Anak Yatim ATM (Sungai Besi).

ILTIZAM's recurring projects in 2023 comprised of the following:

- **The Speech and Play Therapy by IDEAS Autism Centre (IAC)** is a second-year project that aims to assist autistic children in enrolling in mainstream public schools and improving their cognitive and learning abilities. The programme includes speech and play therapy for children aged three (3) to nine (9) years old as well as prevocational speech therapy for children aged 10-14, which focuses on developing two-way communication, including the art of asking and answering questions. IAC has completed all 36 speech therapy and 23 play therapy sessions with positive results across the board. The 73 children in the programme across age groups have shown considerable improvement in their social and physical development, including speaking more freely, enhanced language skills and expanded vocabulary. ILTIZAM also conducted a CSR activity with 11 Ekuinas volunteers to assist IAC with their hippotherapy programme with 36 children at Rubinga Equestrian Park in Gombak on 13 September 2023.
- **The Bring the Opportunity Programme (BTOP)** is a project that incorporates sports training and counselling modules to boost students' confidence and to motivate them to attend school. The project has impacted 48 B40 students from SK Badak, Bachok in Kelantan by giving opportunities for the students to stay active and communicate through sports. Through this initiative, the seven (7) month project aims to encourage school kids to engage in healthy activities. This project is in its second year and kicked off in July 2023 with a disbursement of RM50,750 for six (6) months of football training and counselling sessions every month before the students graduate from the programme in December 2023.
- **The Skim Dana Ehsan Pendidikan (SDEP)** collaboration with Yayasan Pelajaran Mara (YPM) is an education-based assistance scheme to provide financial support for B40 Bumiputera Bachelor's Degree students hoping to further their studies at any local universities. ILTIZAM disbursed RM300,000 to aid 120 students with early admission assistance and living expense allowance as well as RM180,300 to enrol 55 students in a skills training programme or Program Latihan Kemahiran dan Kerjaya (PLKK) for customer service and ground handling, artificial intelligence (AI) management and information technology (IT) security management. For the record, all 55 students have been employed with 100% employment rate achieved.

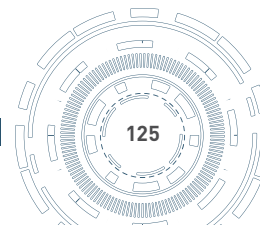
Portfolio Collaboration Fund

- **UNITAR ILTIZAM Apprenticeship Programme 2023** is a programme that covers various certified upskilling and reskilling, soft skills management and professional English programme to improve graduate employability. ILTIZAM disbursed RM394,035 for 29 apprentices who successfully graduated from the programme, with 22 of them already securing employment.
- The ILTIZAM Education Fund or ILMU Fund was introduced in 2013 to support high achievers who demonstrate determination and academic excellence despite facing financial challenges. In 2023, ILTIZAM disbursed a total of RM749,903 to 1,369 high-potential students under the 'Live and Learn' programme to cover academic fees, living expenses and ease the financial burden of B40 and asnaf students at Cosmopoint College and UNITAR International University. This disbursement also included RM311,000 distributed to 189 asnaf students from the ILMU Fund due to requested assistance from Cosmopoint College. The request arose due to limitations in the Zakat Wakalah fund to meet the students' needs.
- **Oil & Gas Marine Training & Development Programme** – ILTIZAM continued the programme to nurture talent for one of Malaysia's key industries – oil and gas. Since 2016, the programme has provided academic and technical training for new and existing Bumiputera industry crew. In 2023, ILTIZAM committed RM53,600 to support one (1) new crew member from Orkim Sdn Bhd and 28 existing crew from ICON Offshore Berhad of various ranks.

Education Skills Programme

Throughout the years, ILTIZAM has initiated various pilot projects to find new ways to provide meaningful assistance to the *asnaf* and B40 communities beyond academic support to create access to sustainable employment via vocational and professional training. In 2023, ILTIZAM completed the following projects:

- **Project ILTIZAM Beauty 2023 for Aesthetic** - This new project was launched in July 2023 to groom and nurture B40 Bumiputera youth for careers in the beauty and skincare industry. The programme comprises six (6) months of training in various courses from manicures, pedicures, manual facials, workplace safety, hygiene and maintenance, henna artwork, aesthetic services, make-up services and



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superfluous hair depilation. ILTIZAM disbursed RM368,100 to train 25 youths who will graduate upon project completion in February 2024 and gain their Sijil Kemahiran Malaysia (SKM) certificate and secure sustainable employment.

- **Project HERO** by Discover Muay Thai (DMT) Academy - In collaboration with Persatuan Muay Thai Negeri Sabah (PMNS), ILTIZAM launched the second year of its Project Hero in Kota Kinabalu, Sabah to benefit 16 at-risk B40 youth from across the state. The four (4) month programme aims to empower these youth to discover their purpose while improving their engagement with the community and building their livelihood. The residential training encompasses subjects such as Muay Thai training, English classes, counselling, Entrepreneurship 101 skills, Islamic classes and more. ILTIZAM disbursed RM405,400 to help 16 youth who graduated from the programme. The outcome of the project saw 12 youth employed through job placement, two (2) became full-time coaches and fighters while the remaining two (2) are pursuing their studies at a local university and skills academy.
- **Project Second Chance Heads Up by Saora Industry** enters its second year in collaboration with Saora Industries with the objective of helping juveniles and ex-convicts who have completed their terms in Henry Gurney School, Department of Parole Melaka and Penjara Wanita to improve their outlook on life. The programme aims to raise their employability and boost their confidence through a nurturing

and intensive series of activities. The programme saw an increase in self-awareness, self-branding and confidence in a supportive environment to enable them to effectively assimilate into the real world once they are discharged from the centres. ILTIZAM disbursed RM308,600 for this project which benefitted 135 juveniles and prisoners.

- **Project Walter by Walter Academy** - ILTIZAM disbursed RM386,000 under the Project Walter by Walter Academy that aims to train 40 Bumiputera B40 youth aged 16 to 24 years old in techniques and skills to become certified barbers and hairdressers. The project kicked off in June 2023 with 20 male youth training to be barbers as well as 15 female youth and five (5) male youth training to be hairdressers. Upon graduation, the project assists these youths to secure job placement opportunities across various states including Selangor, Pahang, Terengganu and Johor.

Back-to-School Programme

Since 2016, ILTIZAM's Back-to-School programme has helped ease the financial burden of low-income families by providing students with school supplies such as uniforms, bags, socks, and shoes in preparation for the school year. Under this Programme, ILTIZAM disbursed a total of RM496,104 towards assisting 3,971 students from B40 underprivileged communities and 24 schools nationwide with essential school supplies to facilitate their education. ILTIZAM collaborated with Ministry of Economy to execute the Back-to-School programme in Kuala Lumpur, Selangor and Sarawak.

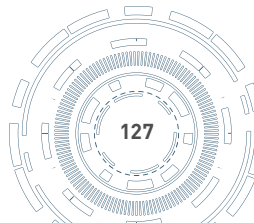


ILTIZAM Professional Development Programme

ILTIZAM's Education flagship, the Professional Development Programme (PDP) continued in 2023 with a cohort of 75 graduates and a total disbursement of RM4.9 million. The programme, which has been ongoing since 2012, is a one (1) year programme that aims to support Bumiputera graduates from disadvantaged backgrounds who have been unemployed for over six (6) months. Over the years, PDP has seen a steady increase in demand for the project with 68% increase in total applications, the majority of whom are from across the Klang Valley.

In addition to the on-the-job training and exposure, the potential employment opportunity has been a key attraction for graduates. As of 31 December 2023 upon programme completion, 60% of executive trainees who graduated were successfully employed through one of ILTIZAM's 34 partner placement companies. As of the current reporting period, this figure has increased to 81%. PDP graduates have successfully secured permanent placements in organisations including Ekuinas, its portfolio companies and partner companies such as Al-Ikhsan Sports, SOCIO Intelligence Sdn Bhd, Alfa-Meli Sdn Bhd, Ahlan Academy for Excellence Sdn Bhd, Star Media Group Berhad, Majlis Amanah Rakyat (MARA) and Accenture Technology Solutions Sdn Bhd, to name a few.

Today, PDP continues to provide on-the-job training and exposure to real-life work situations, opportunities to develop and learn professional skills, improve their soft skills for career enhancement to become highly marketable and employable. The programme also focuses on improving graduates' personal branding to enable them to showcase their capabilities and strengths to potential employers as well as to enhance their confidence and self-belief as a launching pad for their career. There is a total of 627 unemployed graduates who have successfully build careers through PDP since inception.



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ILTIZAM FOR COMMUNITY

Under their third CSR pillar, ILTIZAM Community, Ekuinas continues its support for the underprivileged and underserved Bumiputera communities through the ILTIZAM Community Support Programme (CSP). In addition to its various initiatives under CSP Care, ILTIZAM dedicates attention and investment into the preservation of heritage and the promotion of arts and culture. In October 2023, ILTIZAM Seni makes its debut as ILTIZAM for Community's flagship programme. ILTIZAM Seni is a special art residency programme to upskill young Bumiputera artists in other critical, non-creative skills which are essential to building a sustainable career as an artist. The programme also assists in raising the profile of these residents artists, helping them carve their name in the art industry and open opportunities towards monetising their skills and talent.

CSP Care

ILTIZAM allocated a total of RM798,656 towards various initiatives under CSP Care, including donations, sponsorships, food distribution, Ramadan programme and disaster relief. A total of 13,152 households/beneficiaries were supported by these initiatives.



Donations & Sponsorships

ILTIZAM disbursed RM103,615 under this programme to underprivileged communities through tuition fees, special education for the disabled, medical aid and living expenses for charity homes. ILTIZAM collaborated with nine (9) NGOs and one (1) charity home to support 560 households across Malaysia.

Amongst the collaborating NGOs were Persatuan Kesejahteraan Rakyat Malaysia, Pertubuhan Orang Pekak Terengganu, Badan Kebajikan Thalassemia Malaysia, Pertubuhan Sukarelawan dan Sosial Darah Tenom and Pertubuhan Kebajikan Warga Emas Al-Fattah.



ILTIZAM Seni 2024

Each year, Malaysia produces over 800 fine arts graduates. Many fail in building sustainable careers due to challenges and the lack of opportunities. ILTIZAM Seni is a new flagship programme under ILTIZAM Community designed to fill the gap. It is a well curated art residency programme with synergistic collaborations that aims to support and enable young and new Bumiputera artists from lower-income and underprivileged backgrounds who lack exposure, opportunity and experience towards sustainable careers in Malaysia's art industry.

ILTIZAM Seni made its debut on 25 October 2023. Ekuinas collaborated with Galeri Puteh, known for its diverse array of exhibitions featuring emerging and established contemporary Malaysian artists. ILTIZAM Seni features a six (6) month residency programme with seven (7) resident artists (RAs) from across Malaysia. The seven (7) RAs were selected after undergoing a comprehensive evaluation and selection process which included assessing their educational background, artistic talents, technical abilities as well as their aspirations, passions and ambitions within the arts.

The residency programme includes accommodation and studio spaces within a quaint hilltop home, away from the distractions and noise of the city, allowing them to dedicate time for

uninterrupted creative exploration and exposure to new ideas and influences as they live and learn together with other artists. In addition to ideation and creating independent artwork, the programme aims at helping the RAs develop their skills in areas crucial to spur their careers in the arts and sustain themselves, including soft skills like communication skills, financial planning and business management skills, time management, problem-solving and work-ethics. The RAs are given a monthly allowance and their work materials were fully sponsored.

The RAs were mentored by Dr. Jalaini Abu Hassan (who is also an advisor to the programme), Associate Professor Ramlan Abdullah, Ar. Affendi Salleh, Hamir Soib and Jean Francois Jardin. At the end of the six (6) month programme, the RAs will have the opportunity to showcase and sell their creative collection of artworks at Galeri Puteh. The proceeds of the sales are intended to enable the RAs to kickstart their careers and put them on a path towards sustaining themselves. Part of the proceeds will be channelled back into the community via CSR programmes managed by Galeri Puteh and the artists themselves. This will give them an opportunity and sense of pride to be able to contribute to society through art.

In 2023, RM250,000 was allocated and disbursed under ILTIZAM Seni 2024.



SOCIAL: ILTIZAM BY EKUINAS

Food Distribution

A total of RM318,623 was deployed to assist disadvantaged communities through food distribution including B40 families, Program Perumahan Rakyat (PPR) communities, disabled persons, single mothers and orphans. ILTIZAM collaborated with 17 NGOs, five (5) charity homes and schools to support 4,362 beneficiaries who received various food and groceries.

Among collaborating NGOs are Persatuan Usahawan Graduan Malaysia, Pertubuhan Kebajikan Imam An-Nawawi, Pertubuhan Sahabat Jariah, Mercy Mission Malaysia and Alumni Parlimen Belia Malaysia.



Ramadan Programme

Funds of a total of RM198,738 was distributed to support the underprivileged community during its Ramadan activities through food distribution, iftar and operational costs during month of fasting. The aid was distributed in collaboration with 14 NGOs, three (3) charity homes, schools and suraus targeted at alleviating the financial burden as well as to provide meals for iftar for 4,960 households, including the homeless, single mothers, orphans and the sick and elderly.

Among collaborating NGOs were the Pertubuhan Pendidikan Anak Cahaya Sabah, Al-Ikhsan CSR, Pertubuhan Kebajikan Imam An-Nawawi, Yayasan Amal ASAS and Pertubuhan Perkasa Ummah.



Disaster Relief

ILTIZAM channelled RM177,680 towards natural disaster relief to assist 3,340 beneficiaries affected by floods and fire. In collaboration with nine (9) NGOs, ILTIZAM provided relief in the form of food supply, household essential items as well as cleaning, cleaning, hygiene kits and baby care.

Collaborating NGOs include Development of Human Resources for Rural Areas, Malaysia (DHRRA-Malaysia), Persatuan Penduduk Gunung Stong, Pertubuhan Pendidikan Anak Cahaya Sabah (Cahaya Society), Islamic Aid Malaysia, Yayasan Ikhlas, Pertubuhan Kebajikan Imam An-Nawawi and Pertubuhan Kebajikan Skwad Senyum.



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 eligible *asnaf* communities such as the *fakir*, *miskin*, *muallaf*, *fisabillah* and *gharimin* who are not already amongst the beneficiaries of ILTIZAM's CSR programmes.

For the Zakat Wakalah from LZS, a total of RM187,500 was received. Of this total, RM53,300 was distributed to 12 recipients: eight [8] individuals and four [4] institutions, including people suffering from medical conditions, natural disaster victims, and religious institutions. The disbursement covered education fees, medical supplies, flood relief assistance, living allowances and surau repairs. RM80,000 was allocated to be disbursed under the KasihKu programme for *asnaf* *fakir* & *miskin*, while the remaining RM54,200 was earmarked to be distributed for further support and disaster relief.

Ekuinas also received RM248,481 in *zakat wakalah* from PPZ MAIWP, which was disbursed entirely to provide assistance for 194 students from Cosmopoint College and 60 students from UNITAR International University. The financial assistance covered outstanding fees and monthly living allowances for deserving students from underprivileged backgrounds.

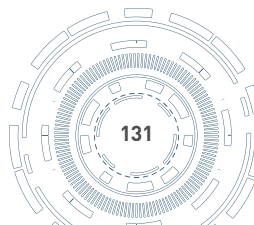
APPRECIATION

The positive impact we have been able to create amongst underprivileged communities in Malaysia would not be possible without the support of many parties.

ILTIZAM would like to acknowledge its appreciation to the Ekuinas Board of Directors, our CSR Committee, employees, stakeholders, portfolio companies, PDP partner companies, NGOs, the Ministry of Economy, Ministry of Health, Ministry of Education and other Ministries and Agencies for the continuous support towards ILTIZAM and our programmes.

Our special thanks to Dato' Abdul Mutalib Alias, Chairman of the CSR Committee since August 2022. His hands-on leadership approach and high standards of governance for Ekuinas' CSR efforts remain invaluable to ILTIZAM and the teams involved in executing the programmes.

ILTIZAM's mission remains to continue serving underserved and disadvantaged communities and providing opportunities for them to achieve their goals and potential. It is the hope that ILTIZAM's efforts have and will continue to positively impact its beneficiaries by improving their quality of life whilst inspiring them to give back to their communities in their own way.



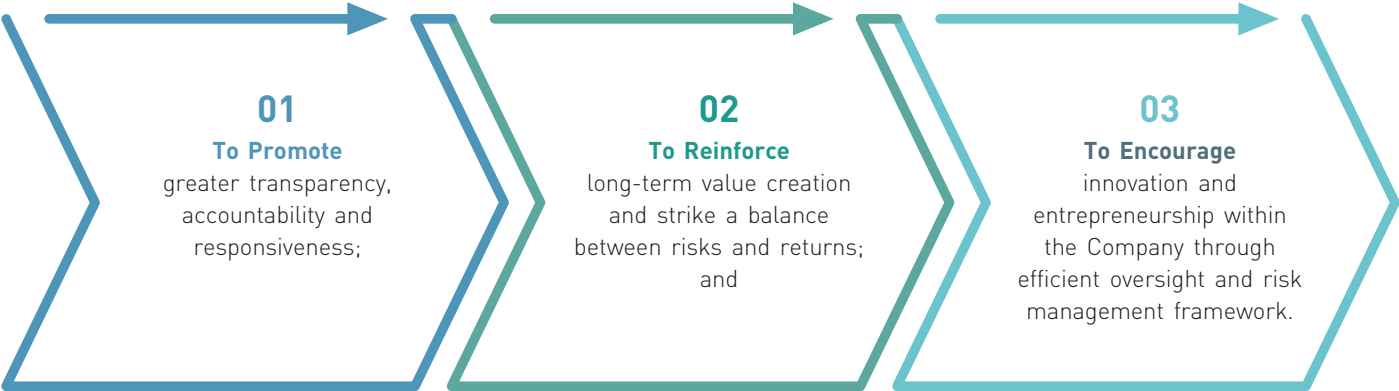
STATEMENT ON CORPORATE GOVERNANCE

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:



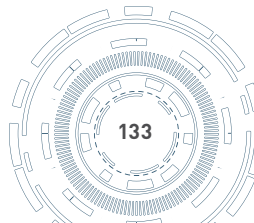
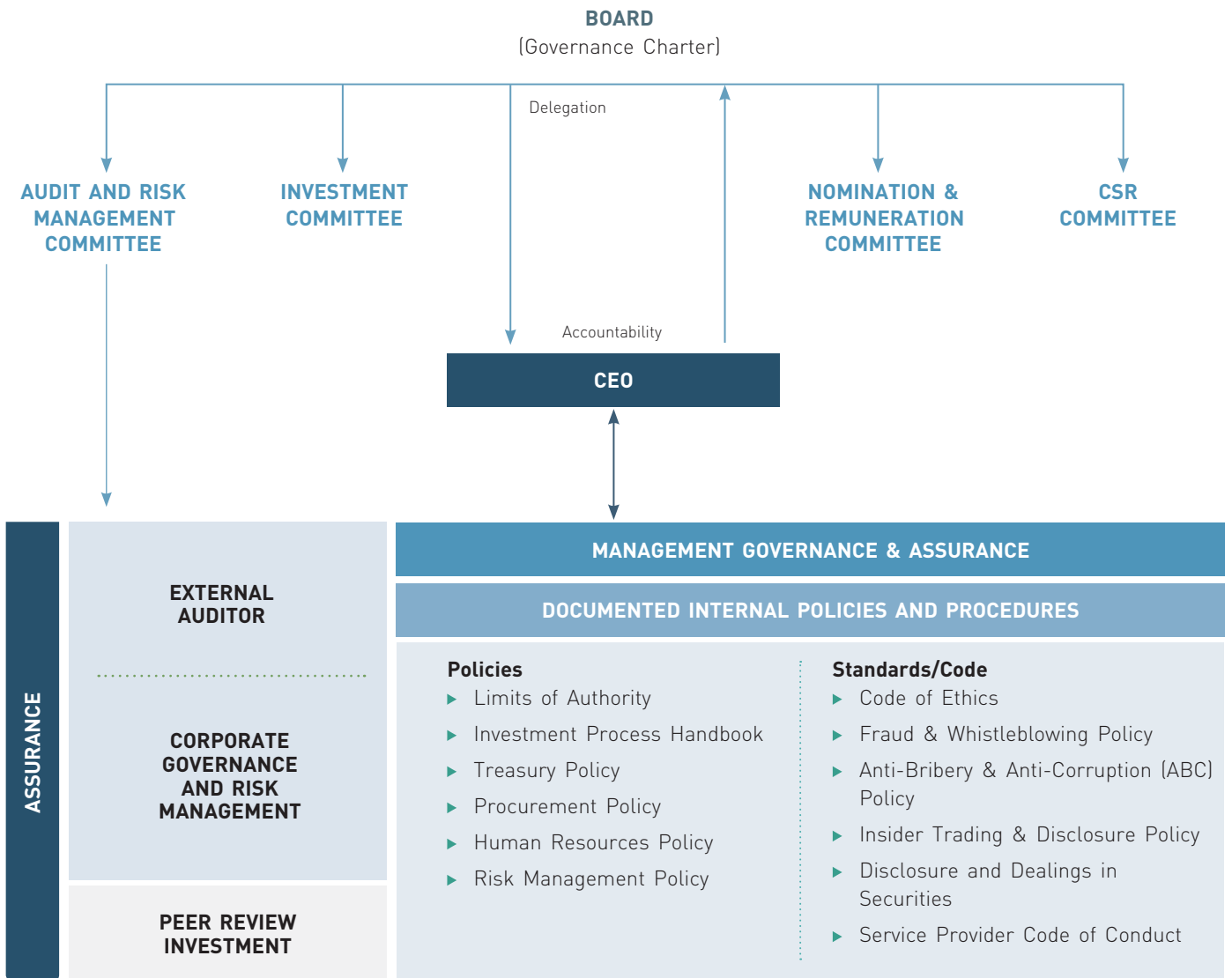
EKUINAS CORPORATE GOVERNANCE FRAMEWORK

STATEMENT ON GOOD GOVERNANCE
Board and Board Committees
Directors' Roles and Responsibilities
Stakeholder Management
Accountability and Audit

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL
Internal Systems & Control
Internal Audit Framework
Risk Management Framework
External Audit 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

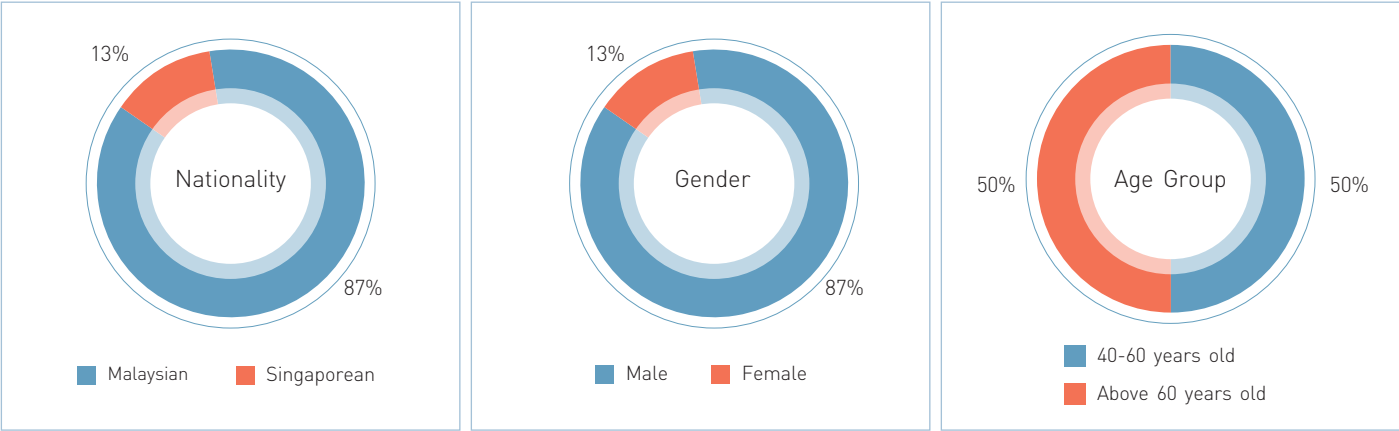
MAINTAINING AN INDEPENDENT, STRONG AND EFFECTIVE BOARD

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, mitigate bias and reinforce 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 pages 14 to 23 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 (2) 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 to be a world class private equity fund management organisation and to guide the organisation in meeting its objectives and visions.

As at 31 December 2023, the Board consists of seven (7) members, out of which the majority are Independent Non-Executive Directors. The previous Chairman has served for a cumulative term of more than ten (10) years and in line with the Company's succession plan, stepped down on 18 July 2023 where Tan Sri Shahril Ridza Ridzuan was then appointed to succeed as the new Independent Non-Executive Chairman of Ekuinas.

Name of Directors	Status of Directorship	Cumulative Tenure (Years)
Tan Sri Shahril Ridza Ridzuan	Independent Non-Executive Chairman	1*
Raja Tan Sri Dato' Seri Arshad Raja Tun Uda¹	Independent Non-Executive Chairman	13
Datuk Ali Abdul Kadir	Independent Non-Executive Director	8
Dato' Abdul Hamid Sheikh Mohamed	Independent Non-Executive Director	3
Dato' Nor Azmie Diron	Non-Independent Non-Executive Director	1
Datuk Maimoonah Hussain	Independent Non-Executive Director	2
Dato' Abdul Mutalib Alias	Independent Non-Executive Director	1
Dato' Syed Yasir Arafat Syed Abd Kadir	Executive Director and Chief Executive Officer (CEO)	7

*Appointed as Chairman on 18 July 2023

¹ Notes: Raja Tan Sri Dato' Seri Arshad Raja Tun Uda resigned on 18 July 2023

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 all of its current members are Independent Directors. Details on the scope, functions and activities of the NRC during the financial year can be found on page 142 to 143 in the Statement on Corporate Governance.

Board Independence

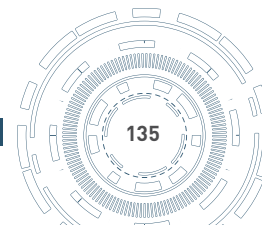
The Board, through the NRC, conducts assessments on the independence of all Independent Directors during the financial

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 of 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 FY2022/2023 would be conducted in 2024 taking into consideration the recent 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	10	5	5	4	2
Name of Directors	No. of Meetings Attended				
Raja Tan Sri Dato' Seri Arshad Raja Tun Uda	4 out of 4*	-	3 out of 3*	-	-
Tan Sri Shahril Ridza Ridzuan <i>(Appointed as Chairman effective 18th July 2023)</i>	10	-	-	-	-
Datuk Ali Abdul Kadir	10	5	-	4	-
Dato' Abdul Hamid Sheikh Mohamed	10	5	5	4	-
Datuk Maimoonah Hussain	9	-	5	4	-
Dato' Abdul Mutalib Alias	10	5	5	-	2
Dato' Nor Azmie Diron	6	-	-	-	-
Dato' Syed Yasir Arafat Syed Abd Kadir	10	-	-	4	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 the 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;

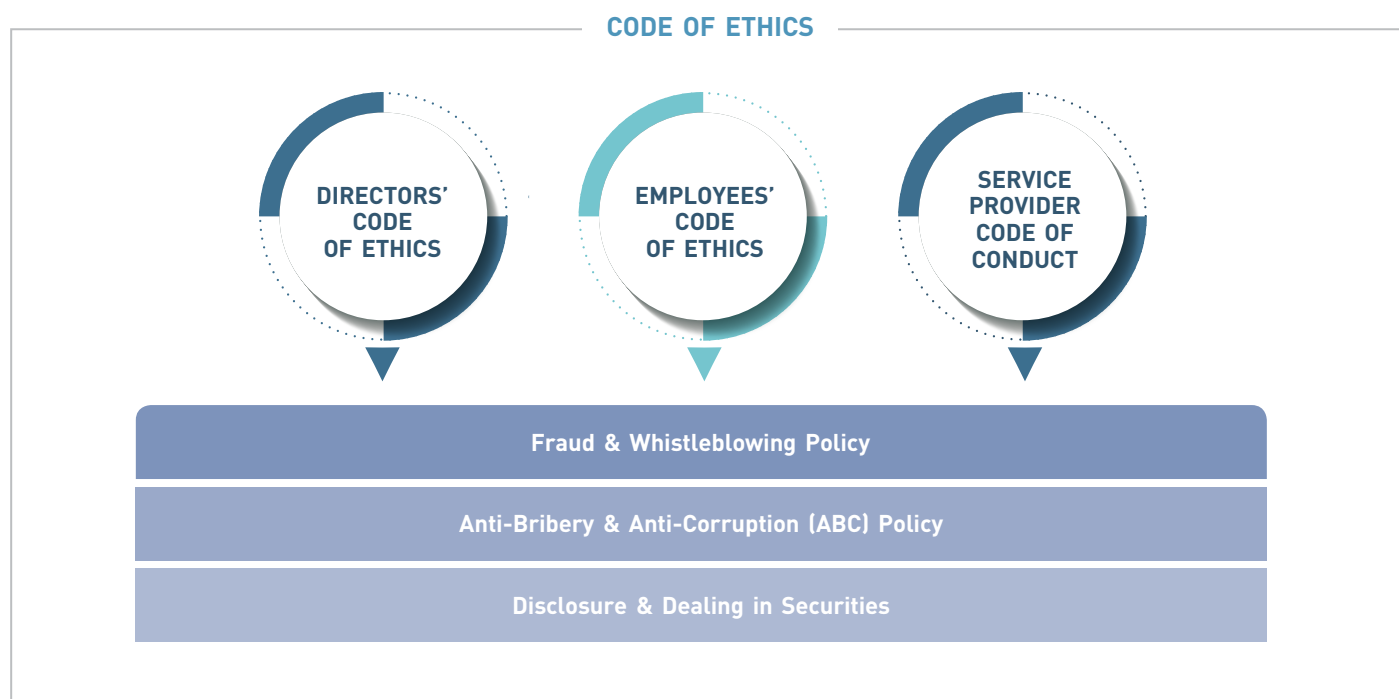
- ▶ effective oversight of the management of Ekuinas including its control and accountability systems;
- ▶ approving and monitoring the progress of major capital expenditure, capital management and investment acquisition/divestment;
- ▶ monitoring compliance with all legal, tax and regulatory obligations;
- ▶ 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 goals and achievements are set out in 108 to 116 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 & Anti-Corruption (ABC) Policy were also formalised and implemented in Ekuinas and all its portfolio companies.



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
Members : Datuk Ali Abdul Kadir
: Dato' Abdul Mutalib Alias

 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 144 to 145 of this Annual Report.

b. Nomination and Remuneration Committee (NRC)

The NRC currently comprises of up to four (4) 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 Hussain
Members : Raja Tan Sri Dato' Seri Arshad Raja Tun Uda (Up to 17 July 2023)
: Dato' Abdul Hamid Sheikh Mohamed
: Dato' Abdul Mutalib Alias

 There were five (5) meetings held during the financial year and the attendance record is set out in the table on page 136. Further details of the NRC activities during the financial year are further elaborated on page 142 to 143.

c. Investment Committee (IC)

The IC 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 CSRC which is chaired by a Non-Executive Director and consists of members 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 (SMC)

The 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

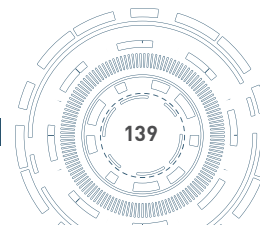
The Board aims to provide and present a balanced and meaningful assessment of the Company's financial performance in all disclosures made to the stakeholders. The Board, assisted by the Audit and Risk Management Committee, oversees the financial reporting process and quality of financial reporting, besides 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

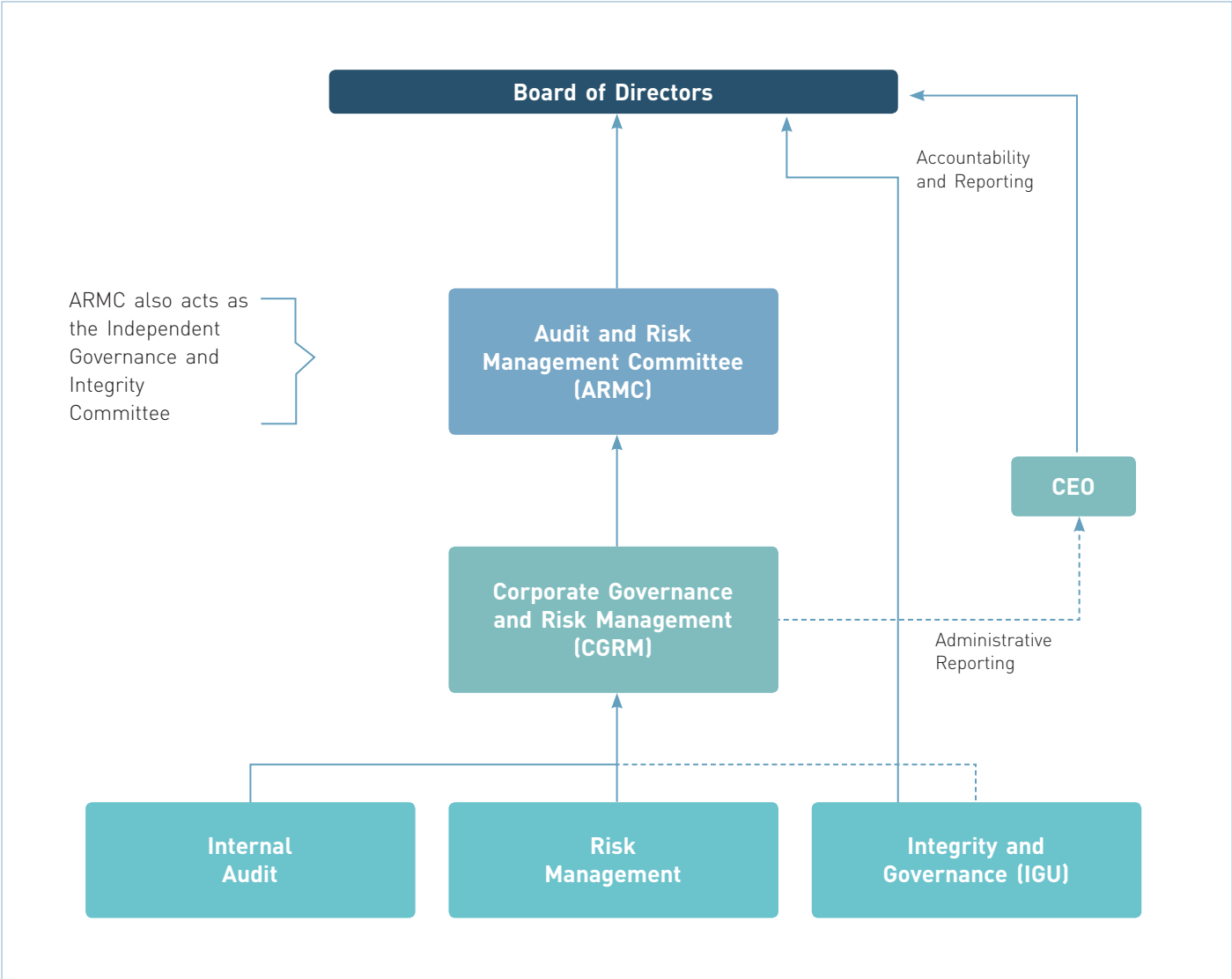
MANAGEMENT OF RISKS AND INTERNAL CONTROL

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 pages 146 to 152 of this Annual Report.

Internal Audit Function

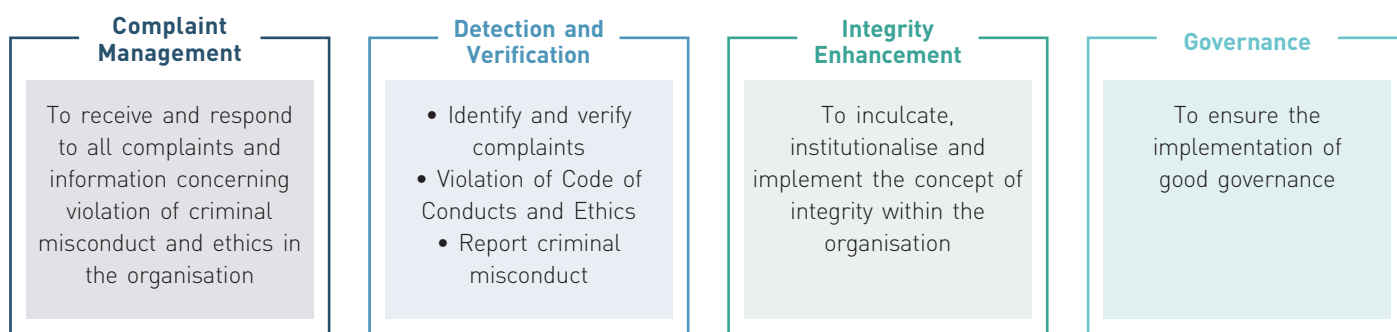
The Board empowers Management to achieve business objectives while adhering to business ethics and high governance standards. The Corporate Governance and Risk Management (CGRM) Department, which also serves as an internal audit function, reports directly to the Audit and Risk Management Committee, demonstrating 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 Integrity and Governance Unit (IGU) under the Corporate Governance and Risk Management Department (CGRM) in support of 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 (4) 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; and
- Reviewing and recommending to the Board for adoption, 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 2023

During the financial year ended 31 December 2023, the NRC undertook several key activities, as follows:

- Conducted the annual assessment on the composition and independence of the Independent Directors;
- Deliberated and made recommendation to the Board on the achievement of Ekuinas Key Performance Indicators (KPI) for FY2022, Bonus Pay-out for FY2022, and Merit Increment and Salary Adjustment for FY2023;
- Reviewed the Proposed KPI Framework for the FY2023;
- Deliberated and made recommendations to the Board on the Proposed Proposed FY2023 Corporate Scorecard Update; and
- Deliberated and made recommendations to the Board on the succession plan and the appointment of a new Chairman of Ekuinas.

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 the appointment of the new Chairman to succeed the previous Chairman who stepped down on 18 July 2023. The committee explored various options for the succession, including the possibility of conflicts of interest and the importance of managing public perception and ensuring effective governance.

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 2023, with categorisation into appropriate components are as follows:

Remuneration	Total Amount (RM)
Salary/Fees	2,836,384
Other remuneration (e.g. allowances and other benefits)	961,692

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

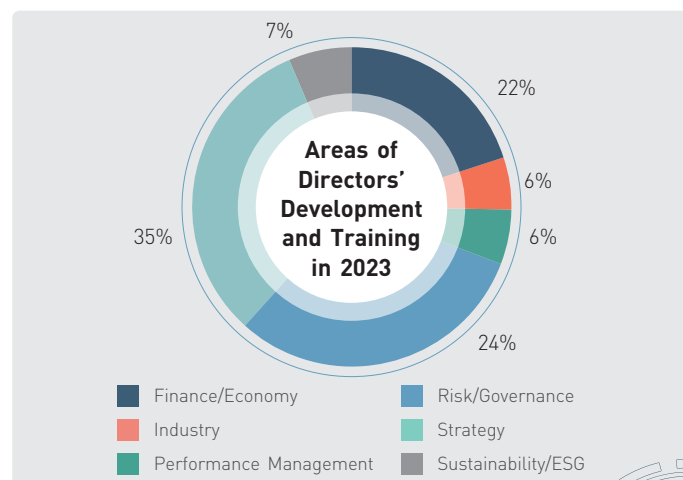
Range of remuneration (RM)	Executive Director	Non-Executive Directors
RM100,000-RM200,000		7
Above RM1,000,000	1	

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.

This Statement on Corporate Governance is made in accordance with the resolution of the Board of Directors dated 14 March 2024.

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 2023 is captured as follows:



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 2023.

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 <i>(Chairman of the Committee)</i>	Independent Non-Executive Director	5 out of 5	100
Datuk Ali Abdul Kadir	Independent Non-Executive Director	5 out of 5	100
Dato' Abdul Mutalib Alias	Independent Non-Executive Director	5 out of 5	100

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 16 March 2023 and 29 September 2023.

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
- 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 directly to the ARMC and administratively to the CEO. The internal audit function has four (4) personnel comprising the Head of CGRM, one (1) Manager, one (1) Executive and one (1) Graduate Associate. The Head of CGRM, Muhd Hafiz Muhtar is an Associate Member of the Institute of Internal Auditors Malaysia (IIAM).

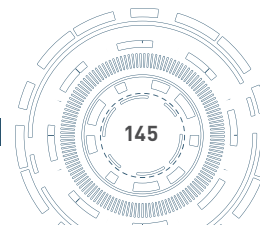
The CGRM department has adopted a Corporate Governance Charter that provides for its independence in evaluating and reporting on the adequacy, integrity and effectiveness of the overall internal control system, risk management and corporate governance in the Company using a systematic and disciplined 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 14 March 2024.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

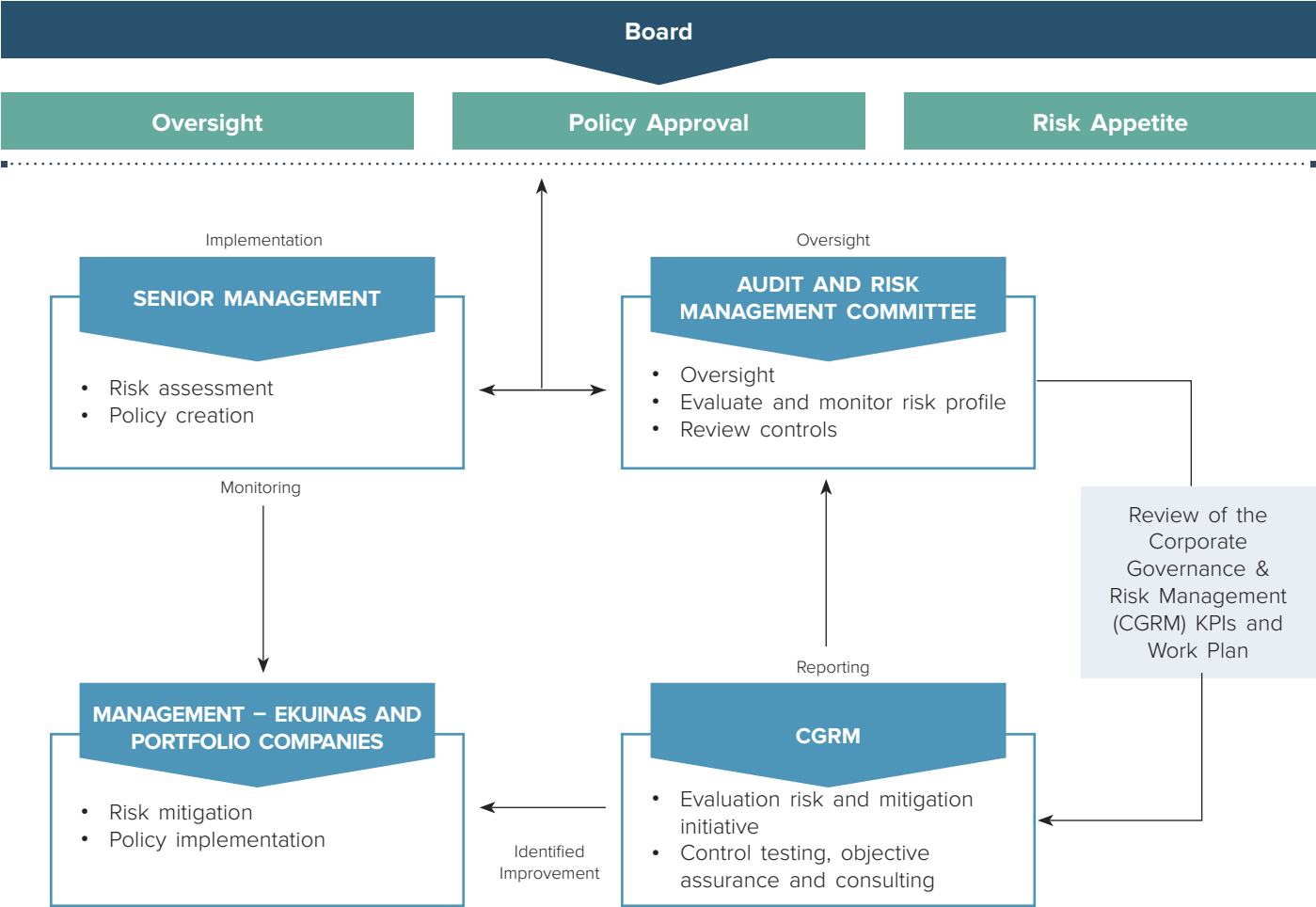
The Board of Directors (the Board) is pleased to present this Statement on Risk Management and Internal Control (SORMIC) pursuant to paragraph 15.26(b) of Bursa Malaysia’s Main Market Listing Requirements (MMLR) to promote good corporate governance and compliance to best practices, notwithstanding the 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 is 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 control.

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 have 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:

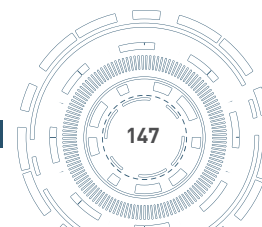
- review and recommend risk management policy and reports for approval by the ARMC and the Board;
- monitor the risk exposure of the Company and portfolio companies and recommend strategic actions where necessary;
- review on a quarterly basis the overall performance of the portfolio companies, initiatives undertaken and major business risks;
- review any significant risks and exposure 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 are 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 the 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, advice and information on the activities they review.

The CGRM Annual Plan and Key Performance Indicators (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.



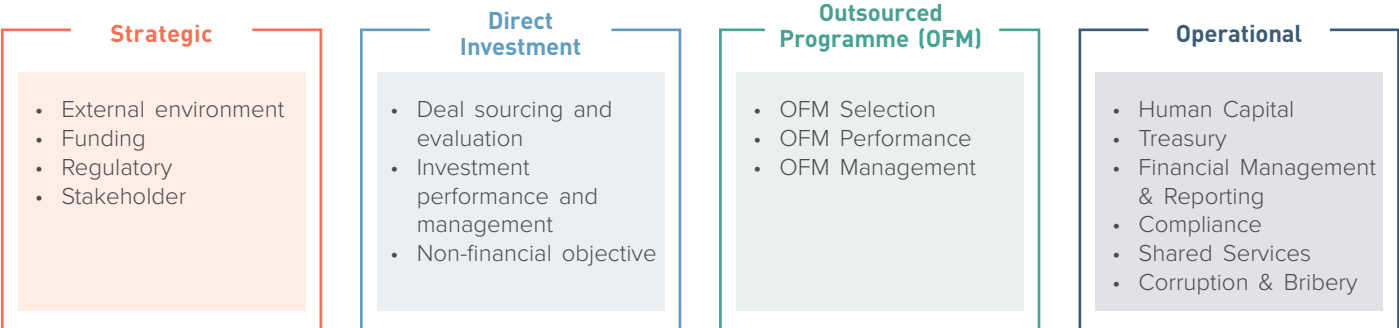
STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT AND INTERNAL CONTROL ACTIVITIES

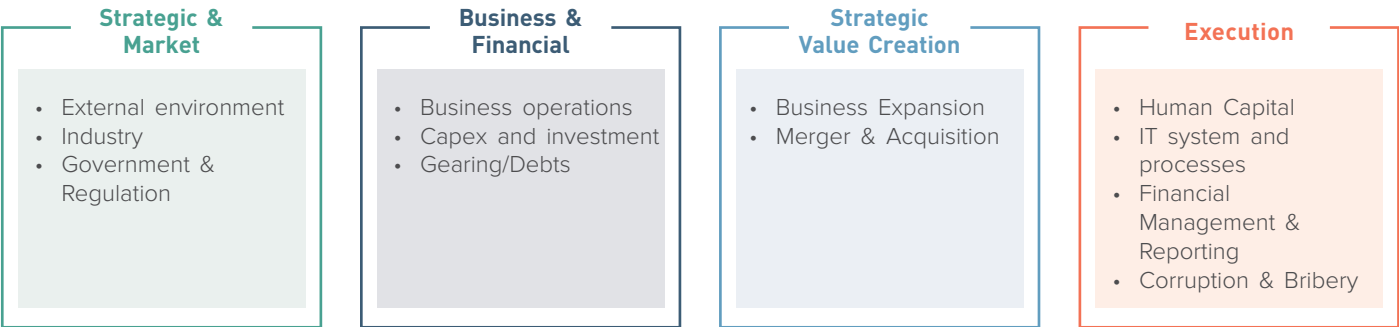
The Company’s risk management framework is a pragmatic guide for the ongoing process for identifying, evaluating and managing the significant risks faced by the Company in its achievement of objectives and strategies. The effectiveness of the risk management framework is systematically and periodically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

The Company has identified four (4) categories of risks both at Ekuinas and portfolio companies levels. These four (4) risks categories are not exhaustive; however they provide a basis for identification and classification of risks and the investment related risks are considered the most critical business risks within the Company.

EKUINAS’ RISKS (COMPANY)



PORTFOLIO COMPANIES’ RISK



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, Prime Minister's Department, 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

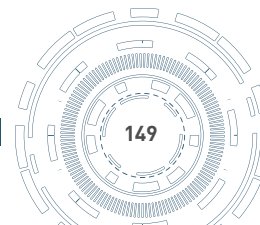
The Board is fully committed to maintaining a strong control structure and environment for proper conduct of the Company's operations. The key processes that have been established in reviewing the adequacy and integrity of the system of internal controls, among others, are as follows:

- **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 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.

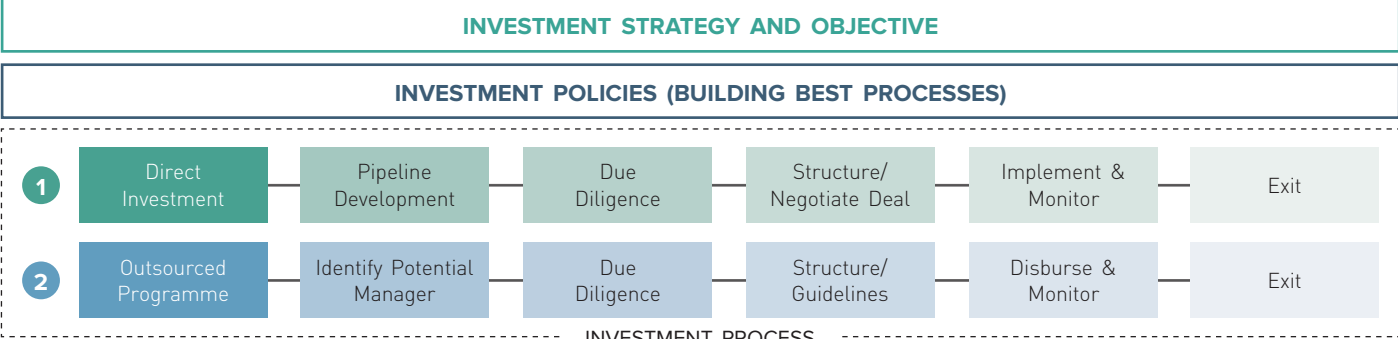
- **Policies and Standard Operating Procedures (SOP) Framework**

Written procedures on key processes within the Company are documented, implemented and communicated by the Management to employees in accordance with the approved Policy and SOP Framework by the Board, 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 Standard Operating Procedure (SOP) Framework



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

SHARED SERVICES	FINANCE & ACCOUNTING	HUMAN RESOURCES (HR)
	Accounting Policies and/or SOP covering: <ul style="list-style-type: none"> • Fixed Asset • Petty Cash • Financial Reporting Policy and Procedure • Budgeting • Payments & 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
	• Treasury Policy and SOP	• Legal SOP
	PROCUREMENT & ADMINISTRATION	M.I.S
	• Procurement Policy and SOP	• IT Policy and SOP
	CORPORATE SOCIAL RESPONSIBILITY (CSR)	COMMUNICATIONS
	• CSR Policy and SOP	• Communications Policy and SOP
STAKEHOLDER MANAGEMENT	DISCLOSURE POLICY	
• Stakeholder Management Policy and SOP	• 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 disposal of assets, as a control to minimise any risk of abuse of authority.

- **Anti-Fraud, Anti-Bribery and Anti-Corruption (ABC) and Whistleblowing 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 2023.

- **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.

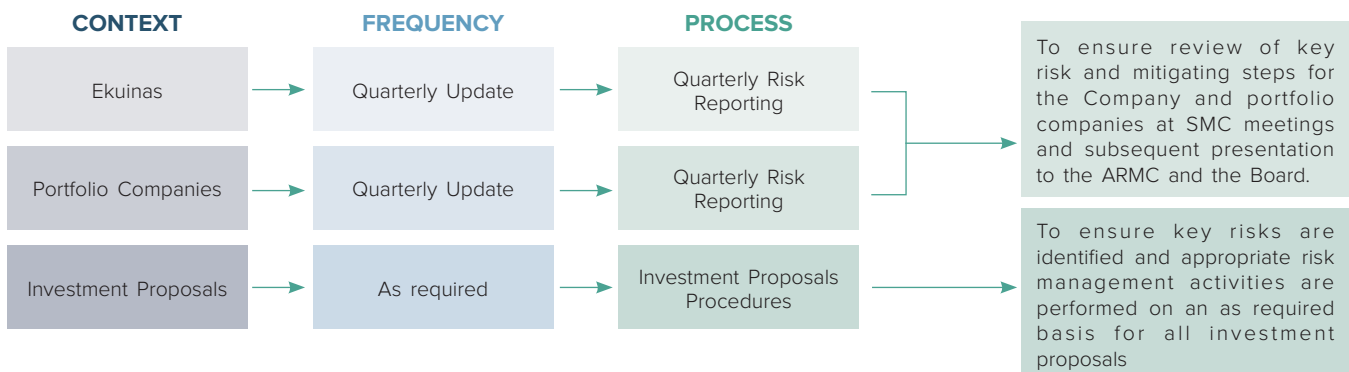
EkuiNAS also provide funds to third party Outsourced Fund Managers (OFMs) who undertake investments on EkuiNAS’ behalf. However, EkuiNAS does not have influence over their operations and controlling interests in the OFMs’ invested companies, therefore they have not been dealt with as part of the Group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

RISK MANAGEMENT REPORTING

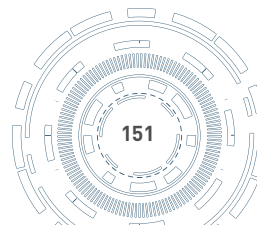
The Risk Management Reporting process includes an assessment of risk, evaluation of the effectiveness of the controls in place and the requirements for further controls to mitigate the risks for the Company and all portfolio companies

The key elements of the process are as follows:

RISK ASSESSMENT APPROACH



These reporting process and periodic monitoring is 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 2023.

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 14 March 2024.

ekuinas

EKUITI NASIONAL BERHAD

Ekuiti Nasional Berhad

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