



UPBEAT: (From left) Asiasons chairman Datuk Mohammed Azlan Hashim, Abdul Rahman, Abdul Wahid and Ekuinas chairman Raja Tan Sri Arshad Raja Tun Uda at yesterday's briefing — Pic: ISMAIL CHE RUS

Ekuinas launches second outsourcing programme

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FIVE local private equity firms have been selected by Ekuiti Nasional Bhd (Ekuinas) to manage and undertake investments on its behalf.

Chief executive officer Datuk Abdul Rahman Ahmad said: "The five companies we've selected are CMS Opus Private Equity Sdn Bhd, RM Capital Partners, TAEL Partners, Tuas Capital Partners and Asiasons Capital Group."

Under the outsourced programme, Ekuinas allocates capital to selected third party private equity firms — who then raise additional funds from private investors, which creates an expanded pool of capital to be invested in high potential local companies.

"The selection criteria covers the strength of the investment team, the historical investment track record, proven and

robust investment processes, their ability to raise external capital and alignment to Ekuinas's investment requirements and guidelines."

The first tranche of the programme commenced in 2010 and managed to raise a total investments of RM552 million as of July, 2013 with three outsourced fund managers (OFM) — Navis Management Sdn Bhd, CIMB Investment Bank Bhd and Asiasons.

Minister in the Prime Minister's department Senator Datuk Sri Abdul Wahid Omar said: "Under the newly-launched Tranche II, Ekuinas has committed a total of RM240 million, which will be allocated amongst the selected OFMs.

On their part, the OFMs managed to successfully attract an additional capital of RM133 million from private investors — bringing the total amount available for investments to

RM373 million, which will be used to invest mainly within the oil and gas and consumer product sector.

Together with the amount accumulated from Tranche I, the total amount allocated by Ekuinas under its outsourced programme to RM460 million with the overall amount made available for investments now amounting to RM925 million.

The outsourced firms will use the funds to undertake predominantly growth capital minority investments ranging between RM10 million to RM30 million in high potential Malaysian companies — of which 70% of Ekuinas capital commitment shall be dedicated to bumiputra companies.

The programme currently has an investment portfolio of seven companies at a total investment of RM177.3 million for the RM400 million committed by Ekuinas.