



Deal sealed: A file picture shows a Burger King outlet in Mutiara Damansara. Ekuinas has sold its investment in the burger-joint franchise to Newscape Capital Sdn Bhd for RM74.6mil.

Ekuinas disposes of Burger King franchise

PETALING JAYA: Ekuiti Nasional Bhd (Ekuinas) has sold its investment in Burger King Malaysia and Singapore to Newscape Capital Sdn Bhd for RM74.6mil.

The state-owned private equity firm first bought 74% from the previous franchisee for RM68.2mil in 2011. The divestment generated gross proceeds of RM74.6mil with a negative internal rate of return (IRR) of 28.1% and investment recovery of 0.45 times of capital invested across two funds.

“Despite accounting for this,

Ekuinas continued to post a strong financial performance with gross portfolio return of RM677.1mil for the financial year ended Dec 31, 2014, which translates to a gross IRR of 19.6% and a net IRR of 15.3% per annum,” the company said.

With the latest deal, the total realisation proceeds generated by Ekuinas from its divestment activities came to RM1bil across five investments after nearly six years in operations.

“This exercise has also enabled Ekuinas to successfully complete

the restructuring of its food and beverage (F&B) portfolio involving our exit from the quick-service restaurant segment to fully focus and expand on the core casual dining and beverage segments with brands such as Tony Roma’s, Manhattan Fish Market, New York Steak Shack, Coolblog and San Francisco Coffee,” said its CEO Datuk Abdul Rahman Ahmad.

The buyer of the burger joint, Newscape, is an investment company led by Datuk Chua Tia Guan and Lee Thiam Wah.