

**PRESS RELEASE**  
**30 April 2015**

## **EKUINAS CONTINUES TO DELIVER STRONG PERFORMANCE AFTER FIVE YEARS IN OPERATIONS**

**Key Highlights: -**

- In FY2014, Ekuinas undertook nine (9) direct and outsourced investments with a total committed capital of RM605.8 million. This brings the total cumulative committed investments undertaken by Ekuinas to thirty three (33) amounting to approximately RM2.4 billion, which together with private capital, facilitated a total capital deployment of RM3.0 billion that positively impacted the Malaysian economy.
- The Ekuinas Direct (Tranche I) Fund continued to record strong performance with a Gross Portfolio Return of **RM677.1 million**, which translates to a **gross annualised Internal Rate of Return (IRR) of 19.6%** and a **net annualised IRR of 15.3%**, exceeding the long term minimum target return of **12%** per annum. Ekuinas' second fund, Ekuinas Direct (Tranche II) Fund also is shaping well with a Gross Portfolio Return of **RM148.4 million**, translating to a gross annualised IRR and an annualised net IRR of 31.9% and 19.3% respectively.
- Through its activities, Ekuinas increased the Total Bumiputera Equity Value in its portfolio companies by **RM4.2 billion** or **1.9 times** the total invested capital and an increase in Total Shareholders' Value of **RM5.5 billion** or **2.4 times** of Ekuinas' capital invested. This reflects the success of Ekuinas' model of increasing shareholder value for all Malaysians.
- The strong performance enabled Ekuinas to commit RM500.0 million of its gains to Yayasan Pelaburan Bumiputera for the benefit of Bumiputera unit holders under PNB as previously announced by the Government, out of which RM200.0 million had already been disbursed by end of 2014.

**KUALA LUMPUR, 30 April 2015:** Ekuiti Nasional Berhad (Ekuinas), the government-linked private equity fund management company, today announced continued strong performance after five years in operations. For the financial year ended 31 December 2014 (FY2014), the Ekuinas Direct (Tranche I) Fund recorded a Gross Portfolio Return of RM677.1 million, which translates to a gross annualised Internal Rate of Return (IRR) of 19.6% and a net annualised IRR of 15.3%, exceeding once again Ekuinas' long term minimum target return of 12%. Ekuinas' second fund, Ekuinas Direct (Tranche II) Fund is also shaping well with a Gross Portfolio Return of RM148.4 million, translating to a gross annualised IRR and an annualised net IRR of 31.9% and 19.3% respectively.

Ekuinas' 2014 results were announced at a ceremony in Kuala Lumpur today.

In his speech, Ekuinas' Chairman, Raja Tan Sri Dato' Seri Arshad Raja Tun Uda said, "Despite 2014 being a challenging year especially for those in the energy sector, we are pleased to have concluded yet another eventful and extremely productive year. Ekuinas' investment rate was back up to our targeted rate, significant realisation was achieved through the first listing of an Ekuinas portfolio company and sustained fund performance enabled the maiden distribution of Ekuinas' gains to benefit the wider Bumiputera community."

In 2014, Ekuinas successfully committed RM605.8 million in an additional nine (9) investments under its direct and outsourced programme. These include six (6) direct investments with a total committed capital of RM542.1 million, comprising follow-on investments in Revenue Valley Group and San Francisco Coffee to expand the brands' footprints, bolt-on acquisitions in Coolblog, a franchised desserts and beverage brand and Tenby Group of Schools, a leading chain of private schools, as well as new investments in Orkim Sdn Bhd, a leading Clean Petroleum Product (CPP) tanker company and Tranglo Sdn Bhd, a leading mobile transaction gateway services company.

Ekuinas' Outsourced Programme continued to expand in FY2014, with three (3) new investments amounting to more than RM80.0 million undertaken by external private equity firms under Ekuinas' Outsourced Programme, out of which Ekuinas' committed capital contribution was RM63.7 million. These include investments in high potential growth companies such as REAL Education Group, Big Sdn Bhd and Mega Fortris (Malaysia) Sdn Bhd.

This brings the total committed investments undertaken by Ekuinas since inception to thirty three (33) amounting to approximately RM2.4 billion, which together with private capital, successfully facilitated total economic capital deployment of RM3.0 billion that positively impacted the Malaysian economy.

Ekuinas realisation activities are also progressing rapidly after creating value at its portfolio companies with **RM954.8 million** of proceeds already realised, predominantly raised from the successful first listing of Ekuinas portfolio company, Icon Offshore Bhd.

The other main highlight was the Government's announcement of Ekuinas' commitment to distribute RM500.0 million of its portfolio returns to Yayasan Pelaburan Bumiputra (YPB) for the benefit of Bumiputera unit holders of trust funds managed by Permodalan Nasional Berhad (PNB), to share its investment success directly with the wider Bumiputera community in the most effective and impactful manner. Out of which, RM200.0 million of the committed amount has been disbursed to YPB at the end of 2014.

In terms of its social objectives, Ekuinas successfully increased the total Bumiputera Equity Value in its portfolio companies to RM4.2 billion, or 1.9 times of capital invested. At the same time, the Total Shareholders' Value for all portfolio companies increased by RM5.5 billion, or 2.4 times of the invested capital, reflecting Ekuinas' model of increasing wealth for Bumiputeras and all Malaysians.

It was also announced that Ekuinas' portfolio companies employed a total of 356 managers and 11,841 employees at end FY2014, out of which 39.3% and 52.2% respectively, are Bumiputeras. These represent a healthy increase of 9.4% and 18.3% for Bumiputera managers and employees respectively since Ekuinas' entry.

Dato' Abdul Rahman Ahmad, the Chief Executive Officer of Ekuinas, whilst presenting the detailed results also said, "We are pleased to deliver strong performance consistently after five years in operations. As we go forward and as our funds mature, it is increasingly important for Ekuinas to expedite its realisation initiatives to maintain fund performance. We must intensify our rigorous efforts in identifying high potential companies, while at the same time, build capabilities and transformative value in our portfolio companies in order to deliver sustainable long term value creation."

Ekuinas' performance over the years is a proud testament of the Government's innovative strategy five years ago to establish Ekuinas to back and develop high growth mid-sized Malaysian companies through the private equity model. This also provides further support to the Government's belief that pursuing an agenda to increase equitable Bumiputera economic participation can be done in a manner that promotes growth and provide benefit to all Malaysians.

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**About Ekuinas**

Ekuinas (Ekuiti Nasional Berhad) is a government-linked private equity fund management company established on 1 September 2009. With the government endowment of RM5 billion, Ekuinas aims to create Malaysia's next generation of leading companies whilst promoting equitable, effective and sustainable Bumiputera economic participation. To date, Ekuinas has undertaken investments in high potential Malaysian companies involved in the business of fast moving consumer goods, oil and gas, logistics, education and retail.

**Media Contacts:**

**Adli Abdul Karim**, Weber Shandwick, [AAbdulKarim@webershandwick.com](mailto:AAbdulKarim@webershandwick.com) (03) 6209 5222

**Hairuddin Mohd Noh**, Weber Shandwick, [HMohdNoh@webershandwick.com](mailto:HMohdNoh@webershandwick.com) (03) 6209 5241

**Amirah Aziz**, Weber Shandwick, [AAziz@webershandwick.com](mailto:AAziz@webershandwick.com) (03) 6209 5224