

PRESS RELEASE
3 APRIL 2019

EKUINAS DIVESTS ITS ENTIRE STAKE IN MEDIEXPRESS AND PMCARE

Key Highlights: -

- Ekuinas has divested its entire equity interest of 60% in Third Party Claims Administrator ('TPA') service providers, MediExpress Group ('MediExpress') and PMCare Sdn Bhd ('PMCare'), to Sumitomo Corporation ('SC'). The minority / Malaysian shareholders have partially exited but will continue to hold a meaningful stake and remain as Management in the respective entities. Following this exercise, Sumitomo will emerge as the majority shareholder in both MediExpress and PMCare.
- The divestment will generate a minimum Internal Rate of Return (IRR) of 38.8%.
- MediExpress focuses on serving insurance companies, whilst PMCare services mainly corporate clients.

KUALA LUMPUR, 3 APRIL 2019: Ekuiti Nasional Berhad ('Ekuinas' or 'the Company'), today announced the divestment of its entire equity interest of 60% in its Third Party Claims Administrator ('TPA') service providers, MediExpress Group ('MediExpress') and PMCare Sdn Bhd ('PMCare'), to Sumitomo Corporation ('SC'). The minority / Malaysian shareholders have partially exited but will continue to hold a meaningful stake and remain as Management in the respective entities.

Following this exercise, Sumitomo will emerge as the majority shareholder in both MediExpress and PMCare.

MediExpress, which comprises MediExpress (Malaysia) Sdn Bhd and Health Connect Sdn Bhd, and PMCare are primarily focused on managing both inpatient and outpatient benefits on behalf of their clients. Whilst MediExpress focuses on insurance companies, PMCare services mainly corporate clients. Together, they cater to over two (2) million members across more than 3,000 medical providers in Malaysia.

"Over the investment period, Ekuinas has successfully delivered on its value creation plans for both MediExpress and PMCare. These efforts comprise of operational enhancements of processes and systems, strengthening management and operation teams as well as increasing their market share. Through this divestment, Ekuinas will generate a minimum

Internal Rate of Return (IRR) of 38.8%,” said Syed Yasir Arafat Syed Abd Kadir, Chief Executive Officer of Ekuinas.

He added, “We were very focused on ensuring that their next partner would be well-equipped with the right capabilities and vision to continue charting the companies’ positive future. SC is at the forefront of the healthcare services industry as well as their reputation and experience will bode well for the growth of MediExpress and PMCare.”

SC is a leading Fortune 500 global trading and business investment company with 110 locations in 65 countries, regions and 22 locations in Japan. The entire SC Group consists of more than 900 companies. SC conducts commodity transactions in all industries utilising worldwide networks, provides related customers with various financing, serves as an organiser and a coordinator for various projects, and invests in companies to promote greater growth potential. SC’s core business areas include Metal Products, Transportation and Construction Systems, Infrastructure, Media and Digital, Living Related and Real Estate, Mineral Resources, Energy, and Chemical and Electronics.

This divestment brings the Company’s total realisation proceeds to more than RM2.0 billion. Ekuinas initially invested in MediExpress and PMCare in 2015, which marked the Company’s first foray into the healthcare sector.

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About Ekuinas

Ekuinas (Ekuiti Nasional Berhad) is a government-linked private equity fund management company established on 1 September 2009 and aims to create Malaysia’s next generation of leading companies whilst promoting equitable and sustainable Bumiputera wealth creation and economic participation. To date, Ekuinas has undertaken investments in high potential Malaysian companies involved in Ekuinas’ core target sectors namely fast moving consumer goods, oil and gas, logistics, education, retail and healthcare.

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