

Fund manager invests RM400m in two firms

PETALING JAYA: Ekuinas is pumping in nearly RM400 million into two companies in the oil and gas (O&G) and food and beverage (F&B) sectors.

In a statement released yesterday, the government-linked private equity fund management company said it will pay RM346.3 million and RM50.8 million each for a 95.5% stake in Orkim Sdn Bhd (Orkim) and a 60% interest in Coolblog Sdn Bhd (Coolblog).

This represents Ekuinas' maiden direct investments in FY14. However, with these investments and those undertaken recently by its outsourced programme partners, Ekuinas has undertaken RM450.1 million worth of investments in FY14 to date, which bring total cumulative investments to 28 companies, totalling RM2.3 billion.

Orkim is one of the largest Malaysian clean petroleum product tanker companies with industry market leading share of nearly 30%. It has 11 vessels under ownership and



management, with a net profit of RM33.5 million for 2013.

CoolBlog, meanwhile, a home-grown market leader in the franchised desserts and beverages sector, expands Ekuinas' F&B portfolio to six popular brands, with 495 outlets across the region, registering a combined revenue of RM262.5 million as of June 30.

The acquisition of Orkim is in line with Ekuinas' strategy of acquiring non-core or divestable assets of government-linked companies and public listed companies.

"We are pleased with the investment in Orkim, which has a strong management and demonstrates

a strong track record of growth. It also facilitates Ekuinas' entry into the petroleum transportation industry which has favourable industry growth dynamics, especially in liquefied petroleum gas transportation, an area that is currently dominated by foreign companies." Ekuinas chairman Raja Tan Sri Arshad Raja Tun Uda said.

"Further, this investment provides Ekuinas with the opportunity and platform to help develop Orkim into a leading regional petroleum transportation and logistics group in the future.

"This is in line with Ekuinas' objective to transform mid-sized Malaysian companies into market leading companies of the future," he added.

Commenting on CoolBlog, Ekuinas CEO Datuk Abdul Rahman Ahmad said he believes it can continue to grow significantly, taking advantage of the flourishing street stalls and kiosks industry in Malaysia and the region.