

Ekuinas logs RM655.9m in gross portfolio return

EXCEEDS TARGET: Govt pleased with returns company has been making, says Wahid

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EKUINAS Nasional Bhd, the government-linked private equity fund management company, recorded a gross portfolio return of RM655.9 million for its Ekuinas Direct (Tranche 1) fund last year.

Minister in the Prime Minister's Department Datuk Seri Abdul Wahid Omar said this translated into a gross annualised internal rate of return (IRR) of 25.5 per cent and a net annualised IRR of 20.4 per cent which exceeded the firm's long-term minimum targeted return of 12 per cent and aspirational target of 20 per cent.

Ekuinas last year received an additional RM600 million from the government, which brought the total funds received since its inception in 2009 to RM2.4 billion.

"The government is pleased with the returns Ekuinas has been making, above 20 per cent, and we hope this continues in the coming years, too," Wahid said when announcing



Minister in the Prime Minister's Department **Datuk Seri Abdul Wahid Omar** (centre) with Ekuinas chairman **Raja Tan Sri Arshad Raja Uda** (left) and CEO **Datuk Abdul Rahman Ahmad** at Ekuinas' results announcement yesterday. Pic by Surianie Mohd Hanif

Ekuinas' results for the year ended December 31 2013 here yesterday.

He noted that based on the RM600 million allocation from the government, Ekuinas undertook nine direct and outsourced investments for a total committed amount of RM246.8 million, bringing Ekuinas' total committed investments since inception to RM1.8 billion.

"From this amount, together in

partnership with private investors, have led to a total economic deployment of more than RM2.4 billion that has positively impacted our economy," he said.

Wahid noted that Ekuinas has succeeded in increasing Bumiputera equity value by RM2.8 billion, which is 1.7 times of Ekuinas' invested capital and has concurrently led to the creation of RM4.1 billion

in total economic value for all shareholders of the Ekuinas portfolio companies, representing a multiple of 2.5 times of capital invested.

"This reflects positively Ekuinas' model in facilitating not only enhancement in Bumiputera equity but for all Malaysians," said Wahid.

Speaking later, Ekuinas chairman Raja Tan Sri Arshad Raja Uda said last year's investment rate slowed a little as Ekuinas chose to remain disciplined amid an environment of rising asset prices but the firm was pleased with its own performance, having exceeded targets for both its financial and social objectives.

He said Ekuinas has an ambitious target to increase its annual investment rate back to around RM650 million and for this year, it is already in talks with several local companies to invest in, dismissing suggestions that Malaysia lacks good companies.

Ekuinas chief executive officer Datuk Abdul Rahman Ahmad said the firm's strategies remain the same for this year and will also continue its stringent evaluation process.