

Ekuiinas enters EMS sector with RM300m Flexi Versa stake buy

by **FARA AISYAH**

EKUITI Nasional Bhd (Ekuiinas) is moving into the electronic manufacturing services (EMS) sector via its RM330 million acquisition of a controlling stake in components manufacturer Flexi Versa Group Sdn Bhd (FVG).

The move into the electrical and electronics industry, which is a key strategic industry for Malaysia, would allow Ekuiinas to strengthen its efforts in developing high-potential Malaysian companies and play a role in accel-

erating the growth of technology-driven and high-value opportunities.

Ekuiinas CEO Syed Yasir Arafat Syed Abd Kadir said in a statement yesterday that Ekuiinas' investment strategy is to identify strong and high-potential Malaysian companies with the desire to grow and expand regionally.

"FVG's solid fundamentals and market potential are key factors in our decision process.

"Its financial track record and operational capabilities, specifically in its ability to

integrate different entities and formulate its strategy, underpin its strong position with revenue of approximately RM300 million that will serve as a basis for growth locally and within the region," he said.

He added that FVG's senior management's overall operations and turnaround experiences are also central to Ekuiinas' overall evaluation.

"Their experience in turning loss-making businesses to profitability is strongly demonstrated via their track record," Syed Yasir Arafat said.

He added that FVG's senior management's vision is equally significant, especially in charting and navigating the future growth and strategy of the company.

FVG's business commenced in 1994, while the investment holding vehicle was incorporated in 2013 to drive the management's vision towards creating an EMS group.

Over the years, the company has made significant headway in building the business, with seven factories in Malaysia and two abroad.

The company is also a Tier

1 and Tier 2 contract manufacturer to leading global consumer electronic brands such as Sony, Panasonic, Onkyo, Sony, Dyson and JVC Kenwood.

FVG group CEO Chng Boon Huei said the partnership represents a meeting of a common objective between FVG and Ekuiinas, which is to grow their manufacturing footprint regionally.

"They will be instrumental in helping us institutionalise our entities, expand our portfolio of established clientele and position ourselves as a

well-established and versatile turnkey and components manufacturer.

"On this note, I am confident that this will open up a new chapter of our growth and allow us to expand and play an even greater role in the future design, manufacturing and development of our clients' products," Chng said.

This is Ekuiinas' second investment in the manufacturing sector, following the acquisition of a homegrown lighting design and consultancy firm Davex (M) Sdn Bhd in December 2017.