

Ekuiinas ups **stake** in manufacturing

> Acquisition of Flexi Group marks company's foray into E&E segment

KUALA LUMPUR: Ekuiti Nasional Bhd (Ekuiinas) yesterday announced its foray into the electronic manufacturing services (EMS) industry after it acquired a controlling stake in a local and leading Southeast Asian turnkey and components manufacturer Flexi Versa Group Sdn Bhd (FVG) for RM330 million.

FVG's business commenced in 1994 whilst the investment holding vehicle was incorporated in 2013 to drive the management's vision towards creating an EMS group. Today, FVG operates seven factories in Malaysia and two outside of Malaysia, and is 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's solid fundamentals and market potential were 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 RM300 million and will serve as a basis for growth locally and within the region," Ekuiinas CEO Syed Yasir Arafat Syed Abd Kadir said in a statement.

FVG's proposition was further strengthened by the company's good range of manufacturing capabilities, regional footprint and available capacity to support the growth trajectory. The company's presence in four Asean countries, specifically Singapore, Indonesia, Vietnam and

Malaysia, provides the advantage to capitalise on the positions of these countries as manufacturing hubs for the automotive and consumer electrical and electronics products.

"In addition to that, FVG's senior management's overall operations and turnaround experiences were central to our evaluation. Their experience in turning loss-making businesses to profitability is strongly demonstrated via their track record. Without doubt, a capable senior management team is important. Their vision is equally significant especially in charting and navigating the future growth and strategy of the company," Syed Yasir Arafat added.

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