

Ekuiinas buys 40% stake in Exabytes

BY SAMUEL LIM

KUALA LUMPUR: Ekuiti Nasional Bhd (Ekuiinas) has acquired an initial 40% stake in web hosting and cloud service provider Exabytes Capital Group for RM44 million to broaden Ekuiinas' portfolio in the services industry.

In a statement yesterday, Ekuiinas, a Malaysia government-linked private equity fund management company, said it has an option to increase its Exabytes stake to 54%.

"We are broadening our footprint in the services industry. True to our mandate, we are investing in and nurturing high-potential local companies ready to scale and compete regionally, if not globally.

"Exabytes is a prime example of a company with the platform to be a regional leader that can position Malaysia as a hub for business and talent. Through Exabytes,

Ekuiinas will be able to capitalise on the booming Internet economy globally, currently valued at US\$3.5 trillion (about RM14.29 trillion)," Ekuiinas chief executive officer Syed Yasir Arafat Syed Abd Kadir said in the statement.

"This is Ekuiinas' second investment in technology services and we are optimistic about the company's prospects as an enabling technology business. Exabytes, a dominant player in three markets, has delivered a consistent historical financial performance and customer growth every year.

"Given its strong, experienced and founder-led senior management team, we are confident that Exabytes will continue its growth trajectory, with the global market for hosting expected to grow at 9% annually, driven by an increasing Internet penetration and the digitalisation of businesses. We look forward to working with a high-po-

tential Malaysian entrepreneur to share his vision in taking the company to the next phase of growth," Syed Yasir Arafat added.

According to Ekuiinas, Exabytes was founded on the principle of helping small and medium enterprises grow their businesses online. The company is now a market leader in Malaysia and is on track to becoming one of the largest players in Southeast Asia for web hosting and cloud services.

"With a market share of nearly 30% in Malaysia and an 18-year track record of providing a strong service, Exabytes is expected to scale especially with the industry's growth. As part of the company's long-term plan, Exabytes, over the last three years, has been rapidly expanding regionally through mergers and acquisitions, enabling Exabytes to grow its business in different segments of the respective markets," Ekuiinas said.