

**PRESS RELEASE**

**17 December 2013**

**EKUINAS FURTHER EXPANDS ITS PORTFOLIO WITH THREE ADDITIONAL INVESTMENTS AMOUNTING TO RM121.0 MILLION**

**Key Highlights:-**

- Ekuinas further expands its portfolio with three investments amounting to RM121.0 million. Together with investments undertaken under its Outsourced Programme, this brings total committed investments for the year to-date to eight companies amounting to RM238.4 million.
- Ekuinas announced its maiden entry into the Food Manufacturing Industry through the acquisition of PrimaBaguz Sdn Bhd, a high potential provider of premium halal processed meat for a total investment of RM40.0 million. The investment will enable Ekuinas to move upstream within the food industry and leverage on synergies with its current investments in Retail F&B covering Burger King Malaysia and Singapore, Tony Roma's, Manhattan Fish Market and San Francisco Coffee.
- Ekuinas also announced two follow-on investments of RM48.8 million and RM32.2 million in its Retail F&B arm, Integrated Food Group Sdn Bhd (IFG), and its education arm, ILMU Education Group Bhd (IEG) respectively. The follow-on investment in IFG is to enable it to acquire additional stake and inject new capital into Cosmo Restaurant Sdn Bhd (Cosmo), the Malaysian franchisee for Burger King (BKM) and aggressively expand the number of BKM outlets in Malaysia.
- At the same time, the investment by Ekuinas in IEG shall be utilised to acquire up to 76.5% effective stake in APIIT Lanka Pvt Ltd, one of the leading private tertiary education providers in Sri Lanka that has a close partnership with Asia Pacific University of Technology & Innovation (APU), an existing portfolio company under Ekuinas. This is in line with Ekuinas' mandate to help its portfolio companies expand regionally.

**KUALA LUMPUR, 17 December 2013:** Ekuiti Nasional Berhad (Ekuinas), the government-linked private equity fund management company, today announced the expansion of its investment portfolio with three new investments amounting to RM121.0 million, which comprise a new investment in the Food Manufacturing industry and two follow-on investments in its Retail F&B arm, Integrated Food Group Sdn Bhd (IFG) and education arm, ILMU Education Group Sdn Bhd (IEG).

Ekuinas announced its entry into the food manufacturing sector with the 100% acquisition of **PrimaBaguz Sdn Bhd (PrimaBaguz)** from CIMB Private Equity and Prima Agri Products Sdn

Bhd, for a total investment of RM40.0 million. Incorporated in 1987, PrimaBaguz is a high potential provider of premium halal meat-based products to quick service restaurants (QSR) players in the country as well as the hotels, resorts and caterers (HORECA) segment. The company operates within the fast growing domestic halal processed food market valued at RM13.4 billion, which is expected to grow strongly at 5% CAGR over the next five years. PrimaBaguz has a strong and established financial track record with revenue and EBITDA of RM56.5 million and RM7.5 million respectively for the FYE 31 December 2012.

At the same time, Ekuinas also announced that it is providing additional capital of up to RM48.8 million into its Retail F&B arm, IFG, to help finance the acquisition of an additional 25.9% stake from minority shareholders and injection of new capital into **Cosmo Restaurants Sdn Bhd (BKM)**, the franchise owner and operator of Burger King Malaysia.

Ekuinas had in September 2011 invested RM68.2 million in BKM and pursuant to this exercise controlled and owned a 68.2% stake in the company. Since Ekuinas' entry, the No.2 burger chain in the world has widened its reach throughout Malaysia from 27 to 49 outlets by year end and sharply increased its revenue from RM42.7 million in 2011 to an estimated RM74.9 million in 2013. The follow-on investment into BKM will provide the company with additional funds to continue its aggressive plan to roll-out new stores across Malaysia to nearly 100 by 2016.

In line with its mandate to help Malaysian companies to grow regionally, Ekuinas is also undertaking a follow-on investment in its education arm, IEG, to enable it to invest in a controlling stake in **APIIT Lanka Pvt Ltd (APIIT Lanka)**, a leading provider of private tertiary education in Sri Lanka. Together with management partners, IEG had recently entered into a conditional agreement to acquire a 51% stake in APIIT Lanka from Expolanka, a public company listed on the Sri Lanka Stock Exchange. Further, IEG is currently in negotiation with other minority shareholders of the company to increase its effective stake up to 76.5%, for a total committed investment of up to RM32.2 million. The acquisition is expected to be completed in early 2014.

APIIT Lanka currently offers degrees and postgraduate qualifications awarded by Staffordshire University, United Kingdom, across various disciplines including Business, Computing, and Law, and has a longstanding close partnership with Asia Pacific University of Technology & Innovation (APU), an existing portfolio company under Ekuinas. The College currently has more than 1,000

students under enrolment and has a strong financial track record with revenue and EBITDA growing by 15% and 28% over the last three years to reach RM12.1 million and RM4.4 million for FYE 31 March 2013 respectively.

EkuiNAS Chairman, Raja Tan Sri Dato' Seri Arshad Raja Tun Uda said, "We are pleased to be able to further expand EkuiNAS' direct investments portfolio with three new investments amounting to RM121.0 million. Together with investments undertaken by our Outsourced Fund Managers, this brings EkuiNAS' total investment to date for 2013 to RM238.4 million in eight companies."

"We also believe that our entry into the Food Manufacturing Industry through PrimaBaguz, a leading provider of premium processed meat, is opportune given the significant and growing size of the domestic halal processed food market. We also hope to aggressively expand PrimaBaguz's export business in line with government's aspiration to turn Malaysia into a global hub for halal food production," he further added.

EkuiNAS Chief Executive Officer, Dato' Abdul Rahman Ahmad also said, "The two follow-on investments in Burger King Malaysia and APIIT Lanka will further strengthen our Retail F&B and Education portfolios, consistent with our strategy to transform IFG and IEG into market leading players. With its ownership of BKM, Burger King Singapore, Manhattan Fish Market, Tony Roma's Malaysia, Popeye's Singapore and San Francisco Coffee, IFG will have more than 173 outlets operating across the region with a combined revenue of more than RM423 million by the end of 2013. At the same time, with the investment in APIIT Lanka, IEG will now have the potential to become a leading regional education player with more than 28,000 students and combined revenue exceeding RM294 million."

With these latest investments, EkuiNAS, which was established in 2009 to create the next generation of industry leaders, has now undertaken investments in 23 high potential companies under its Direct Investments and Outsourced Programme for a total investment of RM1.8 billion. Through these investments and together with external private capital, EkuiNAS has facilitated economic deployment of more than RM2.4 billion to-date, positively impacting the Malaysian economy.

###

## **About Ekuinas**

Ekuinas (Ekuiti Nasional Berhad) is a government-linked private equity fund management company established on 1 September 2009. With the government endowment of RM5 billion under the 9<sup>th</sup> Malaysia Plan and 10th Malaysia Plan, Ekuinas aims to create Malaysia's next generation of leading companies whilst promoting equitable, effective and sustainable Bumiputera economic participation. To date, Ekuinas has undertaken investments in high potential Malaysian companies involved in the business of fast moving consumer goods, oil and gas, logistics, education and retail.

For more information, please visit [www.ekuinas.com.my](http://www.ekuinas.com.my).