

**PRESS RELEASE**

**21 August 2014**

## **EKUINAS UNDERTAKES RM400 MILLION INVESTMENT TO FURTHER EXPAND ITS OIL & GAS AND F&B PORTFOLIO**

**Key Highlights:-**

- Ekuinas undertakes approximately RM400 million investment in two companies to further expand its Oil and Gas and F&B portfolio. These represent Ekuinas maiden direct investments in FY2014.
- Ekuinas announced that it is investing RM346.3 million for a 95.5% stake in Orkim Sdn Bhd, one of the largest Malaysian Clean Petroleum Product (CPP) tanker companies with industry market leading share of nearly 30%. This investment provides Ekuinas with the opportunity and platform to create a leading regional petroleum transportation and logistics group amidst positive growth expansion prospects and industry outlook.
- Ekuinas also announced that it has, via its Retail F&B arm, Integrated Food Group Sdn Bhd (IFG), invested RM50.8 million for 60% equity in CoolBlog, a homegrown market leader in the franchised desserts and beverages sector. This investment expands Ekuinas' F&B portfolio to six (6) popular brands, with 495 outlets across the region with combined revenue of RM262.5 million as of 30 June 2014.
- With these investments and investments undertaken recently by its Outsourced Programme partners, Ekuinas has undertaken RM450.1 million worth of investments in FY2014 to date. This brings the total cumulative investments to date by Ekuinas to 28 companies totalling RM2.3 billion. Together with co-investments made by private investors, Ekuinas has facilitated total capital economic capital deployment in the country of RM2.8 billion, positively impacting the Malaysian economy.

**KUALA LUMPUR, 21 August 2014:** Ekuiti Nasional Berhad (Ekuinas), the government-linked private equity fund management company, today announced that it has undertaken nearly RM400 million worth of investments in two companies, Orkim Sdn Bhd (Orkim) and Coolblog Sdn Bhd (Coolblog), to further expand its Oil & Gas (O&G) and Food & Beverage (F&B) portfolios.

EkuiNAS announced that it is investing RM346.3 million to acquire up to 95.5% stake in Orkim, one of Malaysia's leading Clean Petroleum Product (CPP) tanker companies. Founded in 2004 initially as a ship broker business, Orkim has developed a strong track record of growth and now has 11 vessels under ownership and management, with revenue and profit after tax (PAT) excluding exceptional items of RM136.4 million and RM33.5 million respectively for the year ending 31 December 2013. Orkim transports CPP from refineries to various oil storage terminals throughout the country and currently has market leading industry share of nearly 30%.

EkuiNAS is taking over Orkim from Global Maritime Ventures, a subsidiary of Bank Pembangunan Malaysia, in line with its strategy of acquiring non-core or divestable assets of government-linked companies (GLCs) and public listed companies (PLCs). The founders of Orkim, Wan Izani Wan Mahmood and Captain Khoo Chin Yew, will continue to retain a residual stake in the company and help chart its next phase of growth under EkuiNAS.

EkuiNAS' Chairman Raja Tan Sri Dato' Seri Arshad Raja Tun Uda said, "We are pleased with the investment in Orkim, which has a strong management and demonstrates a strong track record of growth. It also facilitates EkuiNAS' entry into the petroleum transportation industry which has favourable industry growth dynamics, especially in Liquefied Petroleum Gas (LPG) transportation, an area that is currently dominated by foreign companies."

"Further, this investment provides EkuiNAS with the opportunity and platform to help develop Orkim into a leading regional petroleum transportation and logistics group in the future. This is in line with EkuiNAS' objective to transform mid-sized Malaysian companies into market leading companies of the future," he further added.

The investment in Orkim is subject to fulfillment of conditions precedent and is expected to be completed by fourth quarter of 2014.

At the same time, Ekuinas also announced that its Retail F&B arm, Integrated Food Group Sdn Bhd (IFG) has invested RM50.8 million for 60% equity in CoolBlog, a homegrown franchised desserts and beverages specialist.

First launched in 2007, CoolBlog specialises in desserts and beverages in a take-away kiosk concept and represents Ekuinas' entry into the popular yet lucrative street stalls and kiosks component of the F&B industry. Coolblog operates a franchised/licensed model by helping entrepreneurs to have a sustainable business in serving quality and affordable beverages and desserts, with more than 25 flavours and 300 different products across Malaysia and the region. It was also the first bubble tea chain to be awarded the 'HALAL' certificate by Jabatan Kemajuan Islam Malaysia (JAKIM).

Coolblog is currently a market leader in the desserts and beverages sector with 299 outlets nationwide and just recently expanded into Indonesia. The company also has a strong track record of growth and recorded revenue and profit after tax of RM42.52 million and RM8.47 million respectively for the financial year ended 31 December 2013.

Commenting on the investment, Ekuinas' Chief Executive Officer, Dato' Abdul Rahman Ahmad said, "We are pleased to undertake this investment in CoolBlog to support a strong Malaysian company with ambitious aspiration to expand its highly successful model of providing highly affordable Halal desserts and beverages on a kiosks format across smaller cities and towns into the ASEAN region."

"Backed by a strong management, Ekuinas believes that Coolblog can continue to grow significantly, taking advantage of the flourishing street stalls and kiosks industry in Malaysia and the region. Further, this investment will also allow Ekuinas to work with smaller Malaysian and Bumiputera entrepreneurs and help create a sustainable income for them. Our focus is to continue to grow Coolblog's network by playing a catalytic role in helping more entrepreneurs, especially Bumiputeras, to become licensees and thereby further expanding the franchise," he further added.

This investment expands Ekuinas' F&B portfolio to six (6) popular brands, with 495 outlets across the region with combined revenue of RM262.5 million as of 30 June 2014, positioning it amongst one of the largest F&B players in the industry.

With these investments and investments undertaken recently by its Outsourced Programme partners, Ekuinas has undertaken RM450.1 million worth of investments in FY2014 to date. This brings the total cumulative investments to date by Ekuinas to 28 companies totalling RM2.3 billion. Together with co-investments made by private investors, Ekuinas has facilitated total capital economic capital deployment in the country of RM2.8 billion, positively impacting the Malaysian economy.

Recently, two new investments were undertaken by Ekuinas' Outsourced Programme partners amounting to RM39.6 million, out of which RM32.0 million represents contribution by Ekuinas. The investments undertaken by CIMB Private Equity and Asiasons Private Equity are in high growth Malaysian companies in the education and consumer/ industrial sectors.

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#### **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.