

Ekuiņas invests RM121m in food, education ventures

by **TANU PANDEY**

EKUITI Nasional Bhd (Ekuiņas), the government-linked private equity fund management company, is making three new investments worth RM121 million in food and education sectors to expand its investment portfolio.

The new ventures include a new investment in the food manufacturing company PrimaBaguz Sdn Bhd for RM40 million and two follow-on investments in its retail food and beverage arm Integrated Food Group Sdn Bhd (IFG) and education arm, ILMU Education Group Sdn Bhd (IEG), the private equity firm said in a statement yesterday.

The funds may be part of an additional RM600 million that

Ekuiņas has received from the government to invest in the current year after it tripled its investments to RM1.5 billion as at December 2012 from three years ago.

The private equity firm acquired PrimaBaguz from CIMB Private Equity and Prima Agri Products Sdn Bhd.

PrimaBaguz is a provider of halal meat-based products which supplies its products to quick service restaurant players in the country as well as the hotels, resorts and caterers segment.

The investment finds value from the fact that the halal processed food market currently is valued at RM13.4 billion, which is expected to grow strongly at 5% over the next five years.

PrimaBaguz earned a reve-

nue of RM56.5 million and gross profit of RM7.5 million for the financial year 2012.

Ekuiņas will provide an additional RM48.8 million to 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, the franchise owner and operator of Burger King Malaysia.

"The follow-on investment into Burger King will provide the company with additional funds to continue its aggressive plan to roll out new stores across Malaysia to nearly 100 by 2016," the company said in a statement.

Ekuiņas will help its education arm, IEG, to invest in a controlling stake in APIIT Lanka Pte Ltd, a provider of private

tertiary education in Sri Lanka. "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," Ekuiņas said.

"Together with investments undertaken by our Outsourced Fund Managers, this brings Ekuiņas' total investment to date for 2013 to RM238.4 million in eight companies," said Ekuiņas chairman Raja Tan Sri Arshad Raja Tun Uda.

In October, Ekuiņas divested its entire 61.6% stake in Konsortium Logistik Bhd to DRB-Hicom Bhd's unit KL Airport Services Sdn Bhd for RM241 million or RM1.55 per share.