

EkuiNAS to acquire lighting firm Davex

PETALING JAYA: Ekuiti Nasional Berhad (EkuiNAS), the government-linked private equity fund management company, is buying over homegrown lighting design, consultancy and manufacturer Davex (Malaysia) Sdn Bhd (Davex) for RM255 million.

Davex manufactures its own products under the brand name Davis Lighting and is primarily involved in the luminaire segment of the lighting market.

The Penang-based company founded in 1983, provides end-to-end lighting solutions to commercial, industrial and residential clients and has strong presence in Singapore and Australia, as well as the local market.

Davex's dedicated in-house design teams and innovative technology integration capabilities have delivered products for large-scale projects such as the Petronas Twin Towers, Sunway

Medical Centre, Singapore's Changi Airport and Public Housing programme, and Australia's John Curtin School of Medical Research and Big W department stores.

EkuiNAS CEO Syed Yasir Arafat Syed Abd Kadir said, "EkuiNAS will leverage Davex's strengths towards achieving its value creation plan that we have put in place to expand its top line growth whilst increasing its presence in Malaysia and the region, as well as streamlining systems and process integration with the aim of improving brand equity."

"We will work closely with Davex's management team to establish and accelerate local and regional growth to replicate the company's success in Singapore and Australia, and look to expand its facility in Penang. We are confident that as the company grows, there will also be increased employment

opportunities for all Malaysians," he added.

EkuiNAS in its statement said Davex is well placed to capitalise on the increasing demand for energy efficient lighting solutions, adding that the Malaysian luminaire market is expected to grow to US\$882 million (RM3.6 billion) by 2020.

Since its inception in 2009, EkuiNAS has made 54 direct and outsourced investments, with a total committed capital of over RM3 billion. The EkuiNAS Direct (Tranche I) Fund recorded a Gross Portfolio Return of RM466.4 million, at a gross annualised Internal Rate of Return (IRR) of 13.1% and a net annualised IRR of 9.4%. The second fund, EkuiNAS Direct (Tranche II) Fund posted a Gross Portfolio Return of RM331.6 million at a gross annualised IRR of 18.1% and a net annualised IRR of 12.7%.