

Ekuiņas sells entire stake in APIIT

Via RM725m divestment, Ekuiņas expected to recoup cost of investment

by **KEVIN WONG**

EKUITI Nasional Bhd (Ekuiņas) has sold its entire stake in APIIT Education Group (AEG) to joint-venture vehicles owned by the existing key management team and KV Asia Capital for a total of RM725 million.

With the divestment, the new shareholders now own the education group that comprises Asia Pacific Schools, Asia Pacific University of Technology and Innovation (APU) and Asia Pacific Institute of Information Technology (APIIT).

"We are divesting our stake to the new owners, which include the existing key management team of AEG that has a combined experience of more than 100 years in the industry.

"With that, it will ensure

that the interest to continue providing quality education is constantly aligned," Ekuiņas chairman Raja Tan Sri Arshad Raja Tun Uda said in a statement.

KV Asia is a private equity company focused on mid-sized companies in South-East Asia where it typically acquires significant or controlling ownership interest to institutionalise, improve and grow its portfolio companies.

Via the divestment, Ekuiņas is expected to recoup its cost of investment, while genera-

ting a positive blended internal rate of return of 22.3% and money multiple of 1.6 times the capital invested.

AEG became part of Ekuiņas in 2010 when the latter bought a 51% stake in the former from Sapura Resources Bhd for RM102 million.

The government-linked private equity fund management company then became the sole owner after it fully acquired the remaining stake in AEG from Sapura Resources with a sum of RM247 million in March 2016.

Throughout Ekuiņas' investment period, the number of students in AEG increased from 7,700 in 2010 to over 10,000 in 2016.

At the same time, APU launched its state-of-the-art campus in Technology Park Malaysia last year to provide new technologies to enhance student experience and as part of the value creation plan for the group.

Ekuiņas CEO Syed Yasir Arafat Syed Abd Kadir said the new owners would be "the right home" for the APIIT

Group to be steered towards continued success.

"KV Asia — with its team of reputable and experienced managers — have managed, led and developed businesses across Asia.

"This will introduce new skills and experience into the group to complement the expertise of the existing key management team, ensuring a smooth transition and business continuity for the group with minimal disruption to the students' learning," he added.