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**PETALING JAYA:** Ekuiti Nasional Bhd (Ekuinas), the state-backed private equity (PE) firm, has sold its 100% stake in APIIT Group for RM725mil to APIIT's management team and Singapore-based PE firm KV Asia Capital.

In a statement yesterday, Ekuinas said it had recouped its cost of investment and generated an internal rate of return of 22.3% with a multiple of 1.6 times the capital invested, including dividends.

Ekuinas had bought into APIIT Group in 2011 when it acquired a 51% stake for RM102mil from Bursa Malaysia-listed Sapura Resources Bhd.

The firm later bought the remaining 49% stake in March 2016 for RM246.99mil.

Overall, the total cost of the acquisition is worth RM348.99mil. It is unsure how much capital Ekuinas had invested to grow the APIIT Group.

It is worth noting that the APIIT Group is part of Ekuinas' education arm ILMU Education Group, which had been earlier targeted for a listing on Bursa Malaysia. However, the plan was shelved due to unfavourable market conditions.

# Ekuinas sells stake in APIIT for RM725mil

## KV Asia Capital, APIIT management team are buyers

Aside from APIIT Group, Ekuinas has investments in Cosmopoint Group, Unitar International University, APIIT Lanka and Tenby Educare Sdn Bhd. All in, Ekuinas has invested RM646.8mil in its education arm.

According to a filing with the Companies Commission of Malaysia, for the first half of the financial year ended June 30, 2017, the ILMU group posted profits of RM12.7mil, compared with losses of RM12.9mil and RM42.6mil in the same period in 2016 and 2015, respectively.

According to Ekuinas, the sale of the 100% stake in APIIT Group was based on an enterprise value of RM725mil.

APIIT Group comprises Asia Pacific Schools, Asia Pacific University of Technology & Innovation (APU) and Asia Pacific Institute of Information Technology (APIIT).

Under Ekuinas, the APIIT Group saw a significant jump in the total number of students from 7,700 in 2010 to over 10,000 in 2016.

In 2017, APU launched its state-of-the-art campus in Technology Park Malaysia, providing new technologies to enhance student experience as part of the value-creation plan for the group.

"We are divesting our stake to the new owners which includes the existing key management team of APIIT Group that has a combined experience of more than 100 years

in the industry.

"With that, it will ensure the interest to continue providing quality education is constantly aligned," said Ekuinas chairman Raja Tan Sri Arshad Raja Tun Uda.

KV Asia Capital is a Singapore-based PE firm founded in 2010.

The firm's investment focuses on South-East Asia in sectors such as healthcare, consumer, financial and manufacturing.

Its recent activities includes the acquisition last year of Malaysian hypermarket chain TF Value Mart.

Ekuinas' chief executive officer Syed Yasir Arafat Syed Abd Kadir said: "We believe we have found the right home for the APIIT Group to steer the institutions towards continued success."