

EkuiNAS says yet to engage with new govt

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KUALA LUMPUR: Ekuiti Nasional Bhd (EkuiNAS) has yet to engage with the new government on its direction moving forward, said CEO Syed Yasir Arafat Syed Abd Kadir (*pix*).

“I’ve not met anybody yet and we wait for the development on that,” he told a press conference after unveiling the EkuiNAS Annual Report 2017 yesterday.

EkuiNAS is a government-linked private equity fund management company established during the premiership of former prime minister Datuk Seri Najib Abdul Razak. The government then provided an initial endowment in the form of a grant held in a trust known as Yayasan Ekuiti Nasional (YEN), whose mandate is to enhance and grow bumiputra equity interest. Trustees of YEN include Najib.

As a professional fund management firm, Syed Yasir said, EkuiNAS continues to do its job.

Changes in the government have proven to be positive and the market has responded well to overall changes,

he noted.

“Right steps are being taken to ensure that markets will remain positive and to strengthen the overall economy. That is positive messaging from the government,” he told reporters.

EkuiNAS foresees 2018 to be another challenging year for the market, which may impact its portfolio companies due to internal and external factors, such as changes in the global economic and business landscape.

EkuiNAS has increased the number of direct and outsourced investments to 58 in 2017 from 53 in 2016; and a total committed investment of RM3.6 billion compared with RM3.0 billion in 2016.

To date, EkuiNAS has recorded total realisation proceeds amounting to RM2.3 billion from divestment activities, dividend income and interest income.

EkuiNAS Direct (Tranche 1) Fund reached full deployment with the realisation of its assets, and recorded a gross portfolio return of RM476.7



million, translating into annualised gross internal rate of return (IRR) of 10.1% and a net IRR of 6.5%.

EkuiNAS Direct (Tranche 2) Fund recorded a gross portfolio return of RM391.7 million, achieving annualised gross IRR and net IRR of 14.6% and 10.2% respectively.

EkuiNAS Direct (Tranche 3) Fund recorded gross portfolio return of RM53.9 million with an annualised gross IRR of 10.7%.

EkuiNAS’ unique private equity model has raised the game for local businesses and in increasing bumiputra economic participation through bumiputra equity ownership, which has climbed to RM4.4 billion or 1.5 times EkuiNAS’ invested capital, as well as an increase in total shareholder value of RM6.3 billion, or 2.2 times the total invested capital.

Last year saw EkuiNAS’ maiden foray into the manufacturing sector with the acquisition of Davex (Malaysia) Sdn Bhd.

“We’re always open to new investment opportunities as long as they meet our criteria,” said Syed Yasir.