

# Ekuiti Nasional disposes of private school operator Tenby

by P PREM KUMAR

EKUITI Nasional Bhd (Ekuinas) has disposed of its 100% equity interest in private school chain Tenby Education Group, as the government-linked private-equity (PE) fund manager continues its divestment drive.

The disposal of shareholdings in Tenby will mark Ekuinas' eighth divestment which includes the partial divestment of Icon Offshore Bhd — bringing its total realisation proceeds to more than RM1 billion.

Ekuinas sold its stake in Tenby to International Schools Partnership (ISP), for a 45.7% positive internal rate of return (IRR), the investment firm's CEO Syed Yasir Arafat Syed Abd Kadir said in a statement yesterday. The exact sales value was, however, not disclosed.

"Ekuinas will substantially cover its original cost of investment and generate a positive IRR of 45.7% and money multiples of 2.5 times the capital invested, including dividends received through this divestment," he said.

In March 2015, Ekuinas paid RM70 million for a 70% stake in Tenby. And just last week, Ekuinas announced the dis-



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posal of its entire stake in the APIIT Education Group for an enterprise value of RM725 million.

The PE fund said it was able to recoup its cost of investment in APIIT Group with a positive blended IRR of 22.3% and 1.6 times the capital invested, which include dividends received.

Syed Yasir Arafat said Ekuinas is pleased that after eight years in operation, its divestment initiatives are rapidly progressing to accelerate the realisation of its investments.

"The divestment from Tenby enables Ekuinas to generate positive returns to maintain the funds' performances,"

Ekuinas chairman Raja Tan Sri Arshad Raja Tun Uda said the divestment was conducted to maintain Ekuinas' prudent investment strategy which ensures a positive IRR.

"Furthermore, Ekuinas believes ISP has the required resources and operational expertise to support and guide the group towards continued success," he said.

According to Raja Arshad, throughout its investment in Tenby, Ekuinas has undertaken a few initiatives to aggressively rack in revenue and earnings such as increasing the number of students from about 4,600 to over 5,000, as well as driving expansion through the opening of Tenby Ecohill in 2016, along with Tenby Tropicana Aman which is scheduled for this year.

Tenby, which was established in Ipoh, Perak, in 1960, is an education group offering private, national as well as international curricular across six campuses in Ipoh, Penang, Miri (Sarawak), Setia Alam (Selangor), Johor Baru (Johor) and Semenyih (Selangor).

ISP on the other hand, was founded by a team of experienced school operators with educational and commercial background who manages and provides education to 16,000 students in Pre-K-13 schools across Europe, North America, Central America and the Middle East.

Ekuinas said Tenby gives ISP the opportunity to expand into the Asean market. Adding that with Tenby, ISP's portfolio of schools will increase to 25.