

Ekuiņas invests RM44m in Exabytes

by LYDIA NATHAN

EKUITI Nasional Bhd (Ekuiņas) has acquired a 40% stake in web hosting and cloud service provider Exabytes Capital Group Sdn Bhd for RM44 million in a move to broaden its footprint in the services industry.

The deal marks the second investment in technology services made by the government-owned private equity after its RM54 million investment for a 60% stake in mobile transaction gateway services provider Tranglo Sdn Bhd in March 2015.

Tranglo is a platform for mobile communication companies to facilitate cross-border transfer of prepaid credit and money remittance in a fast, easy and secure manner.

In a statement released yesterday, Ekuiņas noted that it has an option to increase its stake in Exabytes to 54%.

Exabytes was launched in 2001 and was founded on the principle of helping small and medium enterprises to grow their businesses online.

Ekuiņas CEO Syed Yasir Arafat Syed Abd Kadir said Exabytes is an example of a company with a high potential to scale and compete both regionally and globally.

"Exabytes is a prime example of a company that has the platform to be a regional leader that can position Malaysia as a hub for business and talent," he stated.

He added that Exabytes is a dominant player in three markets and has delivered consistent historical financial

performance and customer growth every year.

"We are confident Exabytes will continue on its growth trajectory with the global market for hosting which is expected to grow at 9% annually, driven by increasing Internet penetration and digitalisation of businesses," Syed Yasir Arafat said, adding that Ekuiņas is keen to capitalise on the booming Internet economy globally, which is valued at US\$3.5 trillion (RM14.3 trillion).

As part of Exabytes' long-term plan, it has been rapidly expanding regionally through merger and acquisitions which will enable it to grow in different segments of the markets.

Exabytes CEO Chan Kee Siak said the company intends to advance into new markets across the South-East Asian region with the help of Ekuiņas.

"We will be improving our hyper-local approach to services, technology and marketing. This approach has worked well and brought us to where we are today as one of the leading cloud companies in the region, with data centres in multiple countries and strong local support teams," he said.

Chan said Exabytes intends to leverage on its brand premium, especially in Indonesia, to drive customer acquisition through the marketing and upselling of higher value services.

"We will also expand our capabilities and offerings into cloud and digital marketing to further beef up our end-to-end web solutions," Chan stated in the statement.