

PRESS RELEASE

18 March 2019

EKUINAS BROADENS ITS PORTFOLIO WITH INVESTMENT IN EXABYTES CAPITAL GROUP

Key Highlights: -

- Ekuiti Nasional Berhad (Ekuinas) acquires an initial 40% stake in a leading web hosting and cloud service provider, Exabytes Capital Group ('Exabytes' or 'the Company') for RM44 million, with an option to increase up to 54%.
- Launched in 2001, Exabytes has grown to its current position as a domestic market leader and major player in Singapore and Indonesia. It is one of the leading multi-market web hosting companies in Southeast Asia and serves more than 100,000 customers, ranging from individuals, small to medium-sized enterprises (SMEs), public listed companies and government agencies.
- Via this transaction, Ekuinas will be able to capitalise on the significant and growing global internet economy that is currently valued at USD3.5 trillion. As an enabling technology business, the global market for hosting is expected to continue to grow at 9% annually driven by increasing internet penetration and digitalisation of businesses across Southeast Asian region. On this front, Exabytes has the platform to scale their businesses locally and regionally.

KUALA LUMPUR, 18 MARCH 2019: Ekuiti Nasional Berhad (Ekuinas) today announced its acquisition of an initial 40% stake in a leading web hosting and cloud service provider, Exabytes Capital Group ('Exabytes' or 'the Company') for RM44 million, with an option to increase up to 54%. Launched in 2001, Exabytes is one of the leading multi-market web hosting companies in Southeast Asia and serves more than 100,000 customers ranging from individuals, small to medium-sized enterprises (SMEs), public listed companies and government agencies.

Exabytes was founded on the principle of helping SMEs grow their businesses online. Today, the Company is a market leader in Malaysia and is on track to becoming one of the largest players in Southeast Asia for web hosting and cloud services.

Syed Yasir Arafat Syed Abd Kadir, Chief Executive Officer of Ekuinas said, "We are broadening our footprint in the services industry. True to our mandate, we are investing in and nurturing high-potential local companies that are ready to scale and compete regionally, if not 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. Through Exabytes, Ekuinas will be able to capitalise on the booming internet economy globally, which is currently valued at USD3.5 trillion.

This is Ekuinas' second investment in technology services and we are optimistic of the company's prospect as an enabling technology business. Exabytes is a dominant player in three (3) markets and has delivered consistent historical financial performance and customer growth every year. Given its strong, experienced and founder-led Senior Management team, we are confident that Exabytes will continue on its growth trajectory with the global market for hosting expected to grow at 9% annually driven by increasing internet penetration and digitalisation of businesses. We look forward to working with a high potential Malaysian entrepreneur to share his vision in taking the Company to the next phase of growth."

With a market share of nearly 30% in Malaysia and 18-year track record of strong service, Exabytes is expected to scale especially with the growth of the industry. As part of the Company's long-term plan, Exabytes has been, over the last three (3) years, rapidly expanding regionally through merger and acquisitions (M&A) which enables Exabytes to grow its business in different segments in the respective markets.

Commenting on the partnership with Ekuinas, Kee Siak Chan, Founder and Chief Executive Officer of Exabytes, "With the support from Ekuinas, we look forward to accelerate our plans to continue building the company and advancing our business into new markets across the Southeast Asian region. We will be improving on 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 with strong local support teams. We will be leveraging on our brand premium, especially in Indonesia to drive customer acquisition through marketing and upselling higher value services, as well as expanding our capabilities and offerings into cloud and digital marketing to further beef up our end-to-end web solutions."

-End-

About Ekuinas

Ekuinas (Ekuiti Nasional Berhad) is a government-linked private equity fund management company established on 1 September 2009 and aims to create Malaysia's next generation of leading companies whilst promoting equitable, effective and sustainable Bumiputera economic participation. To date, Ekuinas has undertaken investments in high potential Malaysian companies involved in Ekuinas' core target sectors namely education, fast moving consumer goods, oil and gas, retail, healthcare, and services.

Media Contacts:

Dau Ming Seling

Klareco Communications

M: +6017-888 2808

E: DSeling@klarecocomms.com

Lok Ru Jun

Klareco Communications

M: +6012-325 6949

E: RLok@klarecocomms.com