

PRESS RELEASE
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EKUINAS MAINTAINS STRONG PERFORMANCE IN 2018

Key Highlights: -

- Ekuinas Direct (Tranche II) Fund recorded a **Gross Portfolio Return of RM490.1 million**, achieving annualised **gross Internal Rate of Return (IRR) and net IRR of 14.0% and 9.8%**, respectively.
- Over the same period, Ekuinas Direct (Tranche III) Fund recorded **Gross Portfolio Return of RM53.5 million** with an annualised **gross IRR of 4.5%**.
- In FY2018, Ekuinas undertook two (2) new investments and three (3) follow-on investments with a total committed capital of RM311.5 million. This brings Ekuinas' total cumulative investments in 41 companies to RM3.9 billion, which together with private capital, facilitated a total capital deployment of RM4.6 billion that has positively impacted the Malaysian economy.
- Through its investment activities, Ekuinas delivered an **increase in Bumiputera Equity Value of RM5.0 billion or 1.5 times the total capital invested** and an increase in **Total Shareholders' Value of RM6.6 billion or 2.0 times** Ekuinas' invested capital, reflecting the continued success of Ekuinas' model of increasing shareholders' value for Bumiputera and all Malaysians.

KUALA LUMPUR, 3 MAY 2019: Ekuiti Nasional Berhad (Ekuinas) today announced the results of its financial year ended 31 December 2018 (FY2018). Ekuinas Direct (Tranche II) recorded a Gross Portfolio Return of RM490.1 million, generating annualised gross Internal Rate of Return (IRR) of 14.0% and net IRR of 9.8% and the third fund, Ekuinas Direct (Tranche III) Fund posted a Gross Portfolio Return of RM53.5 million, translating to an annualised gross IRR of 4.5%.

Since inception, Ekuinas had undertaken investments in 41 companies through Direct Investments and Outsourced Programme, amounting to RM3.9 billion, which together with private capital, facilitated a total capital deployment of RM4.6 billion that positively impacted the Malaysian economy. In FY2018, Ekuinas committed a total of RM331.5 million to acquire two (2) new companies and three (3) follow-on investments.

Raja Tan Sri Dato' Seri Arshad Raja Tun Uda, Chairman of Ekuinas said, "Ekuinas was established with the vision to be the partner for growth to create sustainable Bumiputera wealth and participation through private equity investments in Malaysia's high potential and leading companies. This has resulted in the increase in Bumiputera equity ownership of RM5.0 billion, which is 1.5 times of the capital invested and this achievement has also led to the creation of RM6.6 billion in total economic value for all shareholders, representing a multiple of 2.0 times the capital invested."

2018 also saw an active year for Ekuinas with three (3) exits namely Tranglo Sdn Bhd, which generated gross proceeds of RM114.9 million, achieving an IRR of 26.9% and a money multiple of 2.0 times the capital invested and the Third Party Claims Administrator (TPA) service providers, MediExpress Group and PMCare Sdn Bhd, which generated a minimum IRR of 38.8% and a money multiple of 2.6 times the capital invested.

Syed Yasir Arafat Syed Abd Kadir, Chief Executive Officer of Ekuinas added, "2018 was a landmark year for Malaysia. Global and local markets were challenging with the economy affected by factors such as weakening global demand and supply-side shocks. Despite the market setbacks, Ekuinas continued to deliver strong performance on our funds. Earlier this year, we also announced the launch of Ekuinas Direct (Tranche IV) Fund, which is part of Ekuinas' long term investment strategies to continue providing the building blocks for Malaysian companies."

In 2018, Ekuinas continued to expand its investment portfolio in the manufacturing sector with the acquisition of a controlling stake in Flexi Versa Group Sdn Bhd (FVG) and a 40.4% stake in Exabytes Capital Group (Exabytes). FVG is a local and leading Southeast Asian turnkey and components manufacturer, meanwhile Exabytes is a leading web hosting and cloud service provider across the region. As Malaysia grows to become part of the global procurement ecosystem, the manufacturing industry will be a key economic driver for the country. In addition, playing a key role in the growing internet economy is also a prime opportunity for Ekuinas, backed by the increase in internet penetration and digitalisation of businesses across Southeast Asia.

Syed Yasir Arafat continued, "2019 will also see us crystallising our assets under Ekuinas Direct (Tranche II) Fund as part of our prudent investment strategy to secure positive IRR and ensuring the realisation of the fund is done within the expected timeline. We will also expand our portfolio with judicious investments and widening our deal criteria to enable us to identify

and develop new industry opportunities, as well as continue to create value through active portfolio management and governance at our portfolio companies.”

EkuiNAS also announced that it would be celebrating its 10th year anniversary this year and to commemorate the milestone, EkuiNAS will be organising the Malaysian Private Equity Forum 2019 scheduled to take place in October. This year’s forum is set to continue promoting private equity as an important strategic asset investment class that can build on the strength of businesses and economies.

Industry leaders and experts from prominent global and regional private equity firms, as well as speakers from local and global General Partners and Limited Partners are expected to share their insights, learnings and success stories in private equity investments. The Malaysian Private Equity Forum 2019 will be held on 1 October 2019 at the Mandarin Oriental Kuala Lumpur.

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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 and sustainable Bumiputera wealth creation and economic participation. To date, EkuiNAS has undertaken investments in over 40 companies in high potential Malaysian companies involved in EkuiNAS’ core target sectors namely education, fast moving consumer goods, oil and gas, retail, healthcare, and services. In 2018, EkuiNAS was shortlisted as one of the Top 3 Southeast Asian Firms of the Year by the Private Equity International (PEI) Awards.

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