



Navis Signs Agreement for Disposal of Its Stake in Strateq Sdn Bhd

Kuala Lumpur, 12 March 2020 – Navis Capital Partners (“Navis”) announced that it has signed an agreement to divest its stake in Strateq Sdn Bhd (“Strateq”), a leading Malaysia-based data-driven business solutions and information and communications technology (ICT) company with a growing international presence, to Taman Kenyir Holdings Sdn. Bhd., an indirect subsidiary of StarHub Ltd (“StarHub”), a leading telecommunications company listed on the Singapore Exchange.

The transaction value comprises an initial consideration of RM250 million for 88% of the ordinary shares and 7 million redeemable preference shares of Strateq. The consideration will be subsequently adjusted for the cash, debt and working capital position of Strateq at completion, and a further deferred consideration may be payable by StarHub, subject to Strateq meeting certain financial targets in 2021.

Established in 1988, Strateq designs and delivers data-driven digital solutions to serve enterprise and public sector customers across Malaysia, Singapore, China, Hong Kong, Thailand and the United States. Strateq focuses primarily on healthcare information systems, managed services for retail fuel payment solutions, cloud services, data analytics, data centre services and IT infrastructure projects.

Navis acquired its stake in Strateq in March 2013. Since then, Navis has worked with the senior management team to: (i) support Strateq’s roll-out of its proprietary hospital information systems solutions, 37 Degrees, into the US healthcare market; (ii) invest in and accelerate new service offerings in cloud solutions and data analytics; and (iii) enhance the company’s corporate systems and processes.

Rodney Muse, Co-Managing Partner of Navis, said, “The Strateq Group is a leading IT services company in Malaysia that has successfully grown its business to provide IT solutions to blue chip customers in key verticals such as oil & gas, healthcare, financial services and expanded its reach beyond Malaysia to Singapore, Thailand, Hong Kong, China and the United States. We are delighted that the company will have a partner in StarHub who will enable Strateq to embark on its next phase of growth. We would like to take this opportunity to thank the

management team led by Tunku Dato' Seri Shahabuddin, Tan Seng Kit, Datuk Ahmad Fikri and Yeap Chong Boon for their many years of hard work. We wish them all the best in the future.”

Mr Tan Seng Kit, Group Managing Director, said, “We have had a successful partnership with Navis and appreciate their support in Strateq’s entry into new markets and securing growth opportunities. On behalf of the management team, we look forward to working together with Starhub to further strengthen our capabilities and market access to drive future growth.”

The acquisition is expected to complete by 1H2020, subject to the fulfilment of mutually agreed conditions. Upon completion of the acquisition, it is envisaged that Strateq Sdn Bhd will be held via Taman Kenyir Holdings Sdn. Bhd., Starhub’s indirect Malaysian subsidiary and two other Malaysian-incorporated entities owned by Tunku Dato’ Seri Shahabuddin, Group Chairman of Strateq, and Datuk Ir. Dr. Ahmad Fikri Bin Hussein, Executive Director of Strateq. Mr. Tan Seng Kit will continue as the Group Managing Director together with the entire senior management team.

About Navis Capital Partners Limited

Founded in 1998, Navis manages approximately USD 5 billion and focuses on investments primarily in and around Asia. Navis contributes both capital and management expertise to a limited number of well-positioned companies with the objective of directing strategic, operational and financial improvements. Navis has one of the largest private equity professional teams in Asia, comprising over 70 individuals, supported by over 35 administrative staff, in six offices across the region. Navis has a long and proven track record in pan-Asian private equity, with 80 control transactions across the Asian region completed since its establishment.

About Strateq Group

Strateq Group is a leading IT services business in Malaysia. Strateq designs and delivers data-driven digital solutions to serve predominantly enterprise and government customers in key verticals such as oil & gas, financial services and healthcare. Strateq focuses primarily on healthcare information systems, managed services for retail fuel payment solutions and IT infrastructure, cloud services, data analytics, data centre services and IT infrastructure projects. Strateq Group is headquartered in Malaysia, with a presence in Malaysia, Singapore, Thailand, Hong Kong, China and the United States.

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