



## Venture Capital Bank appointed as a Fund Manager to a Saudi-Malaysian Private Equity Fund

Venture Capital Bank, Bahrain, was recently appointed as the Fund Manager to one of two planned investment funds to be jointly established by Siraj Capital (Saudi Arabia) and Johor Corporation (JCorp), the investment arm of Johor State, the southern most state of the Malaysian Peninsula. The announcement came as part of a three-day high-profile business summit, that took place in the Malaysian capital Kuala Lumpur, between Saudi and Malaysian officials and businessmen to encourage bilateral cooperation and pave the way for further joint initiatives in mutually beneficial economic sectors. The Saudi-Malaysian private equity fund agreement was signed between Siraj Capital and JCorp during the visit of King Abdulla bin Abdul Aziz Al Saood, the Custodian of the two Holy Mosques, to Malaysia last week and as part the Joint Saudi-Malaysian Business Council's efforts to tie-up businessmen and business institutions in the two countries and present key business and cooperation opportunities to the business communities in both countries.

The proposed fund signed between Siraj and JCorp is the Regional Ummah Investment Fund (RUIF) with a proposed size of US\$ 250 million. The RUIF will invest in strategic investment opportunities in both Malaysia and Saudi Arabia, such as downstream palm oils opportunities, transportation, infrastructure, and technology parks. The fund will also focus on technology and know-how transfer opportunities between Malaysia and Saudi Arabia. The fund will be placed with investors in both Malaysia and Saudi Arabia on an equal basis and will be managed by Venture Capital Bank of Bahrain. The agreement was signed between Johor Corporation of Malaysia represented by its Chief Operating Officer Mr. Jamaludin Ali and Siraj Capital represented by its Chairman Dr. Ghassan ALSulaiman. The signing ceremony representing attended from By Mr. Sharif Monfaradi, Executive Director Private Equity & Financial Advisory

The second agreement signed between Siraj and JCorp evolves around establishing a Real Estate Investment Trust (REIT) based in Malaysia with a proposed size of approximately US\$ 250 million. The REIT will invest in income generating properties and strategic real estate projects in both Malaysia and Saudi Arabia. Similar to the previous fund, the Real Estate fund will be placed with investors in both Malaysia and Saudi Arabia on an equal basis.

These two agreements are part of a total of five Memorandums of Agreements and one Memorandum of Understanding that were signed between Saudi and Malaysian businesses for a total value of 2,805 million Riyals during King Abdulla's visit.

"We take pride in being awarded the management of the Regional Ummah Investment Fund and are committed to providing promising investment opportunities and high quality services to the investors in the fund. Through this new fund, we will allow our investors to take advantage of steady growth rates across different economic sectors in the Kingdom of Saudi Arabia and Malaysia and their surrounding regions." said Mr. Abdullatif Mohammed Janahi, Chief Executive Officer, Venture Capital Bank.

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“The RUIF initiative shall enhance the efforts of the business communities in Saudi Arabia and Malaysia to create institutional channels through which investment opportunities in both the Arabian Gulf and South East Asian regions can be exploited by these communities. The establishment of funds such as RUIF reflects the aspirations of the GCC and Malaysian investors to support economic integrations and cooperation between the two countries.” Continued Mr. Abdullatif Janahi.

Venture Capital Bank, the appointed RUIF Fund Manager, is the Middle East and North Africa’s (MENA) first specialist venture capital and private equity bank regulated by Bahrain Monetary Agency (BMA) with a paid up capital of US\$ 66 million and a GCC widespread shareholder base comprising 80 high net worth individuals and corporate investors. VC Bank, headquartered in Bahrain, is a shari’ah-compliant investment bank whose focus is to invest in fundamentally-strong, undervalued, finance-seeking small to medium enterprises (SMEs) with market and revenue growth potential, in addition to a vast array of specialised and themed real estate investment opportunities with economic and social value addition dimension.

Siraj Capital, a wholly-owned subsidiary of Ghassan Al Sulaiman Holding Company of Saudi Arabia, is an investment firm specialising in developing, sponsoring and launching a range of innovative investment funds and investment opportunities in West Asia.

Johor Corporation (JCorp), formerly known as the “Johor State Economic Development Corporation” (JSEDC), is a Malaysian state corporation. Formed in 1968, JCorp is one of many regional commercially-oriented investment arms of the Malaysian government, representing the commercial interests of the respective state government. The establishment of JCorp was part of the Malaysian government’s affirmative action programs to restructure its multi-ethnic society and improve operating efficiency. Currently, JCorp has around US\$ 3 billion worth of assets under management.