

## Lifestyle assets good for returns

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Colin Ng, Chief Investment Officer of Goldis Bhd

Malaysia-based Goldis Bhd is an investment company with private equity investments in Malaysia and China, focusing on life sciences, water treatment, information and communications technology, as well as organic aquaculture. Inside Investor wanted to know more from the company's Chief Investment Officer, Colin Ng.

**Q:** Could you please give an impression of the size of your company, number of assets, subsidiaries, staff and any other pertinent details?

**A:** Our total staff strength is about 900 people. The asset size was RM1.75 billion as of April 30, 2012. The firm was incorporated in June 2000 as a private company under the name of Dimensi Subuh and was converted to a public company. Since 2001, it has adopted the name Goldis Berhad. Goldis assumed the listing status of Tan & Tan Developments following the merger between Tan & Tan and its associated company, IGB Corporation. As a result of the merger, IGB emerged as one of the largest property corporations in Malaysia, and Goldis became the majority shareholder of IGB.

**Q:** Could you outline the investment strategy you are pursuing and the main investment instruments you use?

**A:** We have been fairly opportunistic in the first ten years of our lifecycle. Broadly speaking, we invest into areas that enhance people's lifestyle. We have invested in broadband, pharmaceuticals and organic aquaculture. For the next ten years, we will be focusing on three key areas: clean tech, education and healthcare. We have only started our deal sourcing for the upcoming investments.

**Q:** Where are the areas of interest in education that you are looking for?

**A:** There are certain gaps in the Malaysian education system, and we are looking at ways where we can – possibly together with the government – fill these gaps in educational delivery. There is a sizeable number of people in Malaysia who do not get educated here but go overseas, and there must be a reason

for this brain drain because we have enough centres of educational excellence in the country. We are looking into this to see if we can assist in this area.

Q: In the property sector, which investments are you eyeing?

A: At the moment, Goldis' investments consist of the GTower here in Kuala Lumpur. GTower is a Green & Smart "new working concept", incorporating offices with hotel and other supporting facilities. It is the country's first green certified building and also has the much coveted MSC Malaysia Cybercenter status. We developed and built it as a strategic long-term investment. Our other property business is with IGB Corporation Berhad, which has gone overseas and invested, among others, in hotels in Thailand, the Philippines, London and New York, not at least to diversify risk.

Q: What are Goldis' other holdings at present?

A: For example, we have a waste water treatment businesses and also a paper mill in China. We were fortunate because we were one of the companies that went to China early, and now are quite established. That's why we want to expand our business there with potential new projects. Besides China, the main geographical focus in the future will be India, and the sector focus for Goldis will be clean tech. In India, we are currently looking at some potential projects in renewable energy.

Q: Would your company be open to foreign investors or partnerships?

A: Normally we are, but they should comply with our business model, which is to establish joint ventures with entrepreneurs. We do not consider ourselves as venture capitalists or private-equity financiers, but we would take on a mentor role and a majority position in a start-up company. Our strategy is to supplement them where they are weak.

Q: What effect do you expect from the ASEAN Economic Community in terms of free flow of capital?

A: I don't think there will be much of a change for us. We are in the investment business for a number of years now, our bulk assets are in Malaysia and our main target markets are China and India, which are not covered by the AEC.

Q: Could you describe the corporate social responsibility strategy of Goldis?

A: The major projects we have embarked on are to present ourselves in a more cohesive form. For example, when we were building the GTower the focus was on energy saving. With lower energy consumption, we now save the life of 18,000 trees a year. It's a lot better to build a green building than to plant 18,000 trees every year. We are recycling waste and oil used in the building, and we hope that the message will spread. We have a lot of multinational companies as tenants that also have a green focus, which makes it easier. As part of our group corporate CSR, we are creating a b2b online platform for charities and donors. This will be launched later in the year.

Q: Where do you think Goldis will be standing in five years from now?

A: Well, we are already in the billion-ringgit club in terms of market capitalisation. I would envisage that in five years' time we would double that with the correct investments in the right areas. We tend to be rather conservative investors, and the number of companies we are invested in is small, but they deliver

high returns. It doesn't matter where their technology comes from, what matters is the business model, how sustainable the business is and how scalable it is for the future.

Q: Could you give some personal background of yours for our readers?

A: I grew up in Melbourne and studied in Australia. I always had a leaning towards green technologies, and this interest was formed in Australia. Then I wanted to come back to Asia where my roots are. Today Asia is fairly more dynamic than Australia, and I felt that Asia is the place to be. Malaysia as such is a hub that is very competitive, with a lot of advantages compared to Singapore and Hong Kong. But retaining talent is important, which is a field the government has to focus on.