

Meanwhile, FY2021 PBT for the Group's Treasury business was RM9.1 million, down RM11.6 million from the previous bumper year due to significantly lower trading income in 2021 in keeping with the unfavourable market conditions, although this was cushioned by higher net interest income from higher net interest margins. Despite these adverse conditions, the Group's Treasury business maintained stable funding throughout the year with Liquidity Coverage and Net Stable Funding Ratios remaining well above the mandatory 100% minimums.



## Asset and Wealth Management

Kenanga Investors Group ("KIG"), which consists of KIB, KIIB and I-VCAP, is the Group's asset and wealth management division. Its offerings range from conventional collective investment schemes and portfolio management to alternative investments intended to help retail investors gain better access to sophisticated investment instruments normally available only to institutional or accredited investors.

Notwithstanding the weak economy and several national COVID-19 lockdowns, KIG recorded exceptional growth in FY2021, registering a PBT of RM34.9 million from higher earnings from management and performance fees, almost tripling the PBT of RM13.6 million from 2020. KIG's overall assets under administration ("AUA") increased to RM18.8 billion from RM13.8 billion to ensure consistency of digits billion in 2020 as investors sought to diversify their portfolios in a challenging market environment. We also completed our acquisition of I-VCAP in early 2021, with the complementary nature of its ETF business broadening KIG's reach, product suite and investment expertise.

In the area of sustainability, KIG has been a signatory to the Malaysian Code for Institutional Investors since 2017 and recently became a member of the Institutional Investors Council. Following its commitment to working with asset owners, regulators and market participants to support the Malaysian ESG landscape, KIG has developed its own Sustainability Blueprint to generate measurable value for all stakeholders. Alongside its intention to have more ESG products in its line-up, KIG will also seek to convert selected existing funds (both global and domestic) to meet ESG requirements, as well as to participate in investee company resolutions in the interests of good corporate governance for sustainable and consistent returns. KIG was also appointed to the Industry Competence Framework Advisory Panel for the Malaysian Capital Market project undertaken by the Securities Industry Development Corporation.

Its product suite saw expansion through the launch of several notable funds in the market namely, the Kenanga Sustainability Series: Frontier Fund, which invests primarily in the securities of global, innovative companies specialised in products and services that are linked to technologically-driven innovations with long-term sustainable growth potential, and the Kenanga Waqf Al-Ihsan Fund, an open-ended fund that invests in a diversified portfolio of Shariah-compliant equities, sukuk and other Islamic money market instruments. In accordance with waqf principles, half of the derived income will be distributed to sectors such as education, healthcare, economic empowerment and environmental preservation or development.

KIG was also named fund manager for Dana Wakaf Bencana ("the Fund") which aims to provide emergency relief by channeling resources to parties affected by climate change-related disasters, as well as future pandemics. The Fund will be receiving a portion of the RM10 million allocated in Budget 2022 as part of its initial seed funding, which will be invested directly into a wholesale fund established and managed by KIG.

For performance in 2021, KIG won several industry accolades including Refinitiv Lipper, FSMOne Recommend Unit Trusts Awards and Asia Asset Management's Best of the Best Awards.

KIG also won recognition at the 2022 Best of the Best Awards for: 'Malaysia Best Impact Investing Manager', 'Best Application of ESG (ASEAN)', 'Malaysia Best Equity Manager' (fourth consecutive year), 'Malaysia CEO of the Year', 'Malaysia CIO of the Year' and 'Malaysia Best House for Alternatives'. In March 2022, KIG received a total of five (5) awards at the Refinitiv Lipper Fund Awards Malaysia 2022 which included the 'Overall Best Mixed Asset Group - Malaysia Provident' Award. Accompanying this were individual fund wins awarded to Kenanga Growth Fund for 'Best Equity Malaysia Fund over 10 Years', Kenanga Malaysian Inc Fund for 'Best Equity Malaysia Diversified over 3 Years', Kenanga Growth Opportunities Fund for 'Best Equity Malaysia Small & Mid Cap over 5 Years' and Kenanga Diversified Fund for 'Best Mixed Asset MYR Flexible over 10 Years'.