



PRESS RELEASE

FOR IMMEDIATE RELEASE

Kenanga Investment Bank Acquires Stake in Licensed Crypto Exchange

Kuala Lumpur, 8 February 2021 – Accelerating its digital agenda, Kenanga Investment Bank Berhad via its wholly-owned private equity arm, Kenanga Private Equity Sdn Bhd, today entered into a conditional agreement to acquire 19.0% equity interest in Tokenize Technology (M) Sdn Bhd (Tokenize Malaysia).

Operating under the brand, Tokenize Xchange, it is one of the three licensed Digital Asset Exchanges (DAX) by the Securities Commission of Malaysia (SC), and is currently the second largest DAX in the country by traded market share. Tokenize Xchange is an online exchange that allows trading of cryptocurrencies (crypto) such as Bitcoin and Ethereum, and operates 24X7, whole year round.

“We have been building a digital ecosystem to offer our customers a wide spectrum of financial products and services, including digital assets. The emergence of digital assets including cryptocurrencies have been gaining acceptance globally in the last few years. While we are keen on crypto as an asset class, we are aware of the volatility and the proliferation of unregulated players in the market. We are therefore very pleased to be given the opportunity to invest in one of the three licensed digital asset exchanges in Malaysia. We applaud the Securities Commission as one of the first in Asia to introduce regulations in this area,” said Datuk Chay Wai Leong, Group Managing Director of Kenanga Investment Bank Berhad.

Tokenize Xchange was initially launched in Singapore by tech savvy founder Hong Qi Yu in 2018 and it has since captured a customer base of over 100,000.

Hong had later on set up Tokenize Malaysia to focus on the Malaysia market. In June 2019, Tokenize Malaysia was awarded a Recognized Market Operator (RMO) license to operate by SC and its platform, Tokenize Xchange, went live on 1 April 2020.



“Our interest in digital assets goes beyond Bitcoin and other commonly traded cryptocurrencies. We believe that the technology behind digital assets is very powerful and the emergence of digital assets in the future is inevitable. We are hopeful that fund raising through the tokenization of businesses and assets will be a significant part of the capital markets in the future for Malaysia. We believe that through Tokenize Malaysia we can be a key player in the digital capital market space in Malaysia,” he added.

“We are very pleased to welcome onboard, Kenanga Investment Bank Berhad, one of the leading investment banks in Malaysia, as a key investor. The combined reach, expertise and resources is game-changing and will allow us to scale our presence in Malaysia. Together we will shape the digital asset landscape and build an exciting path forward for investors in the country,” remarked Hong Qi Yu, Chief Executive Officer, Tokenize Malaysia.

Currently, the market capitalisation of the global crypto market stands at USD1.007 trillion*, a spike of three folds from four months ago. Relative to the global equity market capitalisation which is estimated to be nearly in the hundred trillion worth, there is still ample upside to the crypto market.

This investment in Tokenize Malaysia adds to the line-up of digital initiatives Kenanga Investment Bank has embarked on over recent years. This includes the successful joint-venture, with Japan based Rakuten Inc, to introduce the first fully online stock trading platform in Malaysia, Rakuten Trade, which has since seen remarkable record volume growth.

It also recently acquired a stake in Merchantrade Asia Sdn Bhd (Merchantrade), Malaysia’s leading e-money player and the country’s largest Money Services Business operator, following Kenanga’s recent collaboration with them to introduce Malaysia’s first stockbroker e-wallet, Kenanga Money. Kenanga has also announced a partnership with award-winning digital supply chain financing company, Bay Group Holdings Sdn Bhd, to transform the traditional factoring market in Malaysia. In the pipeline this year is the rollout of a robo-advisory platform that will automate investment portfolio for clients, taking another step closer towards the creation of a robust ecosystem that provides complete and forward-facing financial solutions to our customers.



For more information on Kenanga Investment Bank Behad, please visit www.kenanga.com.my, and for more on Tokenize Malaysia, www.tokenizemalaysia.com

**as of 2-Feb-21, according to coinmarketcap.com*

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About Kenanga Investment Bank Berhad 197301002193 (15678-H)

Established for more than 45 years, Kenanga Investment Bank Berhad (the Group) is a leading financial group in Malaysia with extensive experience in equity broking, investment banking, treasury, Islamic banking, listed derivatives, investment management, wealth management, structured lending and trade financing. Today, it is an award-winning leading independent investment bank in the country with a continuous commitment towards driving collaboration, innovation and digitalisation in the marketplace.

Kenanga Investment Bank Berhad is the largest independent investment bank* in Malaysia by equity trading volume and value, as well as, one of the top brokerage houses with the largest network of remisiers. Its fast-growing client base enjoys convenience through more than 30 locations throughout Malaysia.

The Group has garnered a host of awards and accolades reflecting its strong market position. It was awarded under the categories of Best Overall Equities Participating Organisation by Bursa Malaysia, Best Retail Equities Participating Organisation, Best Institutional Equities Participating Organisation; along with Best Trading Participant Equity and Financial Derivatives for 17 consecutive years. The Group was also accorded the title of Best Institutional Derivatives Trading category by Bursa Malaysia.

The Group continues to be a regular and repeat recipient of distinguished industry accolades, such as the Lipper, Fundsupermart and Morningstar awards. For its continued efforts towards community outreach and employee volunteerism, the Group was awarded the coveted company of the year award for environmental awareness and sustainability at the Sustainability & CSR Malaysia Awards 2020.

** year to date based on Bursa Malaysia's Participating Organisations (POs) Trading Summary.*

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