



**PRESS RELEASE
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Kenanga Investment Bank Announces Second Consecutive Best Performing Year

RM118.8 Million Net Profit and 10.5 sen dividend declared - highest since becoming an investment bank

KEY HIGHLIGHTS FY2021 vs FY2020
• Net Profit at RM118.8 million, up by 16.2%
• Net Income at RM784.5 million, down by 5.1%
• Operating Expense at RM648.5 million, down by 7.4%
• Return on Equity at 11.5%, up from 10.7%
• Earnings Per Share at 16.3 sen, up by 11.9%
• Net Equity Trading Investment Income at RM65.8 million, up by 0.5%
• Market Share of Retail Stockbroking at 24.2%, up from 22.2%
• Asset Under Administration (AUA) at RM18.8 billion up by 35.8%

Kuala Lumpur, 25 February 2022: Malaysia's leading independent investment bank, Kenanga Investment Bank Berhad ("Kenanga" or the "Group") delivered a new all-time high performance with its full year results ended 31 December 2021, surpassing its record performance from the year before.

Profit Before Tax ("PBT") increased to RM148.2 million, up from RM134.7 million the year before, while Profit After Tax ("PAT") increased to RM118.8 million, a 16.2% increase from the corresponding period. Revenue stood at RM891.5 million.

Annualised Return on Equity (ROE) stood at 11.5%, up from 10.7% and Earnings Per Share rose by 11.9% to 16.3 sen compared to 14.6 sen the year before.

The Board of Directors has declared a dividend of 10.5 sen per share, highest since becoming an investment bank.



“The year 2021 was a year of two halves for the Malaysian capital markets. The first half was largely shaped by the same robust momentum that fuelled our bumper year in 2020. The retail-driven strong trading volumes on Bursa Malaysia led to the excellent performance in our stockbroking business,” commented Datuk Chay Wai Leong, Group Managing Director, Kenanga Investment Bank Berhad.

“However, this momentum moderated sharply in the second half of the year, as the country was hit by multiple headwinds, including the reintroduction of lockdown measures in the middle of the year due to surging COVID-19 cases. The FBM KLCI which hovered above 1,600 points at the start of the year, slipped below 1,500 points during second half. Daily average trading value weakened to RM4.1 billion in December from a high of RM10.6 billion in February,”

“Despite the tumultuous year, our stockbroking business continued to contribute the lion’s share of our 2021 bottom line that was further reinforced by the significant strides made by both our asset management and private equity businesses. This enabled us to thrive through the volatilities to deliver a stellar performance that beat the odds – a testimony to the strength of our diversified strategy,” added Datuk Chay.

Its Stockbroking division maintained a PBT of RM86.4 million for the year ended 2021, similar to the PBT of year before. Its retail market share grew to 24.2%, from 22.2% driven by the continuous expansion of its joint venture Rakuten Trade, Malaysia’s first fully digital stocktrading platform.

Its Investment Management division surged by almost three folds, to a record PBT contribution of RM34.9 million. This is due to the higher performance fee and management fee income generated from increased asset under administration (“AUA”) to RM18.8 billion and a 60% growth in sales agency force. Meanwhile, Kenanga’s private equity arm had an exceptional year in 2021, with Fund I vintages maturing and in the harvesting period. RM24.6 million gains were recognised during the year.

“Looking forward, digital which has been central in shaping our growth journey, will continue to play a pivotal role in powering our next phase of advancement,” explained Datuk Chay.

Kenanga Investment Bank recently launched Malaysia’s latest robo-advisor, Kenanga Digital Investing (KDI). This follows the successful introduction of Rakuten Trade, which recently launched stock trading in the US markets at the same competitive commissions as trading on the local bourse.

For more information on Kenanga, please visit www.kenanga.com.my

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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 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.

The Group's digital ambition includes building a robust digital ecosystem that meets the needs of its clients and businesses. Some of its game-changing products includes Malaysia's fully online digital stockbroking platform Rakuten Trade and a fully A.I. robo-advisor, Kenanga Digital Investing.

The Group has garnered a host of awards and accolades reflecting its strong market position. It was awarded under the categories of Highest Returns to Shareholder Over Three Years, Best Overall Equities Participating Organisation by Bursa Malaysia, Best Overall Derivatives Trading Participant, Best Structured Warrant Issuer, Best Retail Equities Participating Organisation, Best Institutional Equities Participating Organisation Investment Bank; along with Best Trading Participant and Best Institutional Equities Participating Organisation and for Equity and Financial Derivatives for 18 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 and sustainability at Sustainability & CSR Malaysia Awards 2021. The Group is also a Participant of the United Nations Global Compact and adheres to its principle-based approach to responsible business.

Today, Kenanga Investment Bank Berhad is an award-winning leading independent investment bank in the country with a continuous commitment towards driving collaboration, innovation, digitalisation and sustainability in the marketplace.

This Press Release was issued by Kenanga Group's Marketing, Communications & Sustainability department.

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