



**PRESS RELEASE  
FOR IMMEDIATE RELEASE**

## **Kenanga Investment Bank Posts 119% Jump in Net Profit, Revenue Rises to RM204.2 million for 1Q 2024**

**Kuala Lumpur, 28 May 2024:** Kenanga Investment Bank Berhad (“**Kenanga**” or “**Kenanga Group**” or “**the Group**”) today announced its financial results for the first quarter ended on 31 March 2024 (“**1Q24**”).

The Group reported an increase in revenue to RM204.2 million and growth in profit before tax (“**PBT**”) to RM26.7 million for 1Q24, representing a 13.6% and 115.3% rise respectively relative to 1Q23. Net profit stood at RM22.8 million, reflecting a 119.2% hike against 1Q23. This performance was primarily driven by higher trading and investment income, management fee income and a significant contribution in share of profit from Saudi-Arabia based associate company, Al Wasatah Al Maliah, which recorded an exceptional first quarter.

For the period under review, the Group’s Investment and Wealth Management business reported a boost in revenue to RM54.0 million, a 6% increase from 1Q23, primarily driven by increased management fees income. Furthermore, its Asset Under Administration expanded to RM22.8 billion, up 9.6% from the same quarter last year. PBT for this quarter stood at RM7.6 million.

For its Listed Derivatives business, the enterprise registered a 3.3% growth in revenue to RM6.3 million in 1Q24, largely attributed to higher commission and interest income generated as a result of higher trading activities. PBT stood at RM1.6 million this quarter.

Kenanga’s Stockbroking division solidified its leadership position with a retail market share of 25% and delivered a 20% increase in revenue to RM84.8 million in 1Q24 compared to 1Q23. This growth was attributable to increased trading and investment income, alongside brokerage fee income, buoyed by increased trading volume on the local bourse. Despite the growth, the division registered a marginal loss before tax (“**LBT**”) of RM1.2 million as a result of impairment provisions on the abnormal sell-down on selected counters in January. We do not expect further credit provisions that would significantly impact equity broking’s financial performance for the rest of the year.



In terms of its Investment Banking division, revenue increased to RM56.3 million vis a vis RM52.5 million in 1Q23, predominantly driven by higher foreign exchange gain. However, it recorded a LBT of RM2.1 million in 1Q24, due to lower net interest income and credit loss expense.

“We remain cautiously optimistic of the outlook for Kenanga Group as we continue to be vigilant in monitoring market uncertainties. Barring any unforeseen external shocks, we expect to see an upward trend in trading volume on Bursa Malaysia as the economy continues its positive trajectory,” said Datuk Chay Wai Leong, Group Managing Director, Kenanga Investment Bank Berhad.

The Group remains a constituent of the FTSE4Good Bursa Malaysia Index, affirming its strong Environmental, Social and Governance (“**ESG**”) practices. With an ESG rating of 4.0, up from 3.7, Kenanga Group currently ranks 82<sup>nd</sup> percentile on the prestigious index series.

For more information on Kenanga Group, please visit [www.kenanga.com.my](http://www.kenanga.com.my).

###

#### **About Kenanga Investment Bank Berhad (197301002193 (15678-H))**

Established for over 50 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.

An innovative and established home-grown brand, 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 include Malaysia’s fully online digital stockbroking platform Rakuten Trade and a fully A.I. robo-advisor, Kenanga Digital Investing. The Group also launched Malaysia’s first securities broking e-wallet, Kenanga Money, paved the way in AI-led Quan and algorithmic trading, kick-started a revolutionary supply chain financing solution for SMEs and made inroads into the digital assets space through its investment in Tokenize Technology (M) Sdn.Bhd.

The Group has garnered a host of awards and accolades reflecting its strong market position. It was awarded Highest Returns to Shareholder Over Three Years, Highest Growth in Profit After Tax Over Three Years and Highest Return on Equity Over Three Years by The Edge Malaysia Centurion Club in the Financial Services Category, Best Overall Equities Participating Organisation (Champion), Best Retail Equities Participating Organisation (Champion), and Best Online Retail Participating Organisation (Champion), as well as Best Institutional Derivatives Trading Participant (Champion) and Best Overall Derivatives Trading Participant (1<sup>st</sup> Runner Up) in the Bursa Excellence Awards 2022. The Group was also accorded the title of Best House, South and Southeast Asia Award in the SRP Asia Pacific Awards 2022.

The Group continues to be a regular and repeat recipient of distinguished industry accolades, such as the Lipper, Fundsupermarket and Morningstar awards. Rakuten Trade, Malaysia’s first fully digital securities broker in 2017 via a joint venture with Japanese fintech giant Rakuten Securities Inc was also named Malaysia’s Digital Experience of the Year – Brokerage at the Asian Experience Awards 2022. For its continued efforts towards community outreach and employee volunteerism, the Group was awarded the coveted Bank of the Year Award for



Environmental, Social & Governance Excellence, as well as Long-Standing Excellence in Sustainability at Sustainability & CSR Malaysia Awards 2022. 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.*

**For more information, please contact:**

Foo See Wan

DID: +603 – 2172 2913

Email: [swfoo@kenanga.com.my](mailto:swfoo@kenanga.com.my)

Gaya Low

DID: +603 – 2172 2920

Email: [gayathrii@kenanga.com.my](mailto:gayathrii@kenanga.com.my)