



PRESS RELEASE

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**Kenanga Investment Bank Berhad Operating Profit Rise 60.4%,
Boosts 1H24 Earnings**

KEY HIGHLIGHTS
1H24 VS 1H23
• Net Profit at RM32.2 million, up by 18.8%
• Net Income at RM349.7 million, up by 17.9%
• Operating Profit at RM36.9 million, up by 60.4%
• Operating Expense at RM312.8 million, up by 14.3%
• Return on Equity at 6.04, up by 14.4%
• Earnings Per Share at 4.44 sen, up by 19.0%
• Overall Stockbroking Market Share at 9.8%
• Retail Stockbroking Segment Market Share at 24.8%
• Asset Under Administration (" AUA ") at RM23.6 billion, up by 12.9%

Kuala Lumpur, 27 August 2024: Malaysia's leading independent investment bank, Kenanga Investment Bank Berhad ("**Kenanga**" or "**The Group**") today announced stronger earnings for the period ended 30 June 2024 ("**1H24**").

Revenue for 1H24 rose by 18.3% to RM447.3 million from RM378.1 million, while profit before tax ("**PBT**") increased by 13.1% to RM40.5 million from RM35.8 million in the preceding year. This improved performance is primarily due to a 60.4% increase in operating profit and share of profit from associates. Net profit stood at RM32.2 million, reflecting an 18.8% growth from 1H23.

In line with the improved trading volumes on the local bourse, the Group's Stockbroking division PBT surged nearly three-folds to RM13.6 million in 1H24, from RM4.7 million in the corresponding period. Its revenue also reported robust growth, rising 38.4% from RM142.4 million to RM197.1 million in 1H24, driven by higher trading and investment income, as well



as brokerage fee income. Additionally, the division maintained strong retail market share of 24.8%, demonstrating its continued presence and competitiveness in the market.

For the period 1H24, the Group's Asset and Wealth Management division reported higher revenue of RM118.5 million, while PBT stood at RM11.6 million, impacted by lower management and performance fees income, as well as higher credit loss expense. Its AUA demonstrated a steady growth, increasing by 12.9% to RM23.6 billion against the same period last year.

For the Group's Listed Derivatives business, the segment reported a 10.8% increase in revenue to RM13.3 million for 1H24 compared to RM12.0 million in the corresponding period. The growth is attributed to higher commission and interest income generated as a result of higher trading activities in the derivatives space. Mirroring this, its PBT jumped 18.8% year-on-year to RM3.8 million.

The Group's Investment Banking division registered higher revenue of RM121.2 million, reflecting an 11.8% increase from the RM108.4 million reported in 1H23, attributed to higher investment banking fees income, as well as trading and investment income. Lower interest income and credit loss expenses resulted in a loss before tax of RM3.0 million for the division.

"Barring any unforeseen circumstances, we anticipate surpassing last year's performance, driven by improving economic conditions and increased volumes on Bursa Malaysia," said Datuk Chay Wai Leong, Group Managing Director, Kenanga Investment Bank Berhad.

"Amidst recent market volatility and geopolitical tensions, vigilant risk management and prudent credit management have been key to strengthening our resilience. With over five decades of capital market expertise and experience behind us, we are well-positioned to navigate challenges, capitalise on emerging opportunities, and sustain our growth momentum to continue delivering long-term shareholder value," concluded Datuk Chay.

Earlier last week, Kenanga launched KDi GO, Malaysia's newest wealth management app that integrates a spectrum of financial services into a seamless ecosystem. This launch marks another milestone in Kenanga's commitment to providing innovative solutions that meet the evolving needs of its clients. KDi GO is available for download on the Apple App Store and Google Play Store. For more information, visit <https://getkdigo.com>.



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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 – Investment Bank (Champion), and Best Online Retail Participating Organisation (Champion), as well as Best Overall Derivatives Trading Participant (Champion), Best Trading Participant Commodity Derivatives (Champion), and Best Institutional Derivatives Trading Participant (Champion) in the Bursa Excellence Awards 2023. The Group was also accorded the title of Best Educational Initiative Award at the SRP Asia Pacific Awards 2023 and was recognised for Most Innovative Use of Technology at the FinanceAsia Awards 2024.

The Group continues to be a regular and repeat recipient of distinguished industry accolades, such as the Lipper, Fundsupermart 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. The Group is also a Participant of the United Nations Global Compact and adheres to its principle-based approach to responsible business and is one of the highest scoring constituents in the FTSE4Good Bursa Malaysia Index.

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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