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Kenanga Group Posts RM417.5 Million Revenue and RM8.8 Million Profit Before Tax in 1H26

Kuala Lumpur, 28 August 2026: Kenanga Investment Bank Berhad ("**Kenanga Group**" or "**The Group**"), Malaysia's leading independent investment bank, today announced its financial results for the first half ended 30 June 2026 ("**1H26**").

The Group recorded revenue of RM208.8 million in 2Q26, bringing 1H26 revenue to RM417.5 million, comparable to RM413.0 million in the corresponding period last year ("**1H25**"), supported by higher brokerage and management fee income despite softer trading and investment income. Profit before tax ("**PBT**") stood at RM1.9 million in 2Q26, while 1H26 PBT was RM8.8 million, largely reflecting higher operating expenses associated with the Group's continued efforts to enhance operational and technological resilience, including a one-off trading system upgrade cost and ongoing investments in cybersecurity initiatives, alongside increased regulatory-related costs. The Group recorded a net profit of RM0.2 million in 2Q26, bringing net profit for 1H26 to RM4.1 million.

While the Group delivered higher revenue in the first half of the year, profitability was impacted by continued investments in advancing capabilities and future-proofing the business for longer-term growth. Amid a challenging operating landscape, the Group accelerated transformation initiatives across its businesses, enhanced cost discipline and further diversified revenue streams to support sustainable growth.

The strategic efforts accelerated across the Group since the start of the year, together with an ongoing focus on cost efficiency and operational effectiveness, have begun to yield encouraging results. Looking ahead, the Group expects to see momentum build further across several areas of the businesses and remains cautiously optimistic on the outlook for the second half of the year.

Kenanga Group's Stockbroking division reported revenue of RM154.6 million, an increase from RM147.8 million in the corresponding period last year. Meanwhile, PBT achieved a positive reversal to RM0.5 million from a loss before tax of RM8.4 million in 1H25. This was underpinned by higher brokerage fee income on the back of improved trading volumes, as well as lower credit loss provisions. During the period, the division continued to execute its growth strategy to strengthen its institutional business, capturing a larger share of client trading volumes and broadening its client reach as market activity increasingly shifts towards institutional participation. At the same time, it continued to optimise its operating model, including branch rationalisation initiatives, redirecting resources towards higher-growth channels and areas of stronger client demand. These efforts have delivered early gains and positions the business to build on its positive momentum.

The Group's Asset and Wealth Management division registered a 15.5% increase in revenue to RM138.5 million in 1H26, driven by higher gross management fee income and supported by a 16.2% year-on-year increase in Assets Under Administration ("**AUA**") to RM27.9 billion. While revenue and AUA continued to grow, profitability was impacted by ongoing investments in technology and digitalisation, increased regulatory-related costs, continued strategic investments and business development initiatives to support long-term growth, which will continue to weigh on margins in the near term. Consequently, PBT stood at RM3.5 million in 1H26.

The Group's Listed Derivatives Business recorded revenue and PBT of RM14.3 million and RM3.8 million respectively in 1H26, compared with RM15.2 million and RM4.8 million in 1H25, amid a more measured trading environment during the period.

The Investment Banking division, which includes the Treasury business posted revenue of RM112.8 million in 1H26 compared with RM130.9 million in 1H25, while PBT stood at RM2.1 million against RM11.3 million. This was primarily due to lower trading and investment income, partly offset by higher net interest income. The Investment Banking business continues to focus on executing its existing client mandates and growing its loan portfolio for the remainder of the year. Within Treasury, emphasis remains on balance sheet optimisation, margin enhancement and the expansion of its foreign exchange offerings as part of its ongoing strategic priorities.

Kenanga Group's strong market standing was recognised by the industry. During the period, the Group was named "**Best Investment Bank Malaysia 2026**", "**Best Warrants Issuer Malaysia 2026**", "**Best Securities House Malaysia 2026**" and "**Best Research House Malaysia 2026**" by Global Banking and Finance.

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

Established for over 50 years, Kenanga Investment Bank Berhad ("Kenanga" or "The Group") is a leading financial group in Malaysia, offering a wide range of services, including equity broking, investment banking, treasury, Islamic banking, listed derivatives, investment management, wealth management, structured lending, and trade financing. The Group's digital innovations include the launch of KDi GO, a wealth-centric app, along with game-changing products such as Rakuten Trade, Malaysia's first fully digital stockbroking platform, and Kenanga Digital Investing, an A.I. robo-advisor.

The Group has garnered multiple awards, including top honours at the Bursa Excellence Awards 2025. The Group also secured Gold in Financial Services at The Edge Malaysia ESG Awards 2025, the Malaysia Best Bank for ESG and Malaysia Best Bank for Diversity & Inclusion Awards at the Euromoney Awards for Excellence 2025, as well as the Top 20 Overall Excellence and the Niche Cap Excellence Award at the National Corporate Governance and Sustainability Awards 2025. As one of the highest-scoring constituents of the FTSE4Good Bursa Malaysia Index and a Participant of the United Nations Global Compact, Kenanga continues to drive collaboration, innovation, and sustainability in the financial industry.

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

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