



# P R E S S   A N N O U N C E M E N T

FOR IMMEDIATE RELEASE

## MARC AFFIRMS INVESTMENT MANAGER RATING OF IMR-2 ON KENANGA INVESTORS AND KENANGA ISLAMIC INVESTORS

MARC has affirmed its investment manager rating (IMR) of **IMR-2** on Kenanga Investors Berhad (KIB) and KIB's wholly-owned subsidiary Kenanga Islamic Investors Berhad (KIIB).

The IMR rating continues to factor KIB's well-established investment processes and sound risk management practices. The IMR rating on KIIB mirrors KIB's based on our assessment on the former's significant integration with its parent through shared resources and infrastructure. As a fund manager, KIB offers investment products but with a focus on domestic investments. Its assets under management (AUM) expanded by 5.7% YTD to RM13.1 billion as at end-June 2021, largely driven by an increase in both balance and equity funds of 35.4% and 15.0%. KIB's equity funds constituted the bulk of AUM at 50.2%, followed by fixed income at 38.4%, balanced funds at 6.9%, money market funds at 4.2% and structured funds at 0.3%.

We also note that KIIB's AUM grew sharply to RM2.1 billion as at end-June 2021 (2020: RM1.5 billion) on the back of significant growth in equity funds which constituted 65.6% of KIIB's total AUM. We view KIB and KIIB, as part of the Kenanga Group of companies, to have relevant expertise and adequate resources to execute fund strategies and meet their objectives.

KIB's average one-year, three-year and five-year annualised returns for its top 20 largest unit trust funds outperformed its benchmarks during 1H2021. Its revenue stood at RM111.8 million in 1H2021, doubled that registered in 1H2020, while pre-tax profit increased to RM15.2 million over the same period.

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