



MARC RATINGS BERHAD

P R E S S A N N O U N C E M E N T

FOR IMMEDIATE RELEASE

MARC RATINGS AFFIRMS IMR-2 RATING ON KENANGA INVESTORS AND KENANGA ISLAMIC INVESTORS

MARC Ratings 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 rating considers KIB's well-established investment processes and sound risk management practices. KIIB is well-integrated with the parent in terms of shared resources, centralised support functions and infrastructure. Due to these linkages, as well as the clear brand-sharing and MARC Ratings' view of KIIB's role in supporting the group's strategic objectives in Islamic finance, the rating agency considers KIIB's credit profile to be tightly linked with that of KIB. The rating of KIIB thus mirrors that of its parent's.

KIB offers various investment products catering to different investment appetites, focusing mainly on domestic investments. KIB had assets under management (AUM) of RM19.0 billion as at end-June 2023, of which 44.8% were in equity funds. Fixed income funds accounted for 30.6%, balanced funds for 16.7%, money market funds for 6.2% and others at 1.7%. For KIIB, its AUM grew to RM2.8 billion as at end-June 2023 (end-2022: RM2.5 billion), of which 73.2% consisted of equity funds.

As at end-June 2023, most of KIB's funds had performed better than benchmarks and were comparable to peers. Its revenue stood at RM142.9 million in 1H2023 on the back of higher management fees and service charges. Pre-tax profit in 1H2023, however, was somewhat lower at RM25.4 million (1H2022: RM32.4 million) due to higher expenses during the period.

Contacts:

Akmal Sadiq, +603-2717 2939/ akmal@marc.com.my

Fahmi Hawari, +603-2717 2946/ fahmi@marc.com.my

Mohd Izazee Ismail, +603-2717 2947/ izazee@marc.com.my

November 15, 2023

[This announcement is available on MARC's corporate website at www.marc.com.my]

---- DISCLAIMER ----

This communication is provided by Malaysian Rating Corporation Berhad and any of its subsidiaries or affiliates ("MARC") based on the information, reasonably believed by MARC to be accurate and reliable to the greatest extent, derived from publicly available sources or provided by the rated entity or its agents. MARC, however, has not independently verified the source of such information and makes no representation as to the accuracy, completeness and timeliness of such information. Any assignment of a credit rating by MARC shall at all times solely be construed as a statement of opinion and not a statement of fact. A credit rating is not a recommendation to buy, sell or hold any security and/or investment.