



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 INVESTMENT MANAGER RATING OF IMR-2 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 IMR rating reflects KIB's well-established investment processes and sound risk management practices. The IMR rating on KIIB mirrors the parent's rating based on our assessment of KIIB's significant integration with KIB through shared resources and infrastructure. As a fund manager, KIB offers investment products with the bulk of the investments being made domestically. Its assets under management (AUM) grew by 11.0% YTD to RM18.2 billion as at end-June 2022, with notable increases in money market, balanced and fixed income funds. KIB's equity funds remained the bulk of the AUM at 43.5%, followed by fixed income funds at 31.1%, money market funds at 14.8% and balanced funds at 10.6%.

MARC Ratings also notes that KIIB's AUM grew to RM2.4 billion as at end-June 2022 (2021: RM2.2 billion) with equity funds constituting the largest portion of its total AUM at 70.9%. We view KIB and KIIB, being part of the Kenanga Group of companies, to have the relevant expertise and adequate resources to execute fund strategies. In terms of financial performance, KIB recorded higher pre-tax profit of RM32.4 million in 1H2022 (1H2021: RM15.2 million) on the back of an 18.2% y-o-y increase in revenue to RM132.2 million.

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