



**PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

## **Kenanga Investment Bank Acquires Stake In Malaysia's Largest Money Services Business Operator Merchantrade Asia**

**Kuala Lumpur, 28 October 2020** – Kenanga Investment Bank Berhad (Kenanga Group) has acquired 4.99% equity interest in Merchantrade Asia Sdn Bhd (Merchantrade), Malaysia's leading e-money player and the country's largest Money Services Business operator. This follows Kenanga's recent collaboration with Merchantrade to introduce Malaysia's first stockbroker e-wallet, Kenanga Money.

"Merchantrade is one of the fastest growing digital payment and remittance brands in the country. Constantly on the forefront of digitisation and driving innovation in financial services, they are rapidly making waves across Asia in a segment projected to experience exponential growth. We are excited to be able to partake in the flourishing prospects of Merchantrade and look forward to exploring more digital opportunities together," commented Datuk Chay Wai Leong, Group Managing Director, Kenanga Investment Bank Berhad.

Also backed by other shareholders that include Celcom Axiata Bhd and Sumitomo Corporation of Japan, Merchantrade clinched the coveted Fintech Financial Services Award last year and serves a customer base of over three million through its digital online and app-based channels and extensive nationwide physical network. A well-trusted household name, it is rapidly expanding its footprint, which includes its recent acquisition of additional stake in Singapore's mobile remittance service, KLIQ Pte Ltd, as well as its recent 100% acquisition of local leading digital remittance player, Valyou Sdn Bhd from the Telenor Group. With this acquisition, Merchantrade will have a combined annual remittance turnover of more than RM11 billion and a network of over 1,700 touchpoints, solidifying its position as the largest remittance player in the country.



“Both homegrown brands with sights set on digital innovations, there is tremendous synergy between Kenanga and Merchantrade, from our business models, product line-up and corporate values. However, it is the underlying shared vision and ambition we have to reshape the financial space through emerging technologies, that will power the many other exciting collaborations in the pipeline,” continued Datuk Chay.

“The future belongs to the ones that can successfully engage their customers digitally through a broad and meaningful spectrum of products and services. Building a robust ecosystem that adds value to the customers is at the core of our digital strategy. To bring that to live, finding the right partners to co-create and collaborate with, is crucial and the key to unlock longer-term growth,” remarked Datuk Chay.

This partnership with Merchantrade adds to the line-up of digital initiatives Kenanga has embarked on over recent years. This includes the successful joint-venture, with Japan based Rakuten Inc, to introduce the first fully online stocktrading platform in Malaysia, Rakuten Trade, which has since seen remarkable record volume growth.

It also recently announced a partnership with award-winning digital supply chain financing company, Bay Group Holdings Sdn Bhd, to transform the traditional factoring market in Malaysia. Also, in the works is a robo-advisory platform that will be launched early next year.

For more information on Kenanga, please visit [www.kenanga.com.my](http://www.kenanga.com.my).

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#### **About Kenanga Investment Bank Berhad (15678-H)**

Established for more than 45 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. Today, it is an award-winning leading independent investment bank in the country with a continuous commitment towards driving collaboration, innovation and digitalisation in the marketplace.

Kenanga Investment Bank Berhad is the largest independent investment bank\* in Malaysia by equity trading volume and value, as well as, one of the top brokerage houses with the largest network of remisiers. Its fast-growing client base enjoys convenience through more than 30 locations throughout Malaysia.

The Group has garnered a host of awards and accolades reflecting its strong market position. It was awarded under the categories of Best Overall Equities Participating Organisation by Bursa Malaysia, Best Retail Equities Participating Organisation, Best Institutional Equities Participating Organisation; along with Best Trading



Participant and Best Institutional Equities Participating Organisation and for Equity and Financial Derivatives for 17 consecutive years. The Group was also accorded the title of Best Institutional Derivatives Trading category by Bursa Malaysia.

The Group continues to be a regular and repeat recipient of distinguished industry accolades, such as the Lipper, Fundsupermart and Morningstar awards.

Rakuten Trade Sdn Bhd, the Group's joint venture with Japan's Rakuten Securities, Inc. was named FinTech Company of the Year.

For its continued efforts towards community outreach and employee volunteerism, the Group was awarded the coveted CSR Award (Investment Bank) at the CSR Malaysia Awards 2019, an award endorsed by the Ministry of Women Affairs and Family Planning.

*\* year to date based on Bursa Malaysia's Participating Organisations (POs) Trading Summary.*

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