



**PRESS RELEASE
FOR IMMEDIATE RELEASE**

Kenanga Investment Bank to Increase Stake in Merchantrade Asia to 19.94 percent

Kuala Lumpur, 25 June 2024: Malaysia's leading independent investment bank, Kenanga Investment Bank Berhad ("**Kenanga Group**" or "**The Group**") has received Bank Negara Malaysia approval to acquire an additional 15.20% equity interest in Merchantrade Asia Sdn Bhd ("**Merchantrade**"), the country's largest Money Services Business ("**MSB**") operator and leading player in the digital payments space.

Upon completion of this acquisition, the Group's aggregated equity holding in Merchantrade will increase to 19.94% from 4.74%, positioning it as the second-largest shareholder after Managing Director and Founder, Mr. Ramasamy K. Veeran.

The increased equity interest in Merchantrade reflects Kenanga Group's commitment to deepening its relationship with the company and underscores the Group's dedication to fostering partnerships within the financial ecosystem, with the aim to explore synergies and expand innovative offerings.

"As two homegrown brands deeply rooted in Malaysia's financial landscape, Kenanga Group and Merchantrade share a common vision and ambition to drive digital innovations and reshape the financial industry. Our increased equity interest in Merchantrade underscores our commitment to leveraging emerging technologies to revolutionise the way financial services are delivered. Together, we are poised to accelerate our collective efforts in delivering innovative solutions and enhancing the digital experience for our customers," said Datuk Chay Wai Leong, Group Managing Director of Kenanga Investment Bank Berhad.

As the country's largest MSB operator and leading player in the digital payment space, Merchantrade is known for its innovative solutions. With a vast customer base exceeding 5 million since its inception, the company serves its clientele through digital platforms, app-based channels, and an extensive nationwide physical network. Merchantrade's core services encompass international money transfers, foreign currency exchange, e-wallets, payment



gateway services, micro-insurance as well as mobile telecommunications via its subsidiary, Valyou Sdn Bhd. Through strategic partnerships, the company has established a comprehensive ecosystem of digital financial products tailored for individuals, as well as SMEs, large corporates, financial institutions and more.

“We are excited about Kenanga Group’s increased equity interest in Merchantrade, which further solidifies the synergies between both companies. Technology, innovation, and partnerships have been the cornerstone of our accelerated growth over the last few years. With this new development, we eagerly anticipate the next phase of our journey,” added Mr. Ramasamy K. Veeran, Managing Director and Founder of Merchantrade.

As part of its ongoing digitalisation journey, the Group had previously partnered with Merchantrade in 2020 to explore digital opportunities. This collaboration led to the introduction of Malaysia’s first stockbroker e-wallet, Kenanga Money. Through this initiative, the Group entered the cashless payment space, providing clients with the convenience of transferring funds from their stock trading accounts into an e-wallet and prepaid card for retail payments, remittance, and worldwide withdrawals. Users can also benefit from the innovative multi-currency function, allowing them to buy, sell, and store up to 20 foreign currencies at any given time, at competitive exchange rates provided by Merchantrade.

For more information on Kenanga Money, please visit <https://kenanga.com.my/kenangamoney>

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

Established for over 50 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.

An innovative and established home-grown brand, the Group’s digital ambition includes building a robust digital ecosystem that meets the needs of its clients and businesses. Some of its game-changing products include Malaysia’s fully online digital stockbroking platform Rakuten Trade and a fully A.I. robo-advisor, Kenanga Digital Investing. The Group also launched Malaysia’s first securities broking e-wallet, Kenanga Money, paved the way in AI-led Quan and algorithmic trading, kick-started a revolutionary supply chain financing solution for SMEs and made inroads into the digital assets space through its investment in Tokenize Technology (M) Sdn.Bhd.

The Group has garnered a host of awards and accolades reflecting its strong market position. It was awarded Highest Returns to Shareholder Over Three Years, Highest Growth in Profit After Tax Over Three Years and Highest Return on Equity Over Three Years by The Edge Malaysia Centurion Club in the Financial Services Category, Best Overall Equities Participating Organisation (Champion), Best Retail Equities Participating Organisation



(Champion), and Best Online Retail Participating Organisation (Champion), as well as Best Institutional Derivatives Trading Participant (Champion) and Best Overall Derivatives Trading Participant (1st Runner Up) in the Bursa Excellence Awards 2022. The Group was also accorded the title of Best House, South and Southeast Asia Award in the SRP Asia Pacific Awards 2022.

The Group continues to be a regular and repeat recipient of distinguished industry accolades, such as the Lipper, Fundsupermart and Morningstar awards. Rakuten Trade, Malaysia's first fully digital securities broker in 2017 via a joint venture with Japanese fintech giant Rakuten Securities Inc was also named Malaysia's Digital Experience of the Year – Brokerage at the Asian Experience Awards 2022. For its continued efforts towards community outreach and employee volunteerism, the Group was awarded the coveted Bank of the Year Award for Environmental, Social & Governance Excellence, as well as Long-Standing Excellence in Sustainability at Sustainability & CSR Malaysia Awards 2022. The Group is also a Participant of the United Nations Global Compact and adheres to its principle-based approach to responsible business.

Today, Kenanga Investment Bank Berhad is an award-winning leading independent investment bank in the country with a continuous commitment towards driving collaboration, innovation, digitalisation and sustainability in the marketplace.

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

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