



Cagamas President/Chief Executive Officer, Datuk Chung Chee Leong. Image Courtesy: Cagamas Berhad

ISLAMIC FINANCE

Cagamas raised RM1.03bln from Sukuk issuances

Comprising RM300 million 3-month ICPs) and RM735 million 1-year IMTNs

Press Release

July 25, 2023

Kuala Lumpur – Cagamas Berhad (“Cagamas” or “the Company”), the National Mortgage Corporation of Malaysia, announced the successful conclusion of an aggregate RM1.03 billion equivalent worth of funds raised, comprising RM300 million 3-month Islamic Commercial Papers (ICPs) and RM735 million 1-year Islamic Medium Term Notes (IMTNs).

President/ Chief Executive Officer, Datuk Chung Chee Leong said, “Cagamas’ fund-raising activities continue to gain momentum with the successful conclusion of the funding exercises in an improved domestic market condition. Proceeds raised from the issuances will be used to fund the purchase of Islamic home financings from the domestic financial system, reflecting continued provision of liquidity by the Company to the domestic banking system.”

“The IMTNs were successfully concluded via a book building exercise that allowed the Company to tighten the pricing by 5 basis points (bps) from an initial price guidance of 3.79% to the final 3.74%, which registered a 40 basis points (bps) spread against the Malaysian Government Securities with a final book-to-cover ratio of 1.89 times. The issuance attracted subscription from a diversified range of investors including financial institutions, asset management and insurance companies. The ICPs were privately placed out,” added Datuk Chung.

The new issuances bring the Company’s aggregate issuances for the year to RM14.01 billion. The papers, which will be redeemed at their full nominal value upon maturity, are unsecured obligations of the Company, ranking pari passu with all other existing unsecured obligations of the Company. They will be listed and tradable under the Scripless Securities Trading System.