

CAGAMAS CAPS EVENTFUL 2020 WITH TOTAL ISSUANCES OF RM11.7 BILLION OF BONDS AND SUKUK

Kuala Lumpur, 21 December 2020 – Cagamas Berhad (“Cagamas” or “the Company”), the National Mortgage Corporation of Malaysia, announced its aggregate issuances of RM450 million, comprising RM50 million 2-year Islamic Medium Term Notes (IMTNs) and RM400 million 3-month Conventional Commercial Papers (CCPs). Proceeds from the issuances will be used to fund the purchase of house financing and housing loans from the financial system.

“We are pleased to conclude the year with yet another successful issuance, representing the Company’s 22nd issuance exercise which brings the aggregate issuances for the year to RM11.7 billion. This marks the Company’s fourth consecutive year surpassing RM10 billion worth of issuances,” said Datuk Chung Chee Leong, President/Chief Executive Officer of Cagamas.

“It has been an eventful year with many unprecedented twists and turns. Economic turmoil associated with the COVID-19 pandemic has had a wide-ranging and severe impact on financial markets globally. Domestically, the Malaysian financial market remains resilient and continues to function efficiently despite the challenging global economic environment,” added Datuk Chung.

“The Company remains vigilant during this period and will strive to navigate the impact of the pandemic through many efforts of reinvention, accelerating digital transformation and implementing various agile operating procedures to mitigate disruptions from the pandemic. We remain committed in our continuous efforts to fulfill our mandate as a financial intermediary between the capital market and the Malaysian housing sector,” said Datuk Chung.

The IMTNs was priced at spread of 41 bps above the corresponding Malaysia Government Investment Issues (MGII), while the CCPs were priced at the corresponding 3-month KLIBOR benchmark rate plus 2 bps or equivalent to 1.96% based on KLIBOR fixing on the pricing date, represented 26 bps above the Malaysian Treasury Bills (MTB).



The papers, which will be redeemed at their full nominal value upon maturity, are unsecured obligations of the Company, ranking pari passu and with all other existing unsecured obligations of the Company. They will be listed and tradable under the Scripless Securities Trading System.

About Cagamas

Cagamas Berhad (Cagamas), the National Mortgage Corporation of Malaysia, was established in 1986 to promote the broader spread of home ownership and growth of the secondary mortgage market in Malaysia. It issues corporate bonds and sukuk to finance the purchase of housing loans from financial institutions and non-financial institutions. The provision of liquidity to financial institutions at a reasonable cost to the primary lenders of housing loans encourages further expansion of financing for houses at an affordable cost.

The Cagamas model is well regarded by the World Bank as the most successful secondary mortgage liquidity facility. Cagamas is the second largest issuer of debt instruments after the Government of Malaysia and the largest issuer of AAA corporate bonds and sukuk in the market. Since incorporation in 1986, Cagamas has cumulatively issued circa RM339.5 billion worth of corporate bonds and Sukuk.

Cagamas' corporate bonds and sukuk continue to be assigned the highest ratings of AAA/Stable/P1 by RAM Rating Services Berhad and AAA/MARC-1 and AAA_{IS}/MARC-1_{IS} by Malaysian Rating Corporation Berhad, denoting its strong credit quality. Cagamas is also well regarded internationally and has been assigned local and foreign currency long-term issuer ratings of A3 by Moody's Investors Service Inc. that are in line with Malaysian sovereign ratings.

Cagamas Berhad

Registration No. 198601008739 (157931-A)

Level 32, The Gardens North Tower

Mid Valley City, Lingkaran Syed Putra 59200 Kuala Lumpur

Tel: +603 - 2262 1800 | Fax: +603 - 2282 9125

www.cagamas.com.my

Media Enquiries

Leanne Susau

Tel: +603 - 2262 1719

communications@cagamas.com.my

Lucia Wee

Tel: +603 - 2262 1868

communications@cagamas.com.my