

CAGAMAS CONCLUDES AGGREGATE ISSUANCES OF RM1 BILLION BONDS IN THREE CURRENCIES AMIDST MARKET VOLATILITY

Kuala Lumpur, 16 March 2021 – Cagamas Berhad (“Cagamas” or “the Company”), the National Mortgage Corporation of Malaysia, announced its aggregate issuances of RM1 billion equivalent - comprising SGD130 million 1-year Singapore Dollar denominated Fixed Rate Medium Term Notes (SGD EMTNs), HKD800 million 1-year Hong Kong Dollar denominated Fixed Rate Medium Term Notes (HKD EMTNs) and RM175 million 1-year Conventional Medium Term Notes (CMTNs). Proceeds from the issuances will be used to fund the purchase of housing loans from the financial system.

President/Chief Executive Officer of Cagamas, Datuk Chung Chee Leong said, “We are pleased with the successful conclusion of the SGD EMTNs, HKD EMTNs and CMTNs issuances, amidst market volatility due to the rising US Treasury yields which triggered a rout in bond markets globally. Domestic bond markets were not spared from the knee-jerk reaction. Despite the headwinds, Cagamas successfully secured funding from three different markets to meet its funding needs, signalling continued strong demand for the Company’s foreign currency and domestic debt securities.”

The SGD EMTNs and HKD EMTNs were concluded at 1.00% and at 0.85% p.a. respectively, while the issuance of the CMTNs was competitively priced at 2.20% - a spread of 37 bps above the corresponding Malaysian Government Securities. The SGD EMTNs and HKD EMTNs were issued by the Company’s subsidiary, Cagamas Global P.L.C. which carries an issue rating of A3.

“The SGD EMTNs and HKD EMTNs represent the Company’s first dual foreign currency issuances for 2021, underlining its capability to provide competitive funding to onshore financial institutions through combined issuances of foreign currency and Ringgit denominated bonds,” added Datuk Chung.

The transaction marked the Company's fifth issuance exercise for the year and brings the year-to-date issuance amount to RM2.65 billion. The SGD and HKD denominated bonds issued will be fully and unconditionally guaranteed by Cagamas Berhad. The issuances, 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.

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 RM342.2 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