

**CAGAMAS CONCLUDES ISSUANCE OF RM1.025 BILLION WORTH OF 1-YEAR
FLOATING BONDS AND SUKUK AMID RISING RATES AND INFLATION
CONCERNS**

Kuala Lumpur, 30 May 2022 – Cagamas Berhad (“Cagamas” or “the Company”), the National Mortgage Corporation of Malaysia, announced the successful pricing of its RM345 million 1-year Floating Profit Rate Islamic Medium Term Notes (IMTNs) and RM680 million 1-year Floating Rate Conventional Medium Term Notes (CMTNs). The proceeds from the IMTNs and CMTNs will be used to fund the purchase of house financing and housing loans from the financial system.

“Despite the challenging market environment arising from continued geopolitical tension and growing expectations of central banks to begin expediting the removal of policy accommodation, liquidity in the local fixed income market remains stable and resilient. The IMTNs and CMTNs represent the first issuance concluded by the Company post-Overnight Policy Rate hike of a quarter basis point by Bank Negara Malaysia,” said President/Chief Executive Officer, Datuk Chung Chee Leong.

The IMTNs and CMTNs, with its floating rate mechanism, provide potentially higher returns to investors amid a rising interest rate environment. The deals were successfully priced with 3-month Kuala Lumpur Interbank Offered Rate (KLIBOR) reference at equivalent to 2.66% based on KLIBOR fixing on the pricing date. The new issuance brings the Company’s aggregate issuances for the year to RM7.19 billion.

The IMTNs and CMTNs 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 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 RM365.9 billion worth of corporate bonds and Sukuk.

Cagamas' 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

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