

**CAGAMAS CONCLUDES PRICING OF RM300 MILLION CONVENTIONAL
COMMERCIAL PAPERS POST OVERNIGHT POLICY RATE CUT**

Kuala Lumpur, 20 July 2020 – Cagamas Berhad (“Cagamas” or “the Company”), the National Mortgage Corporation of Malaysia, announced its issuance of RM300 million 3-month Conventional Commercial Papers (CCPs). Proceeds from the issuance will be used to fund the purchase of housing loans from the financial system.

“Earlier this month, the Monetary Policy Committee (MPC) of Bank Negara Malaysia decided to reduce the Overnight Policy Rate (OPR) by 25 basis points to 1.75 percent, the fourth cut since the beginning of the year, resulted in an overall drop in yields in the debt capital market. The positive momentum in the market allows for the Company to take advantage of the current low interest rate environment for funding, hence continuing to provide competitive funding to primary lenders of housing loans,” said Datuk Chung Chee Leong.

“The successful conclusion of the CCPs were evidenced by the continued demand for the Company’s papers as investors prefer to stay invested in the short and medium term. The CCPs were competitively priced at the corresponding 3-month KLIBOR benchmark rate or equivalent to 2.03% based on KLIBOR fixing on the pricing date. The pricing of the CCPs also represented 23 bps over Malaysian Treasury Bills and 4 bps above corresponding government guaranteed papers,” added Datuk Chung.

The transaction marked the Company’s ninth issuance exercise for the year and brings the year-to-date (YTD) issuance amount to RM4.11 billion.

The papers, which will be redeemed at their full nominal value upon maturity, are unsecured obligations of the Company, ranking pari passu among themselves 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 RM332 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

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