

## CAGAMAS SUSTAINS POSITIVE BUSINESS MOMENTUM IN 2022



*(From left to right: Abdul Hakim Amir Bin Zainol, Senior Vice President, Finance; Dato' Bakarudin Ishak, Chairman Cagamas Holdings Berhad and Datuk Chung Chee Leong, President/Chief Executive Officer Cagamas Berhad)*

**Kuala Lumpur, 28 April 2023** – Cagamas Holdings Berhad (“the Group”) today announced its 2022 financial performance and business activities after the Group’s 16<sup>th</sup> Annual General Meeting.

The Group continued to sustain a positive business momentum with a profit before tax and zakat (“PBT”) of RM446.3 million for the financial year ended 31 December 2022 (“FY22”), compared with RM427.9 million in 2021 (“FY21”). Cagamas Berhad (“Cagamas”) remains the key operating subsidiary that contributed 67% of the total group profit for FY22.

The Group recorded a total acquisition of RM19.3 billion worth of housing mortgages and financings from Financial Institutions (“FI”) under the Purchase with Recourse (“PWR”) scheme in 2022, an increase of 39.9% from FY21. Total funds raised in 2022 rose by 29.7% to RM24.9 billion, of which RM22.4 billion was raised through debt securities and RM2.5 billion via interbank transactions. As at end of December 2022, outstanding Cagamas debt securities stood at RM40.2 billion, a year-on-year increase of 14.9%. Of the entire amount, conventional bonds comprised RM20.2 billion while RM20.0 billion were sukuk.

Chairman Dato’ Bakarudin Ishak said, “The Group remained resilient, and continued to improve its business performance despite strong headwinds emanating from uncertainty in economic activities and heightened global volatility in the financial markets.”

“In advancing our sustainability agenda, the Group saw an increase of 56.2% in social and sustainability-related conventional bonds and sukuk issuances totalling RM1.6 billion. Skim Saraan Bercagar and Skim Saraan Bercagar Islamik continued to progress with loans/financings approved, valued at RM24.5 million.”

Meanwhile, Skim Rumah Pertamaku (“SRP”) which is administered by Cagamas SRP Bhd, recorded a significant increase in new loans/financings approved, valued at RM7.0 billion in 2022, and cumulatively totalled RM21.1 billion as at December 2022. Both SRP and Skim Perumahan Belia have helped 99,940 households since inception, of which 88.2% comprised B40 group and 90.5% comprised youths aged 35 years and below.

On the outlook for 2023, Dato’ Bakarudin said, “Moving forward, the Group will continue to adopt proactive collaborations with industry players to develop alternative liquidity and structured funding solutions to facilitate market liquidity for a wider spectrum of counterparties. The Group is also exploring new growth propositions within its existing products to promote broader access to home ownership.”

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## **About Cagamas Holdings Berhad**

Incorporated in 2007, Cagamas Holdings Berhad is the holding company of Cagamas Berhad, Cagamas MBS Berhad, Cagamas SME Berhad, BNM Sukuk Berhad, Cagamas SRP Berhad and Cagamas MGP Berhad.

Its wholly owned subsidiary, Cagamas Berhad (Cagamas), the National Mortgage Corporation of Malaysia, was established in 1986 to promote homeownership and contribute towards nation development. It contributes towards the growth of the capital markets, Islamic finance and other priority sectors through the issuance of innovative instruments. 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. Cagamas MBS Berhad (CMBS) is a special purpose vehicle set up to facilitate asset-backed securitisation transactions while Cagamas SRP Berhad provides mortgage guarantees to primary lenders.

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 till end 2020, the Group has cumulatively raised RM394.5 billion funds comprising conventional bonds, sukuk and money market instruments, including RM14.9 billion Ringgit equivalent foreign currency issuances and RM10.2 billion Residential Mortgage Backed Securities.

Cagamas corporate bonds and sukuk continue to be assigned the highest ratings of AAA/Stable/P1 by RAM Rating Services Berhad (RAM), and AAA/MARC-1 and AAAS/MARC-1<sub>IS</sub> by Malaysian Rating Corporation Berhad (MARC), 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 that are in line with Malaysian sovereign ratings. Similarly, issuances by CMBS continue to be rated AAA/Stable by RAM and MARC respectively, reflecting the superior quality of the underlying assets.

## **Cagamas Holdings Berhad**

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