

PRESS RELEASE

for Immediate Release

BANK MUAMALAT'S RM300 MILLION SUBORDINATED SUKUK MURABAHAH RECEIVES OVERWHELMING RESPONSE

Kuala Lumpur, 07 July 2022 - Bank Muamalat Malaysia Berhad's (Bank Muamalat) RM300 million Subordinated Sukuk Murabahah received overwhelming response from a diversified and wider range of investors during its book-building exercise recently.

The RM300 million Subordinated Sukuk Murabahah is the third series issuance under Bank Muamalat's established RM1 billion 20-year Subordinated Sukuk Murabahah Programme (2016/2036), which qualified as Tier-2 capital under the Bank Negara Malaysia's (BNM) Policy Document on Capital Adequacy Framework for Islamic Banks Capital Components (CAFIB).

Bank Muamalat President and Chief Executive Officer, Khairul Kamarudin said the positive interest in the Subordinated Sukuk Murabahah Programme reflects the market's confidence in the Bank's strong fundamentals and strategic direction.

The RM300 million Subordinated Sukuk Murabahah, which will be issued on 20 July 2022, was competitively priced at 5.33% during the book-building exercise recently. The book managed to register a high bid-to-cover (BTC) of 2.31 times before it settled at 1.85 times over the proposed issue size with inclusion of unexpected new investors during the day.

The joint lead managers received diversified orders from various types of investors including financial institutions, asset management companies, government agencies, insurance companies and also high net worth investors.

"The proceeds raised from the Subordinated Sukuk Murabahah will be utilised for our Islamic banking activities and working capital requirements, thus putting the Bank on a stronger footing for its continued growth" added Khairul.



Bank Muamalat is the principal adviser, lead arranger and lead manager together with OCBC Al-Amin Bank Berhad for the Subordinated Sukuk Murabahah Programme. Other joint lead managers include, Bank Islam Malaysia Berhad, Maybank Investment Bank Berhad and RHB Investment Bank Berhad.

On a separate note, Khairul also mentioned that recently MARC Ratings has upgraded Bank Muamalat's financial institution ratings to **A+/MARC-1** and concurrently upgraded its rating on the Bank's Islamic Senior Notes Programme (Senior Sukuk) of up to RM2 billion to **A+_{IS}**, with stable outlook.

The ratings upgrade is premised on Bank Muamalat's continued improvement in its financial performance, particularly its asset quality and profitability metrics which are in line with its peers in the same rating band. The Bank has maintained its financing growth trend since 2018. The improved credit metrics were also achieved on the back of healthy capitalisation levels.

ENDS

Any media inquiries related to **Bank Muamalat**, please contact:

Mathini Raman | mathini.raman@muamalat.com.my | +6013 215 1922

