

MEDIA STATEMENT

Kuala Lumpur, 13 June 2017

Khazanah to issue second tranche of Sustainable and Responsible Investment (SRI) Sukuk

Proceeds will fund rollout of Trust Schools Programme to more schools

Khazanah Nasional Berhad (“Khazanah”) today announced that it will issue a second tranche of RM100 million Sustainable and Responsible Investment (“SRI”) Sukuk via independent special purpose vehicle, Ihsan Sukuk Bhd. The SRI sukuk was launched by Second Finance Minister, Y.B. Datuk Seri Johari Abdul Ghani.

This second tranche, which follows the multiple award-winning inaugural RM100 million SRI Sukuk issued in 2015, will fund the rollout of Yayasan AMIR’s (“YA”) Trust Schools Programme to at least 20 schools. YA is a not-for-profit foundation incorporated by Khazanah to improve accessibility of quality education in Malaysian Government schools through a Public-Private Partnership with the Ministry of Education. As at the end of 2016, the Trust Schools Programme has been rolled out to 83 schools across 10 states, creating better outcomes for over 65,000 young Malaysians.

The SRI Sukuk is part of Khazanah’s continuing efforts to push innovation in Islamic finance, in support of Malaysia’s position as a global Islamic financial centre. This second tranche of RM100 million SRI Sukuk will include a retail portion to provide individual Malaysians the opportunity to participate in supporting the further implementation of the Trust Schools Programme. The unique step-down returns structure and option to waive the principal of the SRI Sukuk allows investors to make staggered contributions as well as to donate to the Trust School Programme.

Second Finance Minister Datuk Seri Johari said: “Malaysia is at the forefront of Islamic finance through the efforts of regulatory bodies, strong support from institutions and corporate sector, including Khazanah Nasional, as well as the Islamic finance sector’s spirit of innovation. Khazanah’s SRI Sukuk further helps to strengthen the country’s position, while adding a new facet to the Malaysian capital markets via ethical and social impact financing.”

Khazanah Managing Director Tan Sri Dato’ Azman Hj Mokhtar said: “*Alhamdulillah*, after the success of the inaugural SRI Sukuk, we moved forward with a second tranche to further support the Trust Schools Programme. In parallel, we continue to contribute to the development of Islamic finance by advocating what we believe is real finance whereby the financing is closely linked to real activities that advance the socio-economic status of the Rakyat. For this second tranche, we will also initiate a crowd-funding campaign through which like-minded members of the public can support YA.”

The structure of the SRI Sukuk is in accordance with the Islamic principle of Wakalah Bi Al-Istithmar. CIMB Investment Bank Berhad (“CIMB”) is the sole Lead Arranger, while Maybank Investment Bank and RHB Investment Bank are the Joint Bookrunners and Joint Lead Managers for this SRI Sukuk transaction.

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For further information on Khazanah, please visit www.khazanah.com.my or contact Mohd Raslan Md Sharif at +603 2034 0000, or e-mail at raslan.sharif@khazanah.com.my

About Khazanah Nasional Berhad

Khazanah Nasional Berhad (“Khazanah”) is the strategic investment fund of the Government of Malaysia entrusted to hold and manage the commercial assets of the Government and to undertake strategic investments. Khazanah is involved in various sectors such as power, telecommunications, financial institutions, healthcare, aviation, infrastructure, leisure & tourism, property, creative & media, education, and innovation & technology. Some of the key listed companies in Khazanah’s investment portfolio include Telekom Malaysia Bhd, Tenaga Nasional Bhd, CIMB Group, Axiata Group Bhd, IHH Healthcare Bhd, Malaysia Airports Holdings Bhd and UEM Sunrise Bhd. For further information on Khazanah, please visit www.khazanah.com.my.