

PRESS RELEASE

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CGIF guarantees Telcotech Ltd's KHR82,080 million floating-rate public bond

Manila, 19 January 2024 – The Credit Guarantee and Investment Facility ("CGIF"), a trust fund of the Asian Development Bank ("ADB"), is delighted to announce its support to a KHR 82,080 million 5-year floating-rate guaranteed public bond (the "Bond") issued by Telcotech Ltd. ("Telcotech"). Initially issued on December 29, 2023, the Bond has achieved a successful listing on the Cambodia Securities Exchange as of today.

This transaction signifies CGIF's continued commitment to Telcotech, following their initial bond issuance in 2021, and it represents the first time CGIF has guaranteed a floating-rate bond in Cambodia. The funds raised from this bond will be allocated towards enhancing Telcotech's network infrastructure.

Endorsed with a khAAA credit rating from RAC Rating, the Bond attracted full subscription predominantly from international investors. The bond was also issued under the ASEAN+3 Multi-Currency Bond Issuance Framework.

Royal Group Securities Plc. acted as the Financial Advisor and Underwriter for this transaction.

Mr. Hongwei Wang, Chief Executive Officer of CGIF, stated "We are delighted to offer our support to Telcotech for their second bond issuance. In Cambodia's bond market, which is currently in an early developmental phase, the presence of a recurrent issuer like Telcotech plays a crucial role in maintaining a steady flow of bond offerings. This is particularly important given the limited number of issuers in Cambodia's market. Furthermore, we perceive this transaction as a significant milestone for the Cambodian bond market, as it succeeds in drawing new offshore investors to the market, showcasing its growing appeal and potential."

Neak Oknha Kith Meng, Chairman of the Royal Group of Companies and Director of Telcotech, said "Telcotech, a leading Cambodian provider of connectivity, issued its first public bond to fuel growth and shape Cambodia's digital future. Backed by CGIF's guarantee, the bond offers investors a competitive advantage while supporting Telcotech ambitious goals. We see it as a vote of confidence in Indochina's connected future, inviting investors to back a company dedicated to a more prosperous, sustainable region. By supporting Telcotech, you're backing a

company committed to building a more connected, prosperous, and sustainable Indochina. I look forward to an increasing and expanding digital future enabled by this bond” stated Neak Okhna Kith Meng, Chairman of the Royal Group of Companies.”

H.E. Sou Socheat, Delegate of the Royal Government in charge as Director General of the Securities and Exchange Regulator of Cambodia (SERC), stated “As a securities regulator, SERC is delighted to witness the day-to-day rise of bond issuance in Cambodia in line with the gradual market demand. The 2nd bond issuance of Telcotech, which is also the 16th bond issuance in Cambodia since 2018, indicates the development and the attractiveness of Cambodia bond market to the issuers and investors including offshore issuers, and it also shows the Bond issuance has become more attractive to our local corporate in the last two years due to the numerous benefits for both issuers and investors comparing to other sources of fund and investment channel, especially for the guaranteed and rated bond like Telcotech. I applaud Telcotech and envisage that Cambodia will surely grow to be a market-driven environment for fundraising as we diversify and issue bonds that benefit issuers, investors, and ultimately our country. Last but not least, thanks to CGIF for being part of this development.”

Mr. Seng Chan Thoeun, Chief Executive Officer of Royal Group Securities Plc. stated “We are pleased to offer our exceptional expertise in capital raising, standing as the sole financial advisor and underwriter for the highly anticipated Telcotech Second Public Bond listed on the Cambodia Securities Exchange. The Bond has astoundingly captured the attention and participation of distinguished overseas investors, affirming the international recognition and credibility of Telcotech’s business operations. The presence of esteemed investors further emphasizes the unwavering confidence placed in Telcotech’s future prospects and the tremendous potential of Cambodia Capital Market.”

About CGIF

CGIF is a multilateral facility established by the Association of Southeast Asian Nations (“ASEAN”) members, China, Japan, Korea (“ASEAN+3”) and Asian Development Bank (“ADB”). It is established as a trust fund of ADB with paid-in capital of USD1.158 billion from its Contributors. As a key component of the Asian Bond Markets Initiative (“ABMI”), CGIF was established to develop and strengthen local currency and regional bond markets in the ASEAN+3 region. CGIF commenced its guarantee operations on 1 May 2012 and seeks to provide credit enhancements, mainly in local currencies, issued by credit worthy ASEAN+3-domiciled bond issuers.

Also, as a contributor to CGIF, ADB acts as the Secretariat to ABMI, and has long worked with ASEAN+3 policymakers to establish the ASEAN+3 Multi-Currency Bond Issuance Framework (“AMBIF”). The ABMI, CGIF, and AMBIF were established to support development of active long-term local currency bond markets so borrowers can avoid the currency and maturity bond mismatches that caused the 1997-1998 Asian Financial Crisis.

About Telcotech

Telcotech Ltd has been a Telecommunication Infrastructure and Associated Services Provider in Cambodia since 2007. It is a part of the Royal Group of Companies, a leading corporate conglomerate in Cambodia.

With a 30,000-kilometer-long fiber optic network, international connection, and submarine cable networks, Telcotech is one of the leading Telecom InfraCO in Cambodia. Telcotech is also a member of the Asia-America Gateway (AAG) & Malaysia-Cambodia-Thailand (MCT) Submarine Cable Consortiums. Telcotech implemented its quality-management systems and was granted the ISO 9001:2015 certification from the International Standards Organization as the first and only Telecom InfraCo in Cambodia then to achieve this global recognition.

By offering the most relevant and advanced technology through constant development and innovation, Telcotech's main goal is to support telecommunications carriers and large enterprises in pursuing improved customer services by providing superior, robust, simplified services and solutions.

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