

**ASIATIC GROUP (HOLDINGS) LIMITED**  
(Company Registration No: 200209290R)  
(Incorporated in the Republic of Singapore)

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**FILING OF NOTICE OF ARBITRATION**

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The Board of Directors of Asiatic Group (Holdings) Limited ("**Company**") wishes to announce that the Company's subsidiaries, Colben System Pte Ltd ("**Colben**") and Colben Energy Holdings (PPSEZ) Limited ("**CEZH**") have on 19 November 2020 commenced arbitration proceedings against Phnom Penh Special Economic Zone Plc ("**PPSEZ**") in respect of a dispute arising out of or in connection with a power plant project (the "**Project**") in the Phnom Penh Special Economic Zone, Cambodia (the "**Zone**"), which was jointly developed by Colben, CEZH and PPSEZ (the "**Arbitration**").

The Arbitration has been referred to the Singapore International Arbitration Centre and relates to the terms of the joint venture agreement entered into by Colben and PPSEZ in October 2006 (as amended in November 2007) in respect of the Project (the "**JVA**").

Under the Project, Colben and CEZH built, operate and maintain a heavy fuel oil fired power plant with an initial capacity of 15-megawatt within the Zone (the "**Power Plant**"), which is set up to provide stable and reliable power to companies located within the Zone (the "**Customers**").

The Power Plant principally provides back-up electricity supply to the Customers. It is the Company's position that, in breach of the JVA, PPSEZ instigated for revisions to the electricity tariffs. Subsequently, on 30 June 2020, the Electricity Authority of Cambodia ("**EAC**") revised the tariff rates that applied in the Zone and allowed the Customers to opt for the supply of electricity from the national grid source without the Power Plant's back-up feature. The latter significantly changed the Project's operational and business model. As a result, it is anticipated that the Company would suffer losses in the revenue generated by the Project (owing to those Customers that opt for the supply of electricity from the national grid source without the Power Plant's back-up feature).

Colben and CEZH are seeking relief in the Arbitration for a minimum of US\$14.41 million in damages (with any increase in damages to be assessed in due course). This amount represents Colben's and CEZH's loss in value of their shareholding in Colben Energy (Cambodia) PPSEZ Limited ("**CEZ**"), the joint venture company set up by CEZH and PPSEZ pursuant to the JVA, resulting from the anticipated loss in CEZ's revenue as described above.

The Company will provide an update when there are material developments in the Arbitration.

**By Order of the Board**

Tan Boon Kheng  
Managing Director

19 November 2020

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*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

*The contact person for the Sponsor is Ms. Gillian Goh, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.*

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