

## PRESS RELEASE

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### **CGIF supports Cambodia's first bond issuer from the education sector, CIA FIRST International School**

**Manila, 27 December 2023** – Credit Guarantee and Investment Facility ("CGIF"), a trust fund of the Asian Development Bank ("ADB") has guaranteed CIA FIRST International School Co. Ltd.'s ("CIA FIRST") debut corporate bond issuance, a five-year KHR41.25 billion fixed-rate amortizing bond ("Bond").

Founded in 2004, CIA FIRST is a leading K-12 private education provider which teaches dual-curricular syllabus through its three campuses in Phnom Penh, with a current student population of about 5,000 children. The Bond will fund the construction of a new campus which, once completed, will be CIA FIRST's fourth campus and will raise its enrollment capacity by another 1,500 students.

This is the first bond by an education provider in Cambodia, adding further diversity to the country's bond market, and increasing investment options to long-term institutional funds. It is also the first CGIF-guaranteed bond to be rated by the Rating Agency of Cambodia, which has given the Bond the highest rating of "khAAA".

Issued under the ASEAN+3 Multi-Currency Bond Issuance Framework, the Bond's sole Underwriter was Royal Group Securities Plc.

**Mr. Hongwei Wang, Chief Executive Officer of CGIF** stated, "CGIF is thrilled to support Cambodia's first issuer from its education sector. The education sector is strategically important to Cambodia's fast-growing economy and this issuance demonstrates that bonds are a viable funding option to finance ongoing investments within the sector. This Bond also showcases CGIF's commitment to continue developing and diversifying Cambodia's bond market."

**Oknha Dr. Trang Ly, Chairman of Board of Directors of CIA FIRST** stated, "The listing of this Bond for CIA FIRST marks a milestone in Cambodian K12 education, whereby investors and the private education sector align in the pursuit of capital for the growth and development of schools. This Bond represents an avenue for investors to support the expansion of private education within Cambodia in a collaborative, secure and professional manner. We at CIA FIRST are proud and grateful to have worked hand in hand with the SERC, CSX, CGIF, Royal Group

Securities, all market participants, and major financial institutional investors in making this Bond listing a reality, and we look forward to utilizing these investment funds in the expansion of our schools' portfolio."

**H.E. Sou Socheat, Delegate of the Royal Government in charge as Director General of the Securities and Exchange Regulator of Cambodia (SERC)** stated, "The listing of CIA FIRST is another milestone in securities sector as it is the first ever bond issuer from educational sector rated by our local credit rating firm, RAC and guaranteed by CGIF. As a regulator, every step we take, every regulation we make, reflects our end goal to develop an inclusive and sustainable capital market and build market confidence and transparency. In this development journey, CGIF has played very important role in providing guarantee and make our bond market as an attractive investment channel."

**Mr. Seng Chan Thoeun, Chief Executive Officer of Royal Group Securities Plc.** stated, "We are pleased to offer our expertise in capital raising by being the sole financial advisor and underwriter for the first education-sector bond issued by CIA FIRST. The school upholds the highest standards in all aspects of their operations, which has resulted in trust from students, parents, and other stakeholders. By adhering to Western Association of Schools and Colleges (WASC), an internationally recognized accreditation, and having qualified academic and management team, CIA FIRST is a leading K-12 education provider in Phnom Penh with promising potential growth. Although the education sector in Cambodia has experienced growth in recent years, it still requires significant investments to adapt to the latest technology trend and the growing middle-class families in Cambodia that need better education for their children. By tapping into the thriving bond markets in Cambodia, CIA FIRST is able to access financial resources that offer more flexibility, favourable cost of funds and conditions in the current market circumstances."

## **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 CIA FIRST International School Co., Ltd.**

CIA FIRST adheres to a rigorous and balanced American curriculum in Cambodia that is directly aligned with the AERO and the US Common Core standards, issued by the United States Department of Education. CIA FIRST has been accredited by the Western Association of Schools and Colleges (WASC) for grades PK–12. The Ministry of Education, Youth and Sport also gave authorization for their international high school diploma to be officially recognized as equivalent to the National Grade 12 Khmer curriculum diploma.

The school provides 21 Advanced Placement Courses (AP Courses) for students of grades 10 to 12 in their preparation for higher education institutions. Students with AP courses will have more chances of admission to the world’s most prestigious universities in the US, Europe, Australia, and better chances for scholarship nomination. The Capstone Diploma is also offered, which makes CIA FIRST the first and only school in Cambodia to be approved to run the Capstone Diploma, giving students a university-like experience of writing a research paper in high school, therefore bolstering their chances of gaining acceptance to the world’s most prestigious universities.

Over 90% of high school graduates from CIA FIRST have been able to pursue their higher education in the USA, Canada, United Kingdom, Australia, and New Zealand.

### **CGIF Media & Guarantee Enquiries**

Guarantee Enquiries: [guarantee\\_enquiries@cgif-abmi.org](mailto:guarantee_enquiries@cgif-abmi.org)

Media Enquiries: [media@cgif-abmi.org](mailto:media@cgif-abmi.org)

+63 2 5322 7001

+63 919 087 1159

CGIF Website: [www.cgif-abmi.org](http://www.cgif-abmi.org)