

HTP INKS \$63 MILLION NATURAL GAS MOU
Ho Tram Strip becomes pioneer in cleaner and greener energy



*Mr. Do Pham Hong Minh, Deputy PetroVietnam Low Pressure Gas Distribution JSC;
Mr. Michael Kelly (right), Executive Chairman, Ho Tram Project Company*

29 June 2017, Ho Tram, Vietnam: The Ho Tram Project Company (HTP) and PetroVietnam Low Pressure Gas Distribution Joint Stock Company (PVGasD) today inked a Memorandum of Understanding that will see the Ho Tram Strip move to cleaner, greener and more efficient power within the next 15 months.

The US\$63 million (net present value) investment will be deployed on a BOO (Build-Own-Operate) model, which will see a power station built within the existing Central Plant Building on the company's 164 hectare site.

"With our signing today, we become the first tourism developer in Vietnam to fully switch to self-generated, greener energy sources. This pioneering move sees us invest in a natural-gas fueled plant that will emit less than half of the carbon dioxide and significantly less harmful particulates and Carbon Monoxide than coal powered systems," said HTP's Executive Chairman Mr. Michael Kelly.

Climate-scientists estimate that natural gas emits 50 to 60 percent less carbon dioxide (CO₂) when combusted in a new, efficient natural gas power plant compared with emissions from a typical new coal plant. They note also that natural gas from a modern facility that minimizes methane emissions burn significantly cleaner than other fossil fuels, releasing negligible dangerous chemicals into the environment.

"Our 15 year agreement will provide cleaner-energy for our 1100 room The Grand and Beach Club resorts, supply all of the requirements for The Bluffs golf course including its Gallery Villas, and in future can be expanded to include the newly announced Kahuna condotel, and future facilities including the second integrated resort, additional resorts and entertainment amenities including the forthcoming amphitheater and waterpark," Mr. Kelly said.



“This plant will see a significant decrease in both our reliance upon Vietnam’s grid and our carbon footprint. This transition to our own power station via the state of the art technology that PVGasD is deploying sees us able to efficiently use the by-product of electricity generation – heat - to supply hot water for the resorts, but also through harvesting residual energy, it will supply us with cool water for use in the air conditioning systems.”

Switching to its own ‘COGEN’ (co-generated) power system is set to revolutionize the way in which large integrated companies' source their power in Vietnam. Cogeneration systems, also known as combined heat and power systems, generate both electricity and usable thermal energy. Instead of losing heat energy during the power generation process, Cogen systems re-use the thermal energy for a more efficient and environmentally friendly power source.

“We are extremely excited to be partnering with the Ho Tram Strip on a development that will power this project for decades to come with a reliable, scalable and environmentally friendly source with capacity of 7 megawatts of power together with 2000 refrigeration tons. This is the first project of its kind to be built at a tourism development such as this, and represents a pioneering move into the way in which enterprises are adopting greener energy solution,” said Mr Do Pham Hong Minh, PVGasD Deputy Director.

Build out is expected to commence later this year, and the plant is projected to fire-up for the first time in late 2018.

The Ho Tram Strip is the first resort complex in the nation to cooperate with a Vietnamese Company on such a power station and is leading its peers in technology.

The US\$63 million investment comes hot-on-the-heels of HTP’s Kahuna condotel preview, itself a US\$60 million commitment to the nation. To date, HTP parent company ACDL has current and forward-deployed over US\$1.1 billion in Vietnam.

The company’s commitment to the nation has seen a flurry of activity in the past few months, with new amenities added to The Grand including restaurant refurbishments and the addition of a spectacular fountain show, both set to go-live in a matter of weeks. Meanwhile the 559-room second Grand Tower, dubbed The Beach Club, is reaching for the skies at present. Construction on the 12th floor is well underway, with the building set to top-out in September ahead of a 12-month interior fit-out for a target opening date around October 2018. Meanwhile, at The Bluffs, numerous Gallery Villas are under construction. The company is also well into the approval processes for the development of a charter airport on a site near the Strip.

HTP recently became the first company in the country to apply to host a pilot program for local gaming, following the government’s decision to legalize casino gaming for Vietnamese nationals. It had previously led the pilot for foreigner-only gaming, and at present is the only site in Vietnam able to offer an international standard gaming environment for local play.

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About The Ho Tram Strip:

With over USD 1 billion in current and forward-deployed capital, The Ho Tram Strip is the largest foreign invested tourism development undertaken in Vietnam, and among the largest private equity investments into the country from the United States.



The Ho Tram Project Company, a wholly owned subsidiary of Asian Coast Development Limited, leads the development of the Ho Tram Strip, which includes The Grand - a 541-room five-star integrated resort; The Bluffs – a Greg Norman Designed Championship golf course currently ranked by Golf Digest in the World's Top 100 Courses; Gallery Villas - a series of residential villas.

Ongoing construction includes the 559-room second Grand tower – dubbed The Beach Club – which will further expand the entertainment and hospitality amenities available at the resort.

In addition, a villa development and condotel named Kahuna Ho Tram Strip was launched in June 2017 on the site adjacent to The Grand's site on the 2.2-kilometer beachfront development.

Beyond its many business activities, the company is also deeply involved in several corporate social responsibility projects in Ba Ria-Vung Tau, including efforts that support disadvantaged families and partnerships with vocational schools to provide opportunities for local students in the field of hospitality management.

Media Contact

Matterhorn Communications for Asian Coast Development Limited

Matthew Underwood
+84 908 658 893
matt@matcomvn.com

Nguyen Thi Diem Ha
+84 908 184 100
ha.nguyen@matcomvn.com