

KIND

NEWSLETTER

Spring Edition
April 2021 Vol.9

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Cameroon



Limbe Gas-fired Thermal Power Plant Project



Qatar



Schools PPP Package 3 Project



Indonesia



Bekasi SMART Industrial Complex Development Project



2021 KIND Feasibility Study(F/S) Support Program Kicks-Off

It's the 3rd year of F/S Support Program and the studies for 5 selected projects commence this April

- See Page 4 for more details

Uganda



Kampala~Jinja Expressway PPP project

Bangladesh



Meghna Bridge Project



A Special Purpose Company (SPC) for Port Logistics Facility in Indonesia is to be Established

KIND, Busan Port Authority, and a local partner (PT PK) submitted the documents required for incorporation of an SPC for the Port Logistics Facility in Indonesia to BKPM (Badan Koordinasi Penanaman Modal). The name of the newly established SPC is PT PILC (Probolinggo Logistics Center).

PT PILC proposes to acquire warehousing and transportation licenses and establish a port stevedoring business as a subsidiary. Next, the SPC plans to sign a land purchase contract and buy trucks. Sales activities begin in the second half of this year, starting with cargo transportation. In the long term, the company is expected to expand its logistics network to unloading, transportation, and storage businesses in the Probolinggo port area. With Busan Port Authority, the company expects to support the logistics efficiency of Korean companies between Busan and Indonesia.



Trucking Business



Cargo Handling

International Affairs and G2G Networks



A Video Conference between KIND & Infrastructure Asia, March 2021

KIND reaches out to establish further network and cooperation with global institutions

The International Affairs Team of Program Management Department has been busy contacting and discussing with global PPP and infrastructure institutions for further networking and cooperation.

Some examples of the established relationships include those with Infrastructure Asia of Singapore, the National Agency of Infrastructure and Privatization of the Republic (NAIP) of Belarus, Kazakhstan Project Preparation Fund (KPPF) of Kazakhstan. The team is also busy preparing for a business trip to its partner countries this coming May and June, after the invitation of each institution.

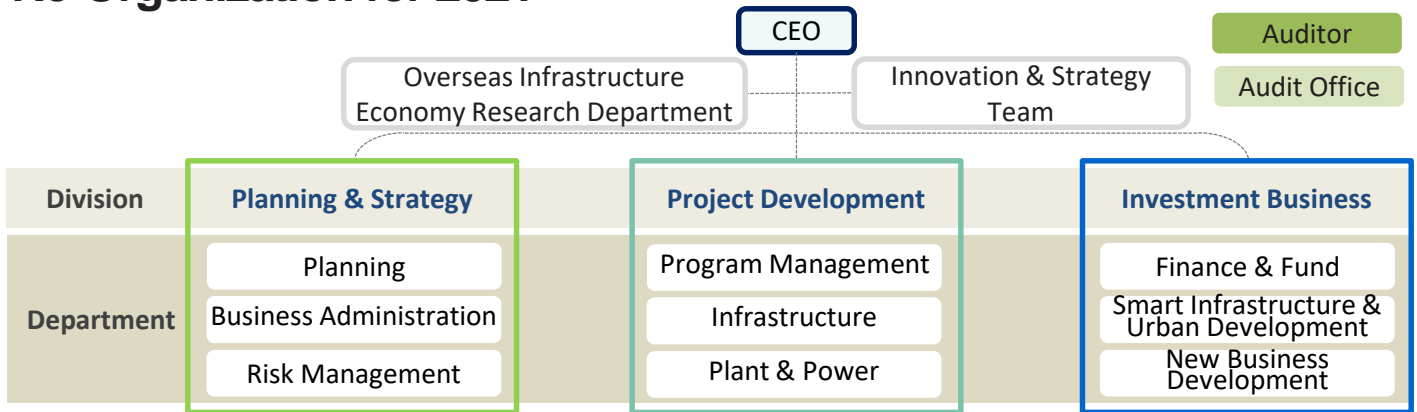
Guadalupe Solar Power Project in Chile is Going Smoothly

Last February, KIND and other sponsors injected 100% of the capital promised for the 6.59MW Guadalupe Solar Power Project in Chile. To support a Korean renewable energy company (S-Power) and the state-run power generation company (KHNP) entering overseas markets, the board of directors approved the investment plan for the project in June 2020, and the construction is now smoothly underway intending to complete in this June. KHNP, KIND, and S-Power are respectively investing 60%, 30%, and 10% of the total equity. S-Power, which specializes in the solar power generation business in Korea, will be in charge of the construction and operation of the solar power plant.



Site Grading Work on the Site of a Guadalupe Solar Power Plant in Progress, a Shot Taken on 15 March

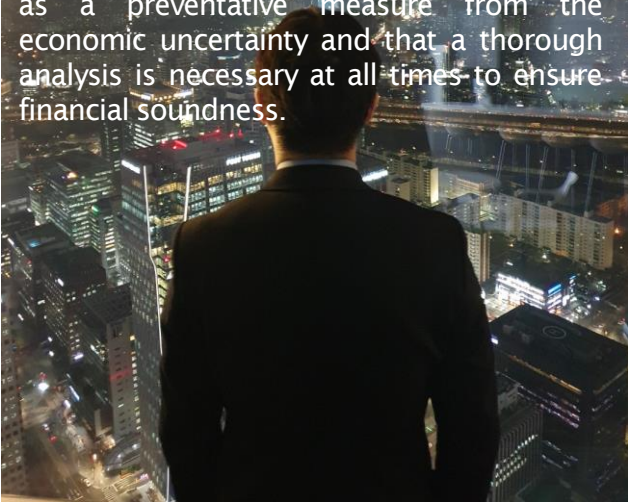
Re-Organization for 2021



This year, KIND has restructured the entire organization and there are three major improvements to our organization to strengthen the professional specialty as a developer of infrastructure projects: ① New establishment of the ‘Risk management department’ to operate the integrated investment-related deliberation; ② Consolidation of the ‘Finance department’ and the ‘Fund department’ to maximize their synergy in financial advisory service and GIF, PIS fund investment; ③ Department of the planning department from the business administration department to focus its work for developing and planning of KIND Vision 2030.

The Establishment of Risk Management Department

Through the reshuffle, the risk management department has been organized into a separate body. The restructuring was made to unify and streamline the decision-making process of internal investment committees and design and execute the enterprise risk management. The change will allow KIND to strengthen its prowess in overseas infrastructure investment, gaining a foothold as the leading PPP developer on the global stage. Mr. Kyong-goo Hur, the CEO of KIND remarked that a continuous effort for risk management must be taken as a preventative measure from the economic uncertainty and that a thorough analysis is necessary at all times to ensure financial soundness.



KIND Welcomes 10 Newcomers

10 new employees officially joined KIND on 1 February after a thorough process of recruiting. A welcoming ceremony for the new recruits was held at the Brookfield Hall, IFC. The newcomers consist of experienced senior professionals and fresh graduates from universities. Mr. Kyong-goo Hur, the CEO of KIND greeted the newcomers with warm remarks and encouraged the experienced recruits to create synergy by combining their knowledge and experiences in various fields. He also congratulated junior recruits who passed a high competition rate of 96:1. He finally emphasized the value of cooperation among employees to achieve the vision of KIND. Newly placed on each division and department, newcomers embarked on a new journey.



New Recruits and KIND Executives Posing at Welcome Ceremony, February 2021

Five(5) Projects to be Studied in the 3rd Year of 2021 KIND F/S Support Program

Commissioned by the Ministry of Land, Infrastructure, and Transport(MOLIT) of Korea, KIND has been supporting Feasibility Studies(F/S) of promising projects since 2018. The year 2021 marks the 3rd year of the program and 5 projects that were selected out of a total of twenty projects submitted to an open call last year would be supported. Currently, a competitive bid for external consultants is ongoing and the F/S for the selected projects would commence once the consultants are nominated. The F/S results will be shared with the project proposers.

PIS Fund's First Investment: Finnish Power Distribution Company

PIS fund was established in the 4Q of 2020 to support overseas projects in Plant, Infrastructure, Smart city sectors that are conducted by Korean companies. The Proposal-Based fund("PB fund"), one of the sub-funds of the PIS fund were utilized to acquire Caruna Networks, the largest power distributor in Finland, and marked the first investment of the PIS fund. Since the power distribution business in Finland is a regulatory asset, KIND expects to receive stable dividends from this investment. Also, as it was a co-investment with Kohlberg Kravis Roberts(KKR), an American global investment institution, KIND expects to seek more investments in partnership with KKR.



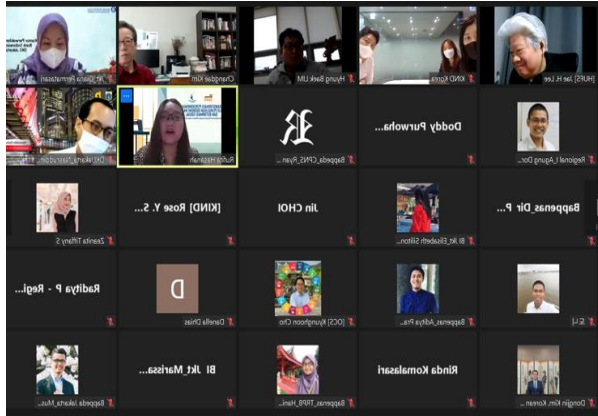
Economic Housing Development in the Philippines

KIND and Saekyung are now developing an economic housing project of more than 3,000 units in Lapu-Lapu City, Cebu province, Philippines. Cebu is a very attractive tourist site and shows high population growth. Besides, a long-term mortgage program (PAG-IBIG) and remittance from Overseas Filipino Workers(OFW) are increasing housing demands in the region. Although Saekyung is a small and medium-sized enterprise, it has expertise in the housing business and has provided the largest number of housing in the Cebu region. Acknowledging such expertise, KIND selected the project in the 2020 F/S Support Program and invested in the project development. It marked the first case of KIND's investment after the F/S support. Following the New Southern Policy of the Korean government, KIND intends to further expand its investments to ASEAN countries.

K-City Network: 2021 K-City Network Program Orientation

KIND co-hosted "the 2021 K-City Network Program Orientation" with Korea Agency for Infrastructure Technology Advancement(KAIA) and live-streamed the event on its YouTube channel at 2 pm, 22 March. This year, KIND is in charge of "the Smart City Planning Program" out of three K-City Network Programs: Smart City Planning; Smart Solution Planning; and Smart Solution Demonstration. As a K-City Network Secretariat, KIND is receiving applications from foreign national and local governments and would select the projects to support a concept plan, a master plan, or a feasibility study. At the online program orientation, Mr. Kyong-goo Hur, the CEO of KIND commented that "the 2021 K-City Network Program Orientation is a good opportunity for KIND to share the successful results of KCN Program last year and encourage foreign governments to apply for the program." He also added that "KIND is planning to develop a concept plan or a master plan as a remarkable precedent for global PPP business."

KIND and BAPPENAS Working Together for Indonesia's New Capital



A Video Conference between KIND and BAPPENAS

Through near-daily discussions, plans to build the new capital city are getting into shape

Many ideas were suggested to tackle difficulties caused by COVID-19 and the Focus Group Discussion was one great idea from BAPPENAS. The new capital project is at the very early stage and most parts remain unaware even to the majority of BAPPENAS staff. Focus Group Discussions were good opportunities for both Korean teams and BAPPENAS staff to learn more about the crucial project. Each time, around 40 participants showed up and actively exchanged their opinions and Q&As. Throughout such creative sessions, both Korean and Indonesian sides gather up almost every day to discuss the new capital project and the plan is gradually getting into good shape.

KIND Delegation Makes a Business Trip to Bangladesh Next Quarter

The Bangladesh-Korea Joint PPP Platform between the Public-Private Partnership Authority (PPPA) and KIND is one of the most remarkable G2G cooperation schemes. In order to further develop the platform and the confirmed infrastructure projects in Bangladesh, KIND delegation consisting of members from Program Management Department and Infrastructure Development Division plans to make a business trip to

Bangladesh in the next quarter. Also accompanied by delegates from Korea Expressway Corporation, Hyundai E&C, SK E&C, GS E&C, Daewoo E&C, and Samsung C&T, the schedule would be full of valuable meetings with the government counterparties from PPPA, RHD, BR, BBA, and MPMR with DESCO and PGCB.



Bangladesh-Korea Joint PPP Platform Scheme

Korea-Africa (Kenya) Infrastructure Cooperation Center

Africa's Sustainable PPP and a Bridgehead for Growth

Republic of Kenya is a hub for business in East and Central Africa and is known as a gateway to Africa. Beginning of this year, Kenya promoted new plans for its PPP projects through legal and institutional reforms. In July 2019, the Ministry of Land, Infrastructure, and Transport (MOLIT) of the Republic of Korea and KIND established the Korea-Africa (Kenya) Infrastructure Cooperation Center ("KIND Africa") in Nairobi. KIND Africa plays a bridging role between the Korean government, the Kenya government, and other African Countries in the process of developing projects. KIND Africa is actively establishing networks with infrastructure-related organizations such as the Trade and Development Bank (TDB) and the Ministry of Transport, Infrastructure, Housing, Urban Development. KIND Africa is building the basis for participating in the African infrastructure market by informing Korean investors and contractors about it through proposing the F/S of PPP Projects and investigating the project development status of MDB/DFIs in East Africa.

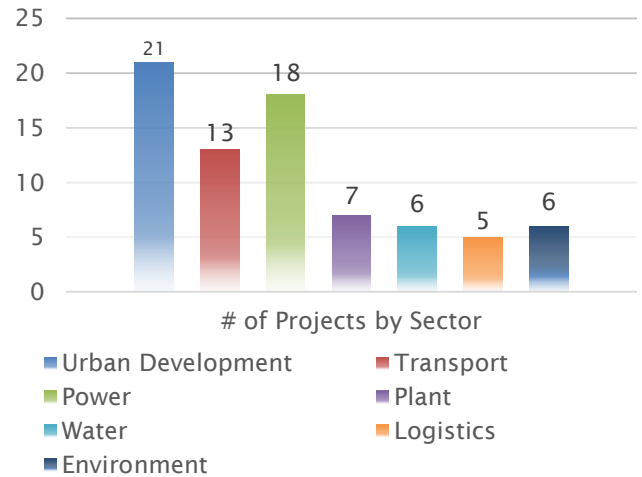
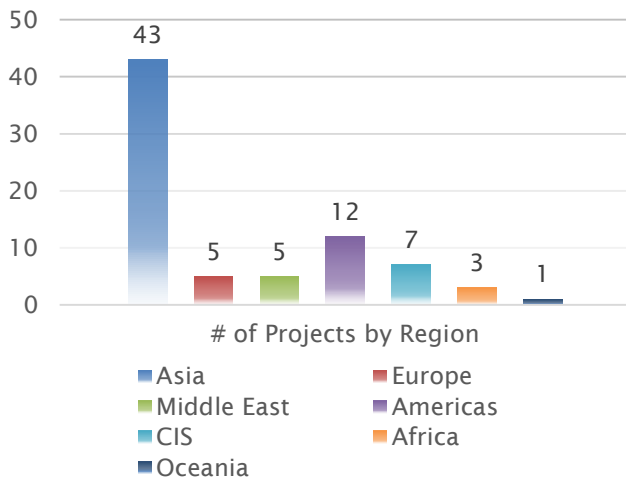


TDB – KIND Signing Ceremony

KIND's Committed Investments: 11 Projects

Project	Date	Commitment	Status
Kazakh Almaty Ring road PPP	'18. 4Q	\$ 15.0M	Financial Closing Completed
Chile Talca Solar Power	'18. 4Q	\$ 6.5M	Operation
Poland Polimery Police PDH/PP plant	'19. 2Q	\$ 57.0M	Construction
Chile Maria Pinto Solar Power	'19. 4Q	\$ 3.5M	Working for financial closing
Nepal UT-1 Hydropower	'20. 2Q	\$ 55.1M	Working for financial closing
Chile Guadalupe Solar Power	'20. 2Q	\$ 3.8M	Construction
Vietnam Hung Yen Industrial Park	'20. 4Q	\$ 4.6M	Working for financial closing
Vietnam Ecopark Township	'20. 4Q	\$ 48.3M	Working for financial closing
Indonesia Probolinggo Port	'20. 4Q	\$ 1.2M	Working for financial closing
Two power tenders - Central Asia	'21. 1Q	\$ 40.6M	Under bidding process
Total		\$ 235.6M	

KIND Deal Pipeline: Total 76 Projects



Project, Infrastructure, and Smart City (PIS) Fund

Fund	Plant	Infrastructure	Smart city	Proposal-based
Fund Size	KRW 210 Bil.	KRW 450 Bil.	KRW 240 Bil.	KRW 200 Bil.
Investor	PIS Fund of funds and other financial investors			
Vintage	2020	2020	2020	2020
Manager	Hanwha Asset Mgt.	KIAMCO	Korea Investment Mgt.	Samsung Asset Mgt.
Investment	On-going	On-going	On-going	On-going

Global Infrastructure Fund

Fund	GIF 1	GIF 2	GIF 3	GIF 4	GIF 5	GIF 6	GIF 7
Investors	KIND and others						
Fund Size (KIND Share)	KRW 50 Bil (67%)	KRW 80 Bil (44%)	KRW 123 Bil (54%)	KRW 65 Bil (47%)	KRW 110 Bil (45%)	KRW 110 Bil (45%)	KRW 102 Bil (10%)
Vintage	2015	2011	2016	2017	2019	2019	2019
Manager	KIAMCO	Shinhan	KIAMCO	KIAMCO	KB Asset Mgt.	KB Asset Mgt.	Shinhan
Investment	Completed	Completed	Completed	On-going	On-going	On-going	On-Going

Program Management Department

Signing New MOUs

KIND plans to actively prepare and sign a series of new Memorandum of Understandings (MOUs) with distinguished counterparties. Some of the MOU signings planned in the next quarter include that with the Investment Office of the Presidency of the Republic of Turkey, and with the National Agency of Infrastructure and Privatization of the Republic (NAIP) of Belarus. We are very proud to lay the foundation for more cooperation among the respective institutions and hope these efforts would lead to further development of overseas projects.



Infrastructure & Plant Project Department

Logistics Center Construction

The construction of a logistics center in Indonesia is to commence in the next quarter. PT PILC plans to sign an EPC contract for a 12,000m² warehouse and a 13,000m² outdoor storage. Site clearing will begin with the design this April, and the construction of the logistics center would be completed early next year.

Plant & Power Project Department

Poland PDH/PP Reached F/C

On 25 February 2021, the Poland Polimery Police PDH/PP Plant Project received a confirmation that the conditions precedent under the Senior Facilities Agreement had been fulfilled. All the process to procure debt financing has been completed and the project would move on to the next stage.

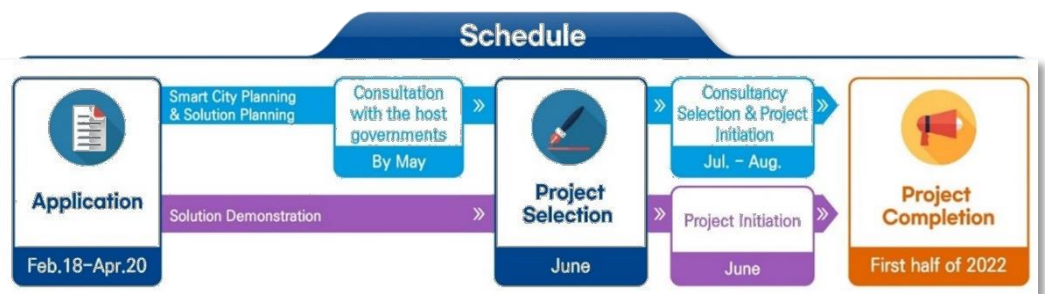
Smart Infrastructure & Urban Development Department

F/S

KIND continues to support the F/S of viable projects. We have started accepting applications for the 2nd 2021 F/S Support Program and through the project selection process that starts in April, we plan to select about 7-8 projects and support their F/S throughout the 2nd half of the year 2021.

K-City Network

KIND has also started accepting applications for the selection of the next K-City Network support. A detailed schedule of the selection and the support procedure is as below.



EIPP

Field Trip/Seminars in Korea During Ramadan & Eid

The Economic Innovation Partnership Program(EIPP) with Indonesia is preparing very important and well-anticipated sessions in the coming months. The sessions include inviting the partner country's government staff to field trips in Korea, holding constructive seminars, and managing mid-term reporting sessions. Those sessions are planned to take place from May to July in Korea. The final schedules will be announced after reflecting the availabilities of BAPPENAS staff members and the COVID-19 situations in both Korea and Indonesia. KIND EIPP team will do our best to prepare for the upcoming events during Ramadan and the Eid al-Fitr period of Indonesia. We sincerely hope that situations will allow us to have these meaningful events – Alhamdulillah*!

* Arabic phrase meaning "Thank God" or "Thanks to God"

[NEW APPOINTMENTS] Overseas Infra. Cooperation Center**Ms. Kyehee Ham, Vietnam**

Xin chào.

I am grateful to be assigned as the Chief Representative of the Center in Vietnam where the KIND is strategically focusing on and infrastructure and urban development projects are actively underway. With the aim of diversifying our business portfolio and expanding business networks such as local and international developers and local agencies to go with, I will carefully listen to the market voice and actively work on project developments. The doors of the Center are always open to any project opportunities at any time. Cám ơn.

Mr. Seunghwan Lee, Indonesia

First of all, it's my honor to be appointed as the Chief Representative of the Center in Indonesia. Indeed, there are a lot of opportunities to develop infrastructure projects in Indonesia and the Indonesian market is an important cornerstone of our strategy. After taking over the duty, I'm planned to search for viable and bankable projects through expanding the partnership with local agencies and business entities and develop them with capable local/International/Korean partners together. KIND Indonesian center always welcomes project partners and supports you actively and positively with our best.

**[VOICE OUTSIDE] Betül Kantarman,
Ministry of Treasury and Finance of Turkey**

In March 2021, KIND hosted an internship for foreign public officials.

Ms. Kantarman serves as a Treasury and Finance Expert in Turkey. Welcome!

Q. Could you give us a brief introduction about yourself and your work?

A. I have been working at the Ministry of Treasury and Finance since 2015. I have worked at different international relations departments and currently am working at Public-Private Partnership Department under the General Directorate of Foreign Economic Relations. We are responsible for feasibility assessment, prioritization, financial modeling, financial closure, and follow-up processes of PPP projects. Furthermore, our department assists the credit enhancement tools to ease the financing of the PPP projects. We have various infrastructure projects in our portfolio. Korea has been our partner in some of the biggest PPP projects in Turkey like the Eurasia Tunnel and Canakkale Motorway Projects.

Q. What brought you to the MIPD program?

A. As a developing country Turkey has an ambitious agenda to improve infrastructure development. MIPD program has a unique structure to support the government officials in the area with the long-lasting partnership with governmental organizations like Seoul Metropolitan Government, MOLIT, and KIND. It is structured to provide a platform to learn from Korea's experience in the sector. It also provides a professional network around the world for collaboration.

Q. What do you think about KIND?

A. Even though it is a young establishment, it already has gained recognition in the international arena with its active involvement throughout the project cycle in infrastructure and urban development. It is a mutually beneficial platform for governments. I believe it will be a part of more success stories in the future.

Q. Any last remarks?

A. I would like to thank KIND for their kind invitation and for sharing their experiences with me. I hope we will be able to cooperate more often on prospective PPP projects in Turkey.

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