

KIND NEWSLETTER

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MOU Signing Ceremony

for Urban Development in Kota Harapan Indah, West Java



Mar. 9, 2023



‘One Team Korea’s Visit to Indonesia for ‘New City Cooperation Forum’

From March 15-19, CEO Kang-hoon Lee embarked on a business trip to Indonesia alongside Minister of Land, Infrastructure and Transport Hee-ryong Won. They attended "Korean-Indonesian New City Cooperation Forum," engaged in high-level talks with Indonesian officials, and strengthened cooperation in the field of infrastructure.

Indonesia as one of KIND's key strategic countries, is also a target country for the EIPP and its importance is expected to expand. As the infrastructure market is showing signs of a resurgence, with the new capital city development project in Indonesia poised to receive renewed momentum.

During the "Korean-Indonesian New City Cooperation Forum," KIND and Indonesian state-owned financial institution PT Danareksa signed an MOU to lay the foundation for mutual cooperation in infrastructure and urban development projects. Furthermore, CEO Kang-hoon Lee reaffirmed the commitment of both Korea and Indonesia to enhance their mutual cooperation in infrastructure investment and development through meetings with various high-ranking Indonesian government officials, including the Minister of Public Works and Housing, the Minister of the New Capital City, and the Minister of Transportation.

The development of Indonesia's new capital city represents a mega-project that requires large-scale construction and funding. CEO Kang-hoon Lee and Minister Hee-ryong Won visited the development site to demonstrate KIND's unwavering commitment to support and advance the project.



Signing of MOU for Cooperation on Overseas Infrastructure and UAM

In January, KIND signed a Memorandum of Understanding (MOU) with CSCEC International Corporations for mutual cooperation in overseas infrastructure.

The MOU covers comprehensive cooperation in the field of overseas infrastructure, including joint project development and business information exchange, and the two companies plan to promote mutual cooperation in the field of high-speed rail by sharing information from the initial stage of the project and seeking collaboration on specific projects in the future.

In addition, in March, KIND signed an MOU with Daewoo E&C to promote the overseas expansion of Urban Air Mobility (UAM). The two companies will work together to collect information on overseas UAM market entry, identify promising projects, and jointly promote UAM-related businesses.

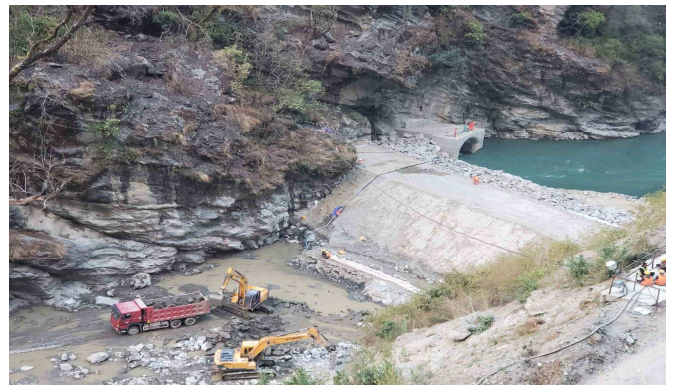


UT-1 Project Completed its Diversion Tunnel Construction

Nepal's Upper Trishuli (UT)-1 hydroelectric power plant, which is being developed jointly by Korea Southeast Power Co. and IFC, completed a water conversion facility, one of the construction milestone processes, on February 28. Through this event, the construction of this dam, one of the core business processes, can be set to start.

KIND participated in the project in 2019 in order to revive the project after the suspension of participation by Korean construction companies. After the financial closure in October 2022, the overall process rate of this project, which is undergoing smooth construction, is about 14%, with the goal of its completion by December 2026.

Through this project, clean energy can be supplied to 3 million people in Nepal, and the Nepalese government has reduced its dependence on imported energy. This project has a facility capacity of 216 MW and consists of dams, underground power plants, and waterways.



Middle East Coming Closer, Saudi NCP's Second Visit to Korea

The National Center for Privatization (NCP), which oversees PPP projects under the Saudi Ministry of Finance, visited Korea from March 7 to 11.

During this visit, NCP visited the headquarters of KIND, Samsung C&T, and Hyundai Engineering & Construction, etc. to promote the organization and seek cooperation from Korean companies to actively participate in the projects.

On March 8, NCP hosted a large-scale roundtable event at the Four Seasons Hotel in Seoul, Korea, inviting public and private construction companies to introduce their PPP systems and private investment projects in general, and request Korean companies to actively participate.



The event was attended by the Korean Minister of Land, Infrastructure, and Transport and the Saudi Minister of Finance, as well as the Saudi Ambassador to Korea, showing how active they are in forming partnerships as government-level partners in infrastructure projects.

MOU Signing with Local City Government for 'K-Loay Friendship City Project'

On February 28, KIND signed an MOU for cooperation with the local government(Municipality of Loay) to promote the first phase of the Bohol Resort Development Project (also called as "K-Loay Friendship City) in the Philippines. The signing ceremony was held at Loay City Hall, and was attended by about 30 people, including Byung-chul Won, Executive Vice President of KIND, major local figures, and executives and employees of related companies.

Through this trip, the KIND delegation checked the business site and surrounding environment, and agreed to establish a close cooperative relationship with the local government for the development of "K-Loay Friendship City". Loay City is an area with great potential for growth due to its many famous tourist attractions and beautiful surroundings. KIND will continue to review and support the project for the expansion of Korean companies' overseas business and the development of local regions with the creation of employment.



ESG Management Declaration Ceremony Held

On March 21st, KIND hosted an ESG management declaration ceremony with executives and employees. During the event, KIND shared its ESG management strategies. The ceremony ended with the signing of the declaration by KIND executives and worker representatives, under the slogan "Leap to Global Developer by Realizing ESG."

The ESG management declaration includes △ strengthening ESG capabilities among executives and employees, △ carbon neutral efforts such as the creation of an eco-friendly business investment environment, △ shared growth with stakeholders, △ the establishment of transparent governance, and mutual respect labor-management relations. In the previous year, KIND established a department dedicated to promoting ESG management and also formed an ESG committee and a ESG promotion team.

This year, KIND plans to share and practice 10 ESG promises in their lives as well as provide internalization education to form a consensus on ESG management.

At the declaration ceremony, President Kang-hoon Lee said, "It is time to make efforts to link all tasks to ESG values, from small practices in daily life, and we will spare no support for ESG management."



2022/23 EIPP Launching Seminar Held in Indonesia

On March 14, KIND held a Launching Seminar for the 3rd year of EIPP in Jakarta, Indonesia. KIND, KDI, and government officials from related ministries in Indonesia, including Bappenas and IKN Authority attended. Gi-chul Jeong, executive director of KIND, gave the opening remarks, followed by responses from Kota Samarinda, Vice Minister of Bappenas and Mia Amalia, Deputy of IKN Authority.

During the Seminar, each EIPP project manager presented the details of study plans. After receiving reports, participants had an active discussion on how to carry out tasks. Seminar enhanced cooperation between Korea and Indonesia for the successful construction of the new capital of Indonesia.

In-depth Study will be conducted in May, followed by an Interim Reporting and Policy Practitioners' Workshop in July. The Final Reporting will be held in September, and the 3rd year of the EIPP projects will be completed in October. Through this year's EIPP projects, KIND will support the relocation of the Indonesian capital while laying the groundwork for Korean companies to enter Indonesia.

NO.	Projects
EIPP#1	IKN Funding Plan Phase 3, Planning of Smart City Investment for IKN
EIPP#2	New Initiative of Regional Development Plan for Neighboring Cities/Areas to Support the Nusantara New Capital City
EIPP#3	IKN Energy Transition Implementation Plan Phase 1, Pre-feasibility Study for Solar Power Plants in East Kalimantan
EIPP#4	Pre-feasibility Study for Kariangau Industrial Estate
EIPP#5	Details of Masterplan and Siteplan for Industrial Estate in Buluminung

KIND's New Leadership

A retirement ceremony for Han-gyu Lim, former Executive Vice President of Project Development Division, was held on January 27. Based on his rich experiences as a first-generation developer, he paved the way for KIND to become a specialized corporation for overseas infrastructure and urban development projects. The employees delivered their farewells and a video filled with memories of his time at KIND, hoping he can enjoy a happy second act of life pursuing his passions and dreams.

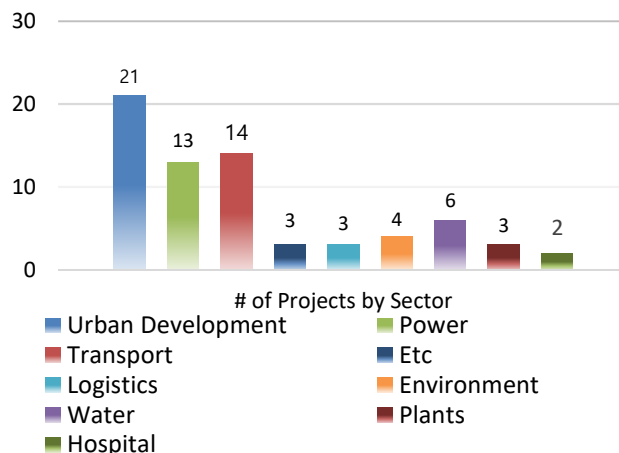
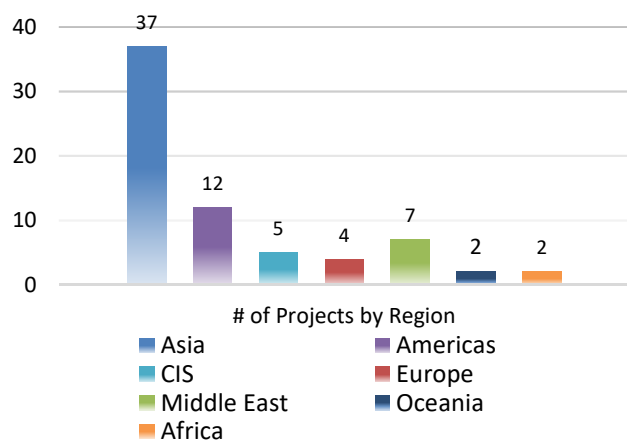
Following the retirement, on January 30, Byung-chul Won, new Executive Vice President of Project Development Division, joined KIND's leadership. He has worked in policy finance sector at Korea Export-Import Bank over 30 years and gained experience as an overseas infrastructure and urban development expert. He also worked at asset management companies and now plans to lead KIND's second leap forward. The newly-appointed executive expressed his intention to actively support KIND's role as a leader of Team Korea by winning investment opportunities and expanding participation in overseas PPP projects.



KIND's Committed Investment : 20

Project	Time	Commitment	Status
Kazakh Almaty Ring Road PPP	'18.4Q	\$ 15.0M	Constructing
Chile Talca Solar Power	'18.4Q	\$ 6.5M	Operating
Poland Polimery Police PDH/PP plant	'19.2Q	\$ 57.0M	Constructing
Chile Maria Pinto Solar Power	'19.4Q	\$ 3.5M	Working for financial closing
Nepal UT-1 Hydropower	'20.2Q	\$ 55.1M	Constructing
Chile Guadalupe Solar Power	'20.2Q	\$ 3.8M	Constructing
Vietnam Hung Yen Industrial Park	'20.4Q	\$ 3.8M	Constructing
Indonesia Probolingo Port	'20.4Q	\$ 1.2M	Working for financial closing
Saudi Arabia Tanajib CHP Plant	'21.2Q	\$ 17.0M	Constructing
Vietnam Hanoi Social Housing	'21.3Q	\$ 4.6M	Working for financial closing
Pakistan Lower Spat Gah Hydropower	'21.4Q	\$ 70.0M	Working for financial closing
U.S.A. Chicago Hotel	'21.4Q	\$ 11.6M	Working for financial closing
Equity Investment in Chile PMGD Portfolio Solar Powers	'21.4Q	\$ 6.3M	Constructing
Fund Investment in Chile PMGD Portfolio Solar Powers	'21.4Q	\$ 10.2M	Constructing, Operating
Indonesia Karian Water Treatment	'21.4Q	\$ 5.5M	Working for financial closing
Philippines Cebu Affordable Housing	'22.1Q	\$ 10.2M	Working for financial closing
U.S.A. Trumbull Gas Combined Cycle Power Plant	'22.1Q	\$ 75.1M	Constructing
Middle East Utilities Project	'22.2Q	\$ 29.5M	Working for financial closing
Latin America Combined Cycle Power Plant	'22.3Q	\$ 67.8M	Working for financial closing
Malaysia Pengerang Energy Complex	'22.4Q	\$ 25.0M	Working for financial closing
Total		\$ 478.7M	

KIND Deal Pipeline: 69 Projects



Plant, 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 AM	KIAMCO	Korea Investment Real Asset Mgmt.	Samsung AM
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 70 Bil. (50%)	KRW 123 Bil. (54%)	KRW 65 Bil. (46%)	KRW 110 Bil. (45%)	KRW 110 Bil. (45%)	KRW 103 Bil. (10%)
Vintage	2014	2011	2016	2017	2019	2019	2019
Manager	KIAMCO	Shinhan AM	KIAMCO	KIAMCO	KB AM	KB AM	Shinhan AM
Investment	Completed	Completed	Completed	Completed	Completed	Completed	Completed

3rd Year K-City Network Projects Interim reporting seminar

The K-City Network is a smart city global cooperation program led by Korea that began in 2020. In 2022, 5 countries were selected for the project of smart city planning and those are underway.

Country/City	사업내용
Kyrgyzstan /Issyk-Kul	Establishment of a basic plan and pre-feasibility study to develop an eco-friendly smart tourism city by utilizing the tourism resources of Issyk-Kul Lake area
Mongolia /New Zuunmod	Establishment of a basic plan for the construction of a smart city (new city) in the southern New Zuunmod area of Khushig Valley (Free Economic Zone) to disperse the population of Ulaanbaatar
Malaysia /Klang	Establishment of a basic plan for a smart urban regeneration and pre-feasibility study to protect the cultural heritage of the city and to give a rebirth to the city as a tourist destination
Bangladesh /Khulna	Establishment of a basic smart city plan and pre-feasibility study to solve city problems, such as traffic congestion, aging of sewage facilities and waste management
Azerbaijan Rep. /Zangilan	Establishment of a basic smart city plan and pre-feasibility study including the provision of infrastructure such as water resources, electricity, and housing in undeveloped border area

February this year, 28 officials from 5 countries visited Korea to participate in capacity building session and interim reporting for each project. Through the session, they visited smart city sites in Korea and learned the way to apply the excellent technological capabilities to their countries. A final reporting seminar for each project will be held in May this year. KIND plans to explore PPP and urban development projects based on the outcomes of the projects.

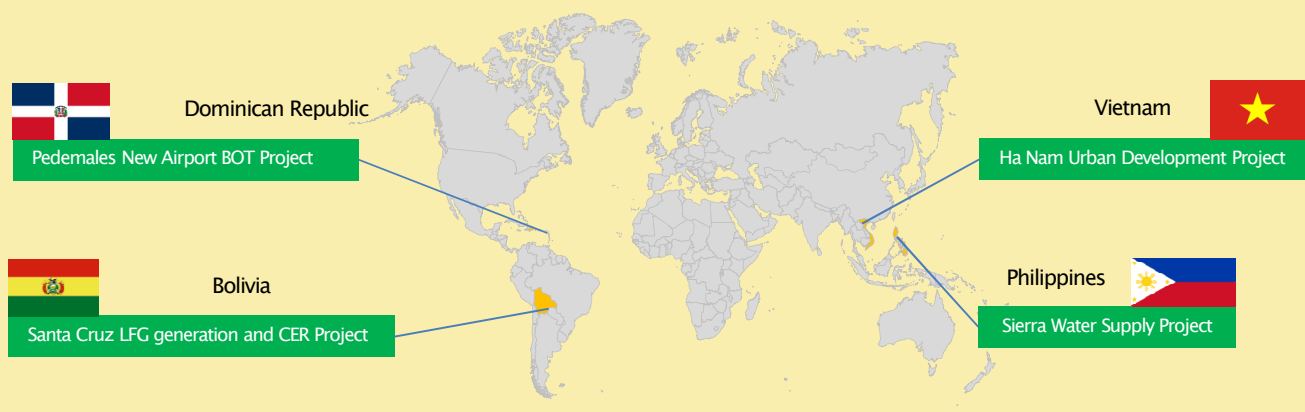
KIND Holds Feasibility Study Support Program seminar

Commissioned by the Ministry of Land, Infrastructure and Transport (MOLIT), KIND is sponsoring Feasibility Study (F/S) Support Program. Four promising projects were newly selected for the (indirect) supporting program this February. In addition, another regular open call for (direct)* supporting program is ongoing.

On January 27th, KIND held a briefing session to increase companies' understanding on F/S (indirect/direct) supporting program and proposal writing support program. The event was successfully held with about 100 industry officials from more than 45 companies attending.

*Newly adopted method in which the project proponent directly orders the service and KIND pays the cost

KIND F/S Support Program : 4 Projects Newly Selected



<Project list and countries selected in the first regular open call 2023>

MOU Signing for Urban Development Project in West Java, Indonesia

On March 9, KIND signed a memorandum of understanding(MOU) with Indonesian real estate developer Damai Putra Group, for an urban development project in West Java, Indonesia.

The signing ceremony was held between Byung-chul Won, Executive Vice President of KIND and Caezar Joey Choong, Director of Damai Putra Group in the presence of West Java Governor Ridwan Kamil, Indonesian Ambassador to the Republic of Korea Gandi Sulistiyanto, Damai Putra Group Chairman Benny Gunawan and KIND President Kang-hoon Lee to sponsor the project.



At the event, Kang-hoon Lee, President of KIND, introduced the purpose and mission of KIND and expressed the willingness to cooperate to promote urban development project in Indonesia. Damai Putra Group shared the development status of the business site and detailed plans for future development.

Damai Putra Group is working on a 2,200ha urban development project in eight districts in Kota Harapan Indah, West Java Province, 22km northeast of Jakarta City. Through this MOU, KIND and Damai Putra Group will share business opportunities in the region and jointly discover and promote projects.

KIND will obtain the initial information of the project and consider various support for the development of the area, such as recruitment of interested companies, support for feasibility studies, joint project development and investment, and financial advice, etc. Officials from West Java Province said they would support for the smooth progress of the Kota Harapan Indah development project.

Trumbull Energy Center Project Awarded 'Power Deal of the Year'

On March 17th, Trumbull Energy Center' project won 'Power Deal of the Year' prize awarded by 'IJ Global Awards 2022'

Trumbull Energy Center project is a greenfield 953MW gas-fired combined cycle power plant construction project located in Trumbull county, Ohio. KIND participated in the project with Korea Southern Power Co Ltd.

The project encountered financial distress in 2022 due to withdrawal of one of the Korean investment partners. KIND's investment made a \$1.2 billion deal successfully closed and created new opportunities for 'Team Korea' in the US electricity generation market .

President Kang-hoon Lee commented that "KIND's vision is to become a strong partner for Korean companies to enter overseas businesses, and we will continue to form a competitive 'Team Korea' to actively support Korean companies to stand out in various fields around the world"



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