

KIND

NEWSLETTER

Summer Edition

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ACTIVITIES – PROJECT DEVELOPMENT DIVISION

Signing of transaction
documents of Poland PDH/PP

ACTIVITIES – CORPORATE DEVELOPMENT DIVISION

KIND, becoming a part in MOEF's
new partnership fund EIPP

ACTIVITIES – INVESTMENT & FINANCE DIVISION

KIND, a financial advisor
for an energy infra project

Poland PDH/PP, KIND's Largest Investment Project Initiated

This project is to build and operate plant producing polypropylene(PP) with the production capacity of 0.4 million tonnes per year in Police, north-western Poland. The largest Investment Project by KIND since its establishment is expected to be completed in 2nd half of 2022.

- See Page 2 for more details

Signing of transaction documents of Poland PDH/PP Project

KIND, Hyundai Engineering, Grupa Azoty SA, Grupa Azoty ZCh “Police”, Grupa Azoty Polyolefins, and Grupa Lotos signed the agreements for investment on Grupa Azoty Polyolefins, a company established to implement the Poland Polimery Police PDH/PP plant project, on 31st May, 2020. In addition, Grupa Azoty Polyolefins signed a senior facilities agreement with a consortium of 13 foreign and local financial institutions.

A press conference was held in Police in connection with the signing of the agreements and it was attended by the President of the Republic of Poland – Andrzej Duda, the Minister of State Assets – Jacek Sasin, the Ambassador of the Republic of Korea – Mira Sun, the President of Grupa Azoty – Wojciech Wardacki and the President of Grupa Lotos – Paweł Jan Majewski. CEO of KIND and the President & CEO of Hyundai Engineering provided their congratulatory address by video instead of attending the press conference due to the COVID-19 Pandemic.

The total investment cost of this project is about EUR 1.52 Billion (Approx. USD 1.8 billion). It is one of the largest investments in the Polish industry and also the largest investment by KIND since its establishment. The contribution of KIND to the financing of the project will be the amount to USD 57 million.



Andrzej Duda, President of Poland, giving a speech in the Press Conference, June 2020



Kyong Goo Hur, President and CEO of KIND, congratulatory address video in the Press Conference, June 2020



Ready to build two solar plants in Chile

KIND with Team Korea is now developing two different solar PV(photovoltaic) plants in near Santiago City, Chile in accordance with PMGD system which is for investors to want to produce less than 9 MW. The Maria Pinto and Guadalupe projects respectfully are ready to build Solar Plants since they have already obtained the environmental and interconnection approval. After financing closing happens, they are supposed to start construction work in upcoming July, 2020 and is expected to be fully operational in 1Q, 2021.

In event that aforementioned two projects is successfully commercialized, KIND expects three achievements as follows;

- (1) Entering into renewable business as a Developer
- (2) Joint cooperation with Team Korea in overseas market
- (3) Securing CDM(Clean Development Mechanism) rights

KIND said that the solar business under PMGD system in Chile would have a good profitable and stable market. So, we looks forward to contributing renewable energy industry growth in Chile.

“New business method in untact era”

Video proposal for Railway Project Paraguay

KIND submitted a video project proposal to overcome arduous situation in construction industry which has gone through drops in overseas sales activities.

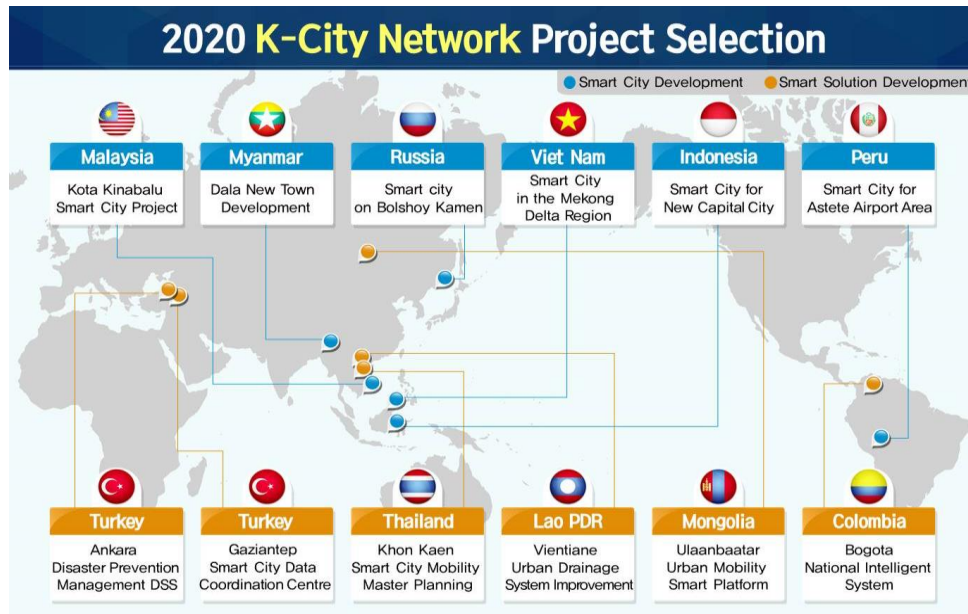
KIND is pursuing various types of non-face-to-face sales for the business proposals and the investment approvals for countries with the limited local mobility or the poor internet conditions.

An official from KIND said, “To comply with the government's guidelines to prevent the spread of COVID-19, we have produced the video of the

business proposal and continued to deliver it to related organizations such as the Embassy of Paraguay and the Client”. In the video of the business proposal, CEO of KIND's greetings included the business overview and the advantages that the Paraguayan government would gain if the project was promoted in a G2G concept.



12 New smart city projects embarked with MOLIT-KIND's K-City Network



KIND and Ministry of Land, Infrastructure and Transport of Korea ("MOLIT") do not rest their endeavor to develop projects and strengthen partnership. One of the recent results of such effort is K-City Network – formerly called KSCON (Korea Smart City Open Network), now renamed and started from 2020.

As the operator of the program, KIND went through intensive selection process with MOLIT and selected 12 projects out of 80 applications received from overseas governments. Once consultants selected, they will conduct the project planning/study within the extent considering COVID-19 situation.

KIND takes a part in MOEF's new partnership fund EIPP

KIND, together with Korea Development Institute ("KDI") and Korea EXIM Bank ("KEXIM"), signed the EIPP coordinating agencies contract with Ministry of Economy and Finance ("MOEF") of Korea in June, 2020.

Noting that this new program (Please refer to the glossary on the right) has bigger focus on private sector cooperation, and KIND can promote private sector cooperation by developing projects, KIND decided to take a part. KIND, KDI and KEXIM formed a consortium to apply for tender and got selected as the coordinating agencies.

For the first year, EIPP will be rolled out together with three countries: Uzbekistan, Myanmar and Indonesia. KIND will be the main coordinating agency for Indonesia, and the program for Indonesia will focus on the new capital city project. As the operator of both K-City Network and EIPP, KIND is getting ready to contribute to Korea-Indonesia cooperation on the new capital project.

KIND Glossary

EIPP?

Economic Innovation Partnership Program

It is MOEF's new program that was launched in 2020. It was developed based on 16 years of KSP (Knowledge Sharing Program) operation know-how. Compared to KSP, EIPP will put more weight on **bilateral long-term partnership** and **private sector cooperation**.

6 Winners of the 2020 KIND AWARD

2020 KIND AWARD ceremony was held at the office on 5th June in commemoration of KIND'S 2nd anniversary of the foundation. This award was to recognize employee and boost group morale. After recommendations of each division, a selection committee determined total of 6 winners. The final list of 6 awardees includes Sangkyoon Kim, Kyehee Ham, Chaerin Yun, Byoungkwon Kong, Jooyong Lee and Seungho Song. Expressing gratitude to the winners, Kyong-goo Hur, CEO of KIND said "The awardees are highly recognized for generating the best results in each department among peers." The winners will share their inspiring stories and passion for the goals with other KIND members.



KIND initiated its role of financial advisory for the first time



On 17th June, 2020, KIND was appointed as the Financial Advisor for one of the energy infra projects that KIND pursues in the CIS region.

Having been tasked to advise on financing and structuring the project, provide financial models on various business plans and assist negotiations with public and financial institutions, KIND is assessing a range of funding solutions through debt or investment directly at the project level in order to maximize the Korean sponsors' interest.

The Head of Finance Department at KIND comments : "Sourcing the necessary project funding is a major value-adding step to the project, and we are confident that it will be successful.

Also, we look forward to supporting more Korean companies through our newly launched financial advisory service."

Government to promote overseas construction through GIF Fund

Deputy Prime Minister Hong Nam-Ki presided over the 215th Ministerial Meeting on International Economic Affairs held on 15th June, and discussed plans to promote overseas construction.

The government will provide a financial support to help receive orders: 1.5 trillion won worth of new funds for overseas construction, 0.4 trillion won worth of investment by the Global Infrastructure Funds.

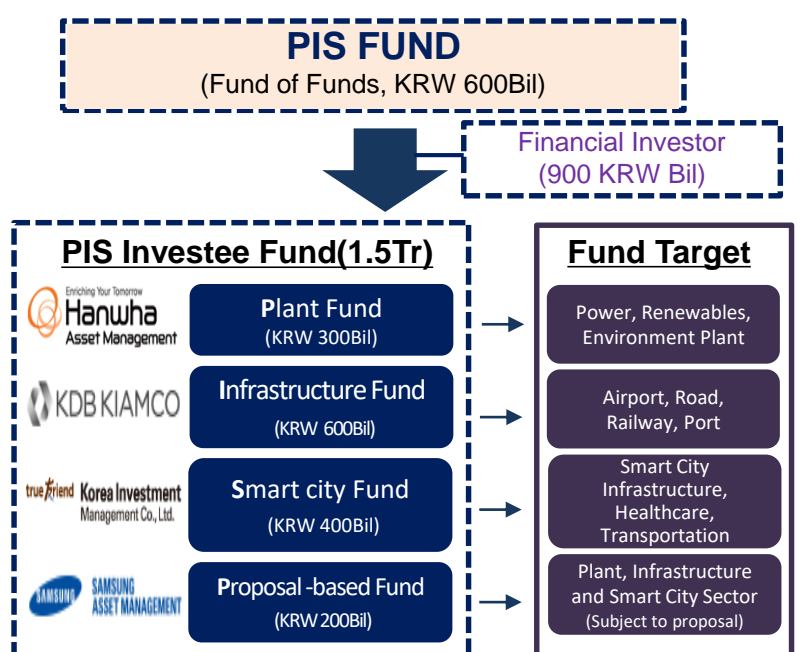
Its plan to promote investment through Global Infrastructure Fund has been discussed. The GIF 4th (KRW 85 Bil) is targeting to support early-stage projects. The GIF 5th (KRW 110 Bil) is targeting to promote acquiring construction contracts in the countries of ASEAN and India. The GIF 6th (KRW 110 Bil) is targeting to promote acquiring construction contract in the countries of Central Asia, Russia, Central & East Europe, Latin America. The GIF 7th is targeting to promote Korean companies to participate in Public-Private Partnership projects.

* Source : Press Releases by Ministry of Economy and Finance

Samsung PIS Global Infrastructure Fund was successfully launched

With strong appetite among institutional investors, the Samsung PIS Global Infrastructure Fund (as known as, "Proposal-based Fund"), one of the four PIS Investee Funds, has been successfully reached KRW 200 Bil. The fund will focus on the core infrastructure assets with predominately contracted / regulated revenues in developed countries and is tailored to PIS investment strategy which is set to Korean companies for promoting investments in plant, infrastructure, and smart city sector projects. During this hard time of COVID-19 pandemic, Samsung is currently taking the lead in identifying the first project to invest in.

The remaining three PIS Investee Funds will also be launched shortly in this August by attracting financial investors and identifying projects at the same time. KIND is looking forward to creating values for our investors, project owners and overseas local governments, etc. through the PIS fund's investments.



Feasibility Study Support Program 2nd Year

Studies for the 1st half of 2020 have started... Additional projects were selected for the 2nd half of 2020

KIND undertook the F/S work with external consultants contracted, after selecting 7 projects for the 1st half of 2020. Additional 5 projects were selected for the F/S support in 2nd half of 2020, out of total 15 projects submitted through an open call in last April. The projects include 'Lore Lindu MHPP Project in Indonesia' and 'Longitudinal Del Chiloe Road Project in Chile'.

All of the F/S works that kicked off this year are set to be completed by end of this year. Although some inevitable delay might happen due to COVID-19, KIND will try to make all of the study done within this year.

- See Page 6 for more details

Korea-Vietnam Infrastructure Cooperation Center

"A Base Camp for Infrastructure Development Enforcing New Southern Policy"

July 2020 is going to be 1-year anniversary of the establishment of KIND's Vietnam representative office with high pitch of expectancy. Through the wide ranging activities, KIND's Vietnam representative office has passionately supported and implemented about 10 pipeline projects.

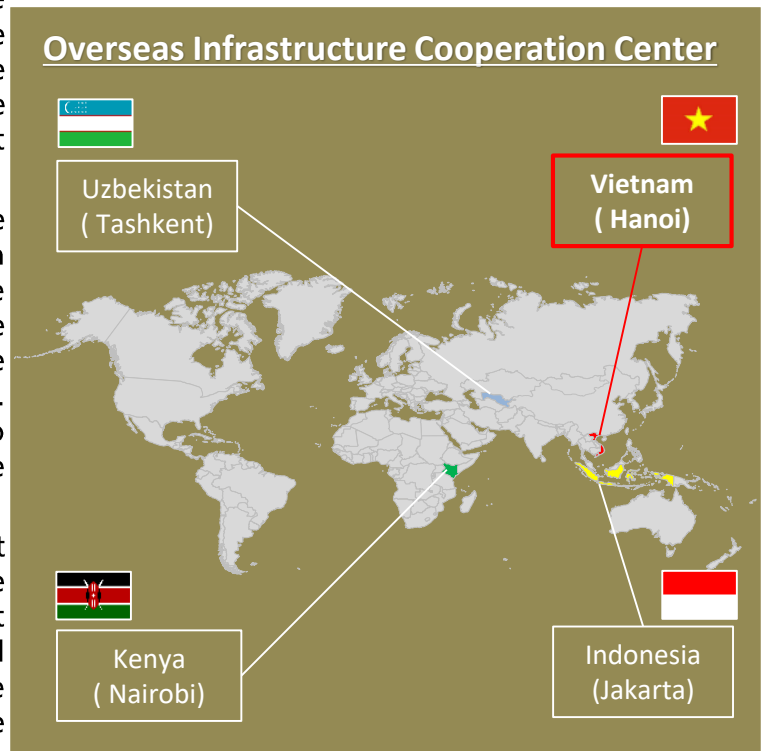
Along with that, KIND's Vietnam representative office has been searching for and proactively participating in negotiations, making a significant contribution to the deployment of the large-scale infrastructure investment projects which have been receiving the great attention of Korean investors in recent years. Chief Representative Park Jae Hyun is expected to receive investment approvals for at least 1~2 Pipeline projects in Vietnam this year.

During the past two years, the Vietnam government has put together PPP-related policies from the decree level into a formal law, aiming at bringing about landmark change in the method of developing and investing infrastructure which previously are dependent on the scanty financial resources of the government and some foreign aid.

To complete the first PPP law draft in Vietnam, the KIND Vietnam office has worked with international organizations such as the Embassy of the Republic of Korea in Vietnam, the Ministry of Land, Infrastructure and Transport (MOLIT), and the World Bank to transfer Korea's experience and knowledge about PPP projects even before starting its official operation.

The law was voted and passed on 18th June - the last day of the regular session of the National Assembly thanks to Vietnamese government as well as foreign countries' agencies and MDBs.

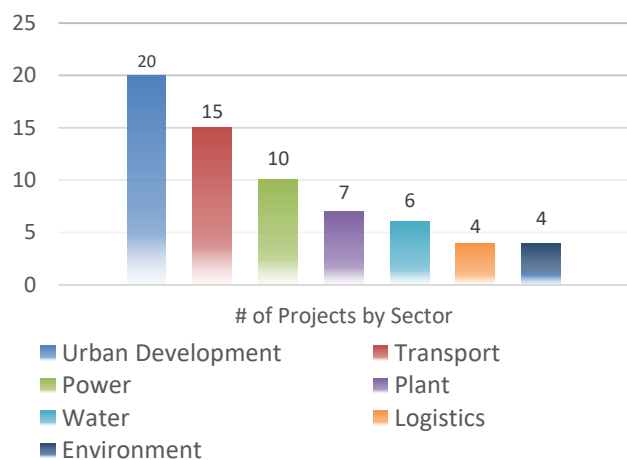
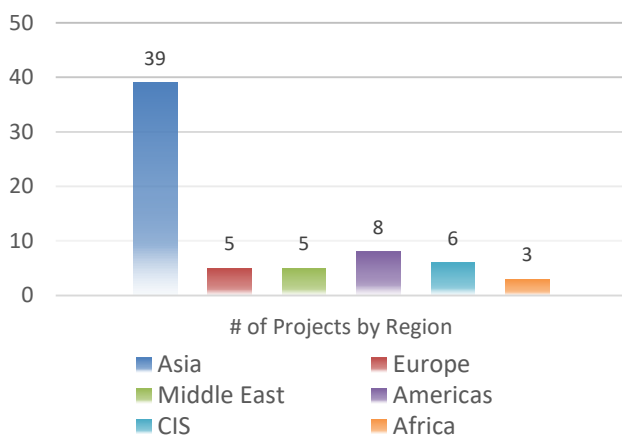
Less than a year after KIND representative office was established in Hanoi - Vietnam, KIND is playing an important role as a base camp and a platform for Korean investors as well as the Vietnamese government.



Projects KIND committed Investment for : 7 Projects

Project	KIND Commitment	Status
Kazakh Almaty Ring road PPP ('18. 4Q)	\$ 15.0M	PF Closing Completed
Chile Talca Solar Power ('18. 4Q)	\$ 6.5M	Under Operation
Poland Polimery Police PDH/PP plant ('19. 2Q)	\$ 57.0M	Under Construction
Plant tender - Middle East region ('19. 3Q)	\$ 5.0M	Bid submitted / Waiting for the result
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	Working for financial closing
Total	\$ 145.9M	

KIND Deal Pipeline: total 66 Projects



Projects with KIND's F/S supports in 2020 (as of June)

Country	Project	Country	Project
Philippines	Cebu Economic Housing Project	Indonesia	Lore Lindu MHPP
Bahrain, Saudi Arabia	King Hamade-Causeway Road-Rail PPP project	USA	Super Center(New Surgery Center) & Korea Medical Plaza Project
Kazakhstan	Asfendiyarov Hospital PPP Project	Chile	Longitudinal Del Chiloe Road Project
Philippines	Batangas Gas to Power Project	Myanmar	Southern Yangon New City Development Project
Turkey	Halkali~Gebze High-Speed Railroad Project	Myanmar	350MW CCPP IPP Project
Japan	Oita Biomass Power Project	Costa Rica	San Jose Metropolitan Passenger Railway
Bangladesh	Chittagong Bay Terminal Project		

Global Infrastructure Fund

Fund	GIF 1	GIF 2	GIF 3	GIF 4	GIF 5	GIF 6	GIF 7
Investor	KIND and others						
Fund Size (KIND Share)	KRW 50 Bil (67%)	KRW 70 Bil (50%)	KRW 123 Bil (54%)	KRW 64 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 BNPP	KIAMCO	KIAMCO	KB Asset Mgt.	KB Asset Mgt.	Shinhan BNPP
Investment	Completed	Completed	Completed	On-going	On-going	On-going	On-Going

The 53rd ADB Annual Meeting will be held on September

The 2020 ADB's Annual Meeting has two stages.

The first stage is business session only among the Governors of their designated representatives from 68 members of the ADB, where the financial statements and net income allocation of the ADB were approved. This was the first virtual session for ADB Annual Meeting and chaired by the Deputy Prime Minister and ADB Governor for the Republic of Korea, Hong Nam-ki, dated 22th May, 2020.

The second stage will be a full-scale annual meeting including meetings and seminars with Governors and/or their representatives, and other stakeholders such as the private sector, civil society/NGOs, development partners, other multilateral development banks and the media. This will be held on 18-21th September 2020 in Incheon, Republic of Korea. KIND will host a session explaining KIND's policies for supporting infrastructure projects and a consultation time for the project development and financing on 18th September.

Title	The 53 rd Annual Meeting of the Board of Governors of the Asian Development Bank
Date	18(Fri)-21(Mon) September 2020
Venue	Songdo Convensia, Incheon
Host	Ministry of Economy and Finance, Republic of Korea Asian Development Bank
Theme	Asia 2020: Innovation, Inclusiveness, and Integration



K-City Network & EIPP : Project planning consultancy to be selected and deployed in 3rd Quarter

K-City Network secretariat at KIND has opened tenders to select consultancies last May and June. The results of the tenders will come out and finally the consultancies will be nominated within July this year. Considering both safety and project goals, the secretariat, MOLIT, and consultancies will decide whether the planning will be done virtually or via business trips.

For EIPP, consultation with Indonesia government about work scope is still going on. EIPP secretariat plans to complete the discussion and select the project consultancies in July.

Project Discussion under the Korea-Bangladesh Joint PPP Platform is progressing

For the three(3) projects which were newly proposed during the 2nd Korea-Bangladesh Joint PPP Platform Meeting, KIND recruited seven(7) Korean Investors interested in those projects. KIND informed the lists of them to PPPA and tried to make the trip schedule to Bangladesh with those potential investors to discuss more detailed information although it was not possible due to COVID-19. Still, however, KIND is clarifying the specific terms and conditions about those three projects with PPPA for potential Korean investors.

On the other hand, based on the annual plan of 2020, the Korea-Bangladesh 3rd Joint PPP Platform Meeting will be held on the 2nd half of this year.



Newly Proposed Projects List

1. Khan Jahan Ali Airport
2. Extension of Mongla Port Roosevelt
3. Mirpur Integrated Township Development

[Voice Outside] EVP of Hyundai Engineering, Chanwoo Park

Greetings. First, I would like to congratulate Korea Overseas Infrastructure and Urban Development Corporation ("KIND") on her second anniversary. Established amid high expectations of industry and government two years ago, KIND has actively supported Korea companies, thereby positioning as the reliable partner in the market.



Speaking of which, KIND has provided, for the last two years, tailored and well-organized support for her partners in pursuing global infrastructure development and investment opportunities. Particularly crucial was KIND's timely decision last July to jointly develop Polish plant project with us, which led to winning the contract in the end.

This COVID-19 pandemic is severely affecting logistics and transportation while adding uncertainty to the global infrastructure market. Given the situation, KIND's role and support is needed more than ever. We expect KIND to further strengthen the capacity of a lead developer creating project opportunities at the forefront of overseas markets. We expect KIND to turn this crisis into golden opportunity by fully utilizing a variety of support instruments at KIND's capacity such as feasibility study funding (at early stage) and proactive financing support.

The government recently added positive momentum by announcing policies to enable additional financial support for key projects at hand. Overseas construction contributes significantly to creating new jobs and revitalizing economy. Indebted to the keen interest and timely support of the public sector, we, private companies, will also exert our utmost to identify and develop viable project opportunities in close coordination with KIND together as proud members of the "Team Korea." Thank you very much.

Introduction of Departments -

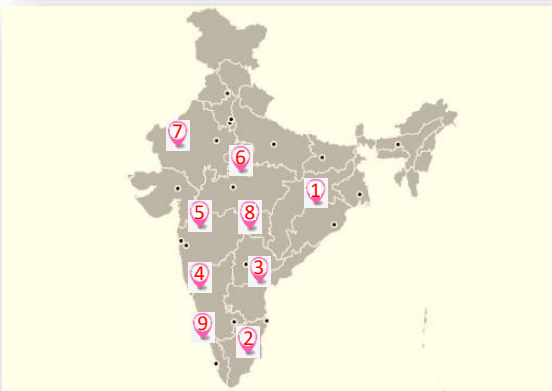
① *Planning and Management Department*

Planning & Management Department has four teams : Business Planning, Public Affairs, Internal Affairs and Accounting. Business Planning team makes macro-level business decision, mid-long term strategy and budget plan. Public Affairs team is in charge of marketing, PR, and advertisement. Internal affairs team is responsible for HR management and general affairs. Last but not least, Accounting team does long term budget planning, accounting and contract management.



This section will treat information relating to the upcoming events of global construction projects. Hereby, in this edition, the latest infrastructure projects information, provided by embassy of India, is addressed to the potential partners.

Key Infrastructure Projects in India



1. Odisha Jagatsinghpur District Pradip Mega Port (\$1.16B) (ID: 21279)
2. Tamil Nadu Chennai Ennore Maritime Cluster (\$66.1M) (ID: 18234)
3. Andhra Pradesh Chittoor Underground Sewerage Treatment Plant (\$7.27M) (ID: 22348)
4. Karnataka Belagavi Solid Waste Management (\$5.29M) (ID: 18961)
5. Maharashtra Mumbai Mumbia-Pune Expressway (\$5.29M) (ID: 3148)
6. Madhya Pradesh Anuppur Amarkantak Thermal Power (\$617M) (ID: 21476)
7. Rajasthan Jaipur Smart Building (\$5.29M) (ID: 17563)
8. Telangana Hyderabad Dry Port (\$277M) (ID: 600687)
9. Kerala Thiruvananthapuram Silver-Line Semi High-Speed Rail (\$8.89B) (ID: 600985)

Further Detailed Info Reach us at

- Sh.yoon@kindkorea.or.kr(KIND)
com3.seoul@mea.gov.in(Embassy of India)
- www.indiainvestmentgrid.com
- +82-6746-7352(KIND), +82-792-4255(Embassy of India)