

KIND NEWSLETTER

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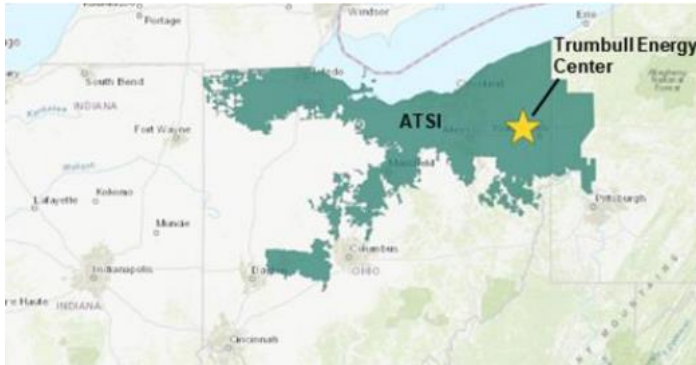
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Decides to Invest in the U.S. Trumbull Energy Center Project

In June 2022, it was decided to invest in the U.S. Trumbull gas combined cycle power plant. The project is an independent power producer(IPP) project that builds and operates a 953MW gas combined cycle power plant in Lordstown, Trumbull County, Ohio. The total project cost will be approximately 1.2 billion US dollars and it can generate electricity for about 1 million households. In the future, funds will be raised from Korean and overseas financial companies through project financing and domestic infrastructure funds will also participate.

It is expected to increase domestic equipment exports, such as boilers and transformers, and to create jobs through construction of power plants. Furthermore, it is an opportunity to advance together with domestic power generation companies and serve as a bridgehead for entry into the U.S. power generation market.



The Location of Trumbull Energy Center



An Aerial View of the Project

Team Korea Signs Business Agreement for 'Jakarta Urban Railway (MRT) Phase 4 Development Cooperation'

On May 31, KIND signed a phase 4 development cooperation agreement (MOU) with Jakarta Metro (PT.MRTJ) to jointly develop and strengthen cooperation in the phase 4 project of Jakarta Metro (MRT).

The agreement was signed by KIND, Korea National Railway and Samsung C&T construction division, and will cooperate with Jakarta Metro (PT.MRTJ) on the development of the fourth phase of the Jakarta Metro. The fourth phase of the Jakarta Metro (MRT) project is a 12km (10 stations and 1 vehicle base) extension from Jakarta Fatmawati to Taman Mini.

CEO Kang Hoon Lee said, "Since the establishment, KIND has continued various cooperation with Indonesia on railway infrastructure. In the future, we hope that railway infrastructure cooperation in Jakarta will continue to develop in a way that will help mutual development in line with the increasing demand for railway infrastructure and the need for traffic improvement due to Indonesia's economic development."



The MOU Signing Ceremony



KIND CEO Kang Hoon Lee Delivers F/S Results to the Indonesian Party and Discusses Future Business Strategies (from Right, CEO of Jakarta MRT, Minister of Transportation, Indonesian Ambassador to Korea)

KIND and EIPP Consultancies, the First Visit to Indonesia for Field Studies

Though it is the 2nd year since the inception of Indonesia EIPP, the operating institution KIND and the consultancies did not have a chance to carry out field studies visiting Indonesia till recently. Thanks to lowered threat of COVID-19, they eventually got able to visit Indonesia for field studies, in-depth focus group interviews and discussion with Bappenas.

Consultancies covering the 7 EIPP themes in 2021/22, and the operating institutions of KIND and KDI visited Indonesia in two separate teams: the first from May 29th to June 3rd and the second from 2nd to 8th June. During the kick-off meeting, each project's PM from KIND and KDI gave a presentation to introduce 7 projects. There was a welcome dinner with Bappenas afterwards.

On the second day, the consultancies for Project #3 and #4 paid a visit to the new capital area and satellite cities of Samarinda and Balikpapan, which are located in the eastern part of the island Kalimantan. They had a discussion on the transportation and forestry & environment sectors with related organizations. The other consultancies, for Project #1, #2, and #5, had a face-to-face discussion with organizations such as INA, the Ministry of Finance, PT. PLN, etc. in Jakarta. Each party actively exchanged ideas as per each project's objectives.

The day before the first team departed, KIND and its consultancies shared output during the in-depth-study and officially wrapped up their trip. After their departure, the second team visited ATR/BPN, LMAN and the Mission of the Republic of Korea to ASEAN to discuss ways to acquire land and regulate the flow of money and shared a plan for land acquisition and compensation in the new capital area based on the case of Sejong City.

Throughout their week-long visit to Indonesia, KIND and its consultancies had productive conversations with Bappenas and related ministries and organizations, which helped strengthen the partnership between the two countries and establish new economic growth based in the East Kalimantan area.



The Meeting with Bappenas



New Bus Terminal Construction Site in Samarinda City

Chile Solar Power Project Reached Financial Close

Chile PMGD Portfolio Solar Power Project ("Project") with a total capacity of 51.75MW.DC. reached financial close at the end of June 2022. The Project consists of total five PMGD* projects located in the middle and northern parts of Chile. The five PMGD projects were consolidated for the PF purpose using a fund approach. Two of them broke ground at the financial close and the rest is expected to do so two months later depending on the local approval progress.

KIND participated in the Project as an anchoring investor, both as a sponsor as well as loan provider through a fund.

In 2021 Chilean government rolled out plans to have generation from the non-conventional renewable energy up to 40% of the national energy mix by 2040.

* PMGD : small-sized power plant with a capacity less than 9MW.AC. in Chile, with guaranteed dispatch and stable power selling price



The Spot Photo of Chile Solar Power Project

KIND Signed a Comprehensive MOU with Ministry of Transport of the Republic of Uzbekistan



KIND and the Ministry of Transport of the Republic of Uzbekistan signed an MOU, which mainly involves project planning, financing cooperation, joint F/S advancement, and pilot project execution.

The signing ceremony took place after preliminary interviews on the progress of the Uzbekistan projects, KIND's roles, Uzbekistan infrastructure policies, and bidding and driving fields. Kang Hoon Lee, CEO of KIND, and Muminov Abdusamat, Deputy Minister of Transport, signed the MOU on behalf of both organizations.

Through this agreement, the two organizations plan to be engaged in networking to embody joint projects, share a list of potential projects, and review the ways to support commercialization.

"We expect KIND to cooperate as much as possible in terms of business planning, financing, F/S, and support for commercialization through the MOU. Please keep watching for furthering cooperative relations between two countries in terms of infrastructure," said Kang Hoon Lee, the CEO of KIND.

Interview with Ambassador of El Salvador & The Strategic Projects Session on 'Los Chorros' Project

On June 9, KIND CEO Kang Hoon Lee, Executive Vice President Han Kyu Lim and International Affairs Team participated in the interview with the Ambassador of El Salvador to the Republic of Korea, Jaime José Lopez Badía, and discussed cooperation between El Salvador and KIND.

The Ambassador informed of the opening ceremony of CABEL Korea Office and revealed an expectation that it will enhance collaboration between El Salvador and Korean companies.

On June 30, a strategic projects session on 'Los Chorros Road' was held at Lotte Hotel in Sogong-dong. Executive Vice President of KIND and many Korean construction companies, including Samsung C&T, Hyundai Engineering, and Dohwa, attended the session. The details of Los Chorros project was introduced and Q&A was followed.

The Los Chorros project features a total length of 14.64km and a total budget of \$411 million. It aims to promote private investment, export competitiveness, and economic growth by improving road safety and connectivity. As the funds are raised through EDCF, Korean companies can participate exclusively in bidding. Currently, El Salvador Ministry of Public Works and Transport, Korean Council on Latin America & the Caribbean, CABEL, and major Korean construction companies are networking together.

In the future, KIND plans to continue sharing business information by attending the opening ceremony of CABEL Korea Office and signing an MOU.



The Interview with Ambassador of El Salvador(6.9.)



The Strategic Projects Session on 'Los Chorros' Project (6.30.)

KIND “Vision 2030 Declaration Ceremony” Held

On May 3, KIND held a “Vision 2030 Declaration Ceremony” to share its new values.

This declaration ceremony was planned to promote an understanding of management strategy, completed through the participation of employees and the review of external experts.

At the event, KIND presented a new mission, “We Support Korean Companies’ Overseas Expansion to Share the Profits and Values of Overseas Infrastructure and Urban Development With the World.” and a new vision, “A Reliable Partner and Leader Who Opens Up the Start and Future of Overseas Investment Development Projects.”

The event consisted of three parts: a vision declaration ceremony, employee training, and a dinner event. Starting with CEO’s greeting, in the first part KIND presented the new value system to all executives and employees. After that, its new mission, vision and management goals were announced. Finally, two representatives read out the core values and codes of conduct.



In the second part, participants watched a clip on partnership, reflecting on “growth at workplace.” After that, attendees listened to a lecture on PPP project management and discussed ways to develop KIND with lecturer Seok-jae Seo.

In the third part, dinner party and prize draw were held to provide an opportunity for KIND members to unite.

This ceremony is significant in that it was the first time since the establishment that all employees gathered together. With this as a new starting point, KIND will continue its efforts to support Korean companies with overseas investment development projects.

KIND’s First ESG Committee Meeting



KIND held the first ESG Committee meeting on May 23 to commemorate the official launch of KIND ESG Committee and the start of ESG management. The committee consists of non-executive directors of KIND with general director In-Sung Cho as a chairperson.

The ESG Committee will establish KIND’s ESG management plan and work as a control tower for ESG management regarding environment, society, and governance by expanding the non-executive director’s participation in management and strengthening their role as private experts.

At the first ESG Committee meeting, the original bill of KIND management plan was agreed on. Each department of KIND will work on detailed tasks in accordance with the plan.

The chairperson of ESG Committee In-Sung Cho said, “We hope KIND will make efforts for the right balance between business values and ESG.”

“Southern Vietnam Investment Forum” in HCM, Vietnam

On June 17, KIND Executive Vice President Han kyu Lim and Kye-Hee Haam of KIND Vietnam Infrastructure Cooperation Center attended “Southern Vietnam Investment Forum,” held in Ho Chi Minh City, Vietnam.

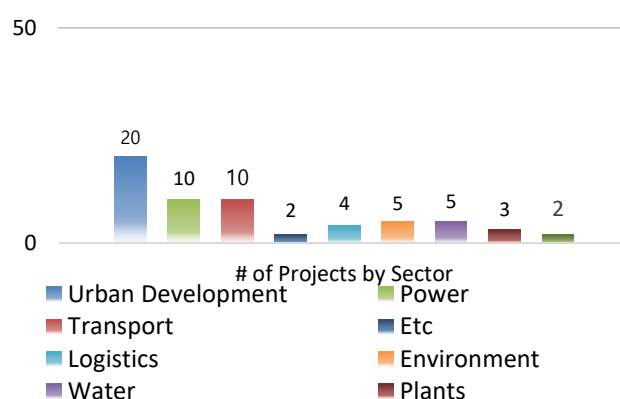
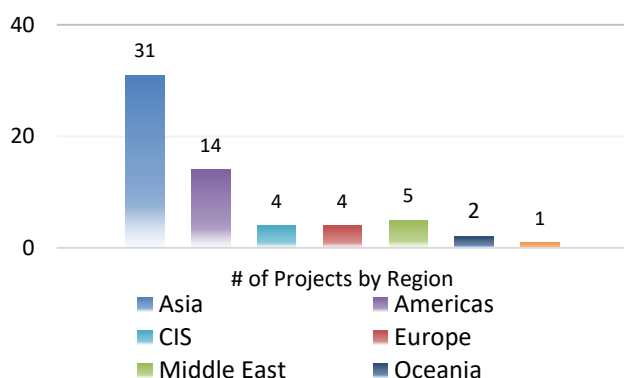
KIND introduced the ongoing projects of KIND and its investment strategies. In addition, KIND signed an MOU with Vietnam company Saigontel for airport railroad and ancillary projects.



KIND's Committed Investment : 18 Projects

Project	Time	Commitment	Status
Kazakh Almaty Ring Road PPP	'18.4Q	\$ 15.0M	Construction
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	Construction
Chile Guadalupe Solar Power	'20.2Q	\$ 3.8M	Remaining process in progress
Vietnam Hung Yen Industrial Park	'20.4Q	\$ 3.8M	Financial closing
Indonesia Probolinggo Port	'20.4Q	\$ 1.2M	Construction
Saudi Arabia Tanajib CHP Plant	'21.2Q	\$ 17.0M	Construction
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	\$ 8.1M	Construction
Fund Investment in Chile PMGD Portfolio Solar Powers	'21.4Q	\$ 12.9M	Financial closing
Indonesia Karian Water Treatment	'21.4Q	\$ 5.5M	Working for financial closing
Philippines Cebu Affordable Housing	'22.1Q	\$ 10.8M	Working for financial closing
U.S.A. Trumbull Gas Combined Cycle Power Plant	'22.1Q	\$ 63.1M	Working for financial closing
Middle East Utilities Project	'22.2Q	\$ 29.5M	Preparing for bidding
Total		\$ 379M	

KIND Deal Pipeline: 61 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 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	On-going	On-going	On-Going

5 Projects were Selected for the 2nd Half of 2022 F/S Support Program



< Project list and countries selected in 2022 >

Five projects were newly selected for 2022 F/S, a support program commissioned by the Ministry of Land, Infrastructure, and Transport (MOLIT) of Korea in May, followed by initial selection of four projects in February. Out of the five, three were selected from the open call for projects.

For the five projects, competitive tenders to select consultants to carry out the feasibility study will be open until July 5. The studies will commence after the consultancy contracts are signed around late July. The outcomes of F/S will be presented to the companies which proposed the projects initially, and KIND will enter into further analysis for project development and investment.

Meanwhile, an open call for 'Proposal Preparation' Support, a new sub-program debuted this year, is ongoing and details of the program are posted on KIND's official website.

2022 Made the third year of K-City Network, Nominating 5 New Projects

K-City Network is the initiative of Korean government for smart city-focused global cooperation. 2022 marked its third year of operation. From March to May 2022, call for projects were opened to overseas governments and regional governments. There were 33 project proposals received from 17 countries. Through intensive reviews of K-City Network committee, 10 projects were selected for supports, and out of the 10, the following 5 projects are targeted city-level development planning.

Country/City	Project Information
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 /Zuunmod	Establishment of a basic plan for the construction of a smart city (new city) in the southern 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

Seminar on “Entry Strategies for the U.S. Construction Market ”

The Construction Industry Vision Forum held a seminar at the Construction Center in Seoul on May 25 under the theme of “Biden Administration’s U.S. Construction Policy and Our Entry Strategies.” The event was hosted by KIND and organized by the Construction Industry Vision Forum. It was designed to explore ways to successfully enter the U.S. construction market.

In a welcoming speech, KIND CEO Kang Hoon Lee said, “We need to form a Team Korea that can succeed in the U.S. construction market, and work together to create high value-added overseas construction projects and lay the foundation for a sustainable business.”

The presentation was made by Professor Yong-gu Kim of Semyung University, who has experience in operating a construction company as CEO of John’s Garage Doors in the US, and Jong-cheol Choi, CEO of WSP. Professor Yong-gu Kim introduced the types of companies required for successful establishment, operation, and bidding process by presenting the actual cases of US construction companies.

WSP CEO Jong-cheol Choi explained the considerations for entering the US market, and focused on government relations affairs, differences between the US construction market and that of Korea, and measures to prepare for legal disputes, along with his experience in the construction market.

After the presentation, a panel discussion was held with Professor Bok-Nam Lee of Seoul National University as a chairperson on the bidding process for US construction projects and the response of construction companies. Seong-ik Oh, manager of the overseas construction policy division of MoLIT, So-eung Kim, head of KIND, Jae-hyung Yoo, managing director of DL ENC, and Yeon-su Shin, partner at law firm Peter & Kim discussed strategies for entering the US market based on their own experiences.



The Welcoming Speech from KIND CEO



A Group Photo of the Attendees

KIND’s first Investment Company in the U.S.

KIND recently established its first investment company in US named “KIND USA” and is seeking the opportunity to enter the US market.

Last year, KIND approved investment in hotel business in Chicago, and with this opportunity, KIND is planning to expand its business fields in US such as office, housing, hotel, power generation and renewable energy, etc.

The forementioned hotel business in Chicago is about purchasing the existing hotel, Kimpton Hotel Monaco Chicago and operating it after renovation. Hotel Lotte, a Korean luxury hotel chain operator under South Korea’s one of biggest group Lotte, purchased Kimpton Hotel Monaco Chicago and KIND will support funding for hotel renovation and changing its brand to “L7”, Hotel Lotte’s modern and trendy style brand.

Kimpton Hotel Monaco Chicago is a 191-room boutique hotel adjacent to Chicago’s Union Station and Chicago River, and was awarded as ‘The Best Hotels in Chicago’ in 2019.



Kimpton Hotel Monaco Chicago

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