

InfraCo Asia Announces Sale of its Shareholding in Metro and Gul Ahmed Wind Power Projects to Daelim Energy

Singapore, 12 October 2017

InfraCo Asia's first complete exit from a utility scale renewable energy project demonstrates the company's mandate to catalyse private sector participation while creating social and economic benefit for communities in which it operates.

InfraCo Asia Development Pte. Ltd. (InfraCo Asia), part of the Private Infrastructure Development Group (PIDG), is pleased to announce the sale of its shareholding in the Metro and Gul Ahmed Wind Power Projects to Daelim Energy, part of the Daelim Group. Developed with the support of InfraCo Asia's funding and development expertise, the two ground-breaking projects in Pakistan provide improved energy supply for approximately 700,000 people, including almost 90,000 people who live below the poverty line.

With the sale of the projects, InfraCo Asia has successfully completed the full cycle of developing, investing in, bringing to commercial operation, and fully exiting the projects, thereby allowing public funds to be recycled into future infrastructure development projects.

The Metro and Gul Ahmed Wind Power Projects reached commercial operation on **16 September 2016** and **18 October 2016** respectively. Each 50MW plant consists of 20 wind turbines, generating 2.5MW each, adding an additional 155.5GWh per year to much-needed energy supply in Pakistan.

InfraCo Asia CEO, Allard Nooy, said, "These projects represent milestones not only for Pakistan's renewable energy sector, but also for InfraCo Asia in terms of proving the effectiveness of our mandate: By providing the leadership capital needed to bridge the gap faced by projects in the early stage of development, particularly in countries and sectors with a high risk profile, InfraCo Asia has helped catalyse private sector investment into projects including the Metro and Gul Ahmed Wind Power Projects."

Mr. Nooy continued, "Now, we are able to exit in favour of the private sector. InfraCo Asia is especially pleased to bring in a strong strategic investor, Daelim Energy, part of the Daelim Group, with a proven track record in the energy and infrastructure sectors, and deep operational capabilities that we believe will make them valuable partners for both projects."

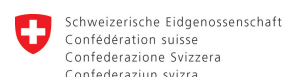
Daelim Energy CEO, Sean Kim, said, "Yes, it is magnificent to operate two windfarm projects in Pakistan, and it is also a wonderful experience that Daelim Energy finalised these transactions with InfraCo Asia. It is important that the Metro and Gul Ahmed wind projects are Daelim Energy's first projects in Pakistan, and we are pleased that these two projects are eco-friendly solutions for the country, which has a significant need for

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additional electricity supply. Given our operational experience, we look forward to having more opportunities to serve as a reliable developer and partner for Pakistan's energy sector."

InfraCo Asia, a company of PIDG, receives funding from the governments of Australia, Switzerland, and the United Kingdom.

Harnessing wind potential

The Metro and Gul Ahmed wind projects are among the earliest developed in Pakistan, aligning with the country's efforts to combat chronic power outages due to a capacity shortfall that ranges from 5,000-6,000 MW or more. They lie in Pakistan's Jhampir Wind Corridor, the same corridor that extends up to India, with a potential of over 2,300+ MW of wind power.

Combined, Metro and Gul Ahmed will provide improved energy supply for approximately 700,000 people, including almost 90,000 who live below the poverty line. They will collectively cut CO₂ emissions by around 180,000 tonnes per year.

The Metro project company also invested in improving quality of life for a village of approximately 200 people located within the project site. Adults from the village received training and employment throughout project construction, with the potential to hold employment positions in operation. The project company has built water wells, pumps, and a school where children are educated in a unique co-educational setting.

Background

InfraCo Asia began developing the Metro and Gul Ahmed wind projects in 2012 jointly with local sponsors, the Alimohamed Family and Gul Ahmed Energy Limited, respectively. InfraCo Asia provided development expertise and capital, which included leading efforts to raise non-recourse debt financing from development finance institutions and commercial banks for the projects.

InfraCo Asia contributed a combined **US\$15.6m** towards project development costs, and its sister facility, InfraCo Asia Investments, provided **US\$18.1m** as investment at financial close and sponsor support. The combined total project cost of **US\$262.5m** was funded through both domestic and foreign debt and equity, including support from the International Finance Corporation (IFC), as a lender and equity shareholder. Other lenders included FMO (Netherlands), Proparco (France), and Pakistan commercial banks, including National Bank of Pakistan, United Bank Limited, Bank Al Falah, and Askari Bank.

About InfraCo Asia

1. InfraCo Asia Development Pte Ltd (InfraCo Asia) is a commercially managed infrastructure development and investment company of the Private Infrastructure Development Group (PIDG).
2. Headquartered in Singapore, it aims to stimulate greater private sector investment in infrastructure in South and South East Asia. InfraCo Asia funds high-risk infrastructure development activities by

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taking an equity stake with a focus on socially responsible and commercially viable infrastructure projects that contribute to economic growth, social development and poverty reduction. At the appropriate time, either as close as possible to financial close and/or commercial operation, InfraCo Asia aims to (partially or fully, as appropriate) exit each project. It does this through the sale of its stake to the private sector in order to catalyse private sector investment and participation into the projects and countries it is involved in.

3. InfraCo Asia is currently funded by three members of PIDG – the Australian Department of Foreign Affairs and Trade (DFAT), the Swiss State Secretariat for Economic Affairs (SECO) and the UK Department for International Development (UKAid).

For more information, please visit www.infracoasia.com and www.pidg.org.

About Daelim Energy

DAELIM Energy aspires to be a global provider in the energy and infrastructure sectors with a particular focus on power and resources. Since it began operations in 2013, it has built assets in Korea, where its headquarters is located, and globally, and intends to cover the full energy value chain of investment, development, financing, EPCM and O&M. To this end, it plans to achieve 10GW+ in total power capacity by 2020.

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