

Daelim Group's Overseas IPP Projects Gain Fresh Momentum

Daelim Energy to Establish JV with IDB Infrastructure Fund II

Daelim Group is gearing up to make new investments as part of its efforts to build new growth engines through overseas electricity generation and energy development projects. Daelim Energy, the IPP (Independent Power Plant) and energy developer arm of Daelim Group, announced its plans on Thursday (December 10th) to establish Daelim EMA, a joint corporation with IDB Infrastructure Fund II, in Dubai. Through Daelim EMA, Daelim Group plans to expand its IPP businesses in the Middle East, Africa, CIS and Southwest Asia.

Daelim Energy's partner IDB Infrastructure Fund II is a 2-billion-dollar fund established by Islamic Development Bank in 2014. The fund was set up in support of 56 member countries in infrastructure-related projects such as power generation, energy, communication, transportation, water supply and sewage systems as well as the development of resources. Islamic Development Bank is an international financial institution that was established in 1973 to support the economic development of Islamic countries. It is strong in investment projects in the fields of resource development, infrastructure and plant construction.

Once the joint corporate body is set up, Daelim Energy and IDB Infrastructure plan to invest up to 200 million dollars according to their equity shares and proceed with investment projects in the energy sector. Daelim Energy, in effect, will be in charge of overseeing the management and business development of the joint corporate body.

Through this joint collaboration, Daelim Group hopes to build investment resources for overseas IPP projects while profiting from a synergy effect in the financing as well as discovering new projects, all in collaboration with IDB Infrastructure Fund II. In addition, by forming a close partnership with member countries of IDB Infrastructure, Daelim Group hopes to discover a wide range of new investment projects in the field of global private electricity generation.

Daelim Group is also expanding its developer projects to include future growth engines, with a particular focus on IPP businesses. In July 2014, Pocheon LNG Combined Cycle Power Plant, the single largest combined cycle power plant in the Seoul Metropolitan Area with a capacity of 1560MW, began commercial operation. In addition, Poseung Biomass Cogeneration Plant, with a capacity of 43MW, is being built with June 2018 as the scheduled date for commercial operation. Meanwhile, in 2013, Daelim took over Australia's coal-fired Millmerran Power Station with a capacity of 851MW. Furthermore, Daelim signed a takeover deal in November with Pakistan's 100MW-capacity wind farm.