

KOREA OCEAN BUSINESS CORPORATION

KOBC

**Korea Ocean Business
Corporation**



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Find Your Future At Sea!

Korea Ocean Business Corporation



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We are making progress every day to enhance competitiveness of the Korean maritime industry

- January** The Korea Ocean Business Corporation Act announced
- February** The founding committee for the Korea Ocean Business Corporation Act is organized
- July** The Korea Ocean Business Corporation is incorporated. Mr. Ho-seon Hwang, the first CEO, is inaugurated
- December** Completed the financing of 1 LNG propelled ship (dual fuel)

- January** Launched the ship valuation service
- February** Introduced a new warranty product for eco-friendly ship system retrofitting
- June** Began the loan interest support program for small and medium-sized shipping companies
- August** Launched the container box lease support service
- December** Winner of the 'Grand Prize in the Innovative Growth Field for Public Institutions' in the Korea Public Policy Awards 2019

- March** Implemented an emergency support program against the COVID-19 for the maritime industry
- July** Opened the Center for Certified Excellent Shipping companies and shippers
- September** Completed the financing for 12 mega container ships (24,000 TEU)
- October** Launched the Maritime Finance Specialist Training Program
- November** Winner of the 'Maritime Affairs and Fisheries Minister's Award' in the Most Beloved Public Institutions Awards 2020
 - Certified 6 outstanding shipping and shipper companies
 - Provided support for 5 VLCC
- December** Approved the first coastline shipping company support project
 - Provided support for 2 LNG carriers

- January** Introduced a bidding and contract performance guarantee product
- March** Began participation in the financial support for the Busan Embrace Fund for Social Economic Development (BEF) 4th Phase
- April** Acquired international credit ratings Aa2 (Moody's) and AA- (Fitch)
- June** Completed the financing for 8 mega container ships (16,000 TEU)
- July** Hosted the 'KOBC Smart Maritime Center (Korea Job World)' at the Maritime Industry Experience Center
- August** Mr. Yang-Soo Kim, the 2nd CEO, is inaugurated
- September** Launched a Korea container shipping alliance (K-alliance)
- October** Won KORMARINE 2021 Award
- November** Issued ESG bonds for financing eco-friendly ships and supporting SMEs
- December** Launched a credit guarantee program for Korean coastline shipping companies

2018

2019

2020

2021



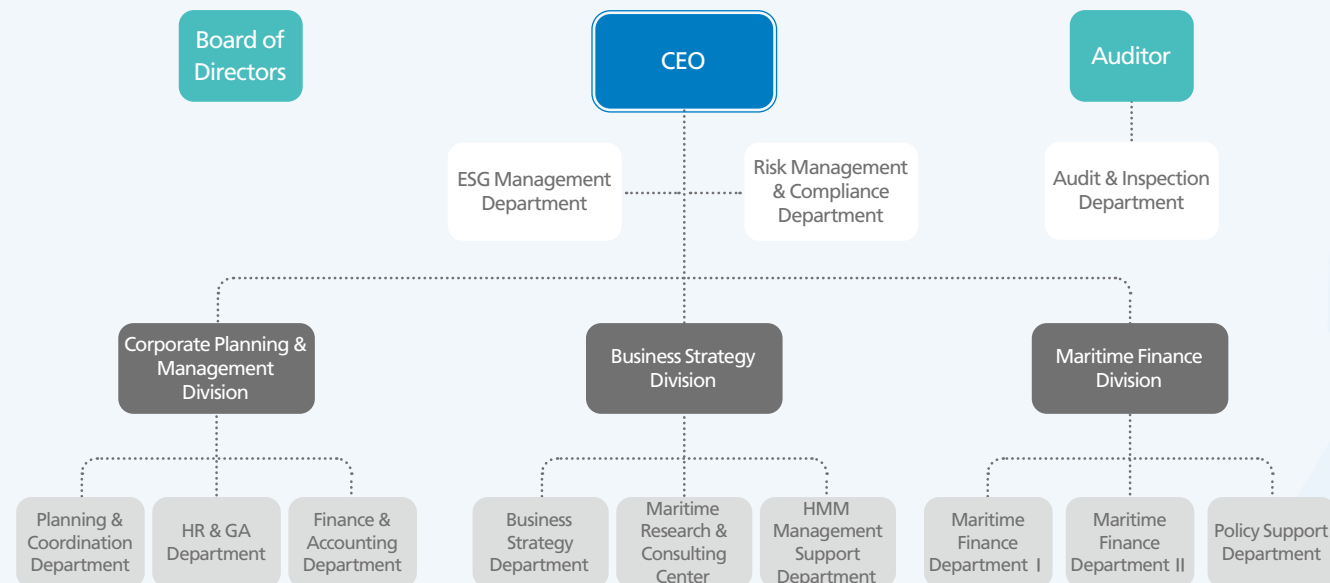
Introduction to KOBC

The Korea Ocean Business Corporation (KOBC) was established to provide support to shipping companies to secure stable supply of ships and liquidity, and provide services necessary for the growth of the maritime industry, so that we can contribute to the economic growth of Korea by strengthening the competitiveness of the Korean maritime industry.

What we do / our goals



Organization



Mission

Maritime Superpower Korea, leaping into the global top 5

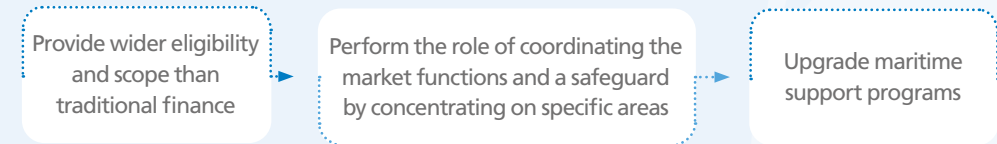
Vision

Rebuild the maritime industry to drive Korea's growth engine

Core values



Our business directions



Action plans

Support securing maritime assets	<ul style="list-style-type: none"> • support for ship financing • support for ship refinancing • support for securing facilities • support for port logistics financing
Create an innovative ecosystem for the maritime industry	<ul style="list-style-type: none"> • Provide support for management of shipping companies • Operate maritime policy businesses • Train industry specialists • Diversify supports for the maritime industry
Provide an advanced information platform for the maritime industry	<ul style="list-style-type: none"> • Expand the scope of maritime information services • Enhance the power to predict the shipping market • Upgrade the capability to manage shipping companies • Enhance the ability to respond to crises of Korean shipping company
Firmly establish a sustainable management system	<ul style="list-style-type: none"> • Operate a sustainable management infrastructure • Create a fair and clean workplace environment • Secure a basis for a stable growth • ESG management and create social values

Our achievement in numbers

Financial support

Financial support provided (based on the number of approvals) / between July 2018 (incorporation) – December 2021

98 companies, **6** trillion and **917.1** billion won

Support to secure a competitive fleet

Support to secure ships (investment)

9 shipping companies, 265.8 billion won

 **21** ships

Support to secure ships (guarantee)

14 shipping companies, 2 trillion 509.4 billion won

 **64** ships

Support to secure eco-friendly, high-efficiency ships

18 shipping companies, 65.5 billion won

 **34** ships


Special guarantee on eco-friendly facility retrofitting

36 shipping companies, 488.8 billion won

 **221** ships

Investment in port terminals and logistics business

2 cases in Korea (Busan, Incheon), 2 cases overseas (Singapore, Malaysia)

 **86.4** billion won

National mandatory fleet system

15 shipping companies, 11.3 billion won

 **128** cases

Support to secure container boxes

3 shipping companies, 612.7 billion won

 **161,067** containers

Providing support for stable management of shipping companies

S&LB

40 ships, 579.4 billion won

 **27** shipping companies

Support for capital expansion and restructuring

2 trillion 127.8 billion won

 **27** shipping companies

Junior investment in ships

2 shipping companies, 3 ships

 **41.7** billion won

Provide support for interest on loans

128.3 billion won

 **48** companies

International credit rating

*Same rating as the Korean government

Moody's **Aa2**, Fitch **AA-**

Building an information platform for the maritime industry

Provide shipping market information

We publish market situation focused reports and in-depth reports reflecting the characteristics of each ship type

 **300** reports per year

Establish a mobile channel

Establish a Kakao channel providing information on shipping market

 Subscriber: **1,054** people

Host the KOBC Maritime Conference

 **1,562** delegates

* Cumulative number of participants since 2018

Issue ship valuation certificates

The only institution in Korea providing ship valuation Used by 60 shipping companies in Korea and overseas

 **292** certificates issued



Your reliable maritime solution provider

We provide different kinds of investments and guarantees to the traditional finance to more recipients and for a wider scope to allow shipping companies to secure stable supply of ships and liquidity.



Ship Investment

We provide support to you so that you can respond to international environmental regulations and consolidate the competitiveness of flag carriers.

Support for securing ships

We provide the fund to either new building or purchase second hand ships to Korean flag fleet so that they can enhance their competitiveness through expansion of a fleet and reducing financial costs.

Investment in shipping infrastructure

We support shipping and port operators to secure domestic and overseas logistics networks.

Port terminal and logistics business

- Support to secure strategic logistics hubs
- Invest in port terminals, depots, and logistics warehouses

Financing for port unloading facilities

- Support to lower the financing costs for terminal operators
- Investment such as purchasing new unloading equipment (crane) and refinance



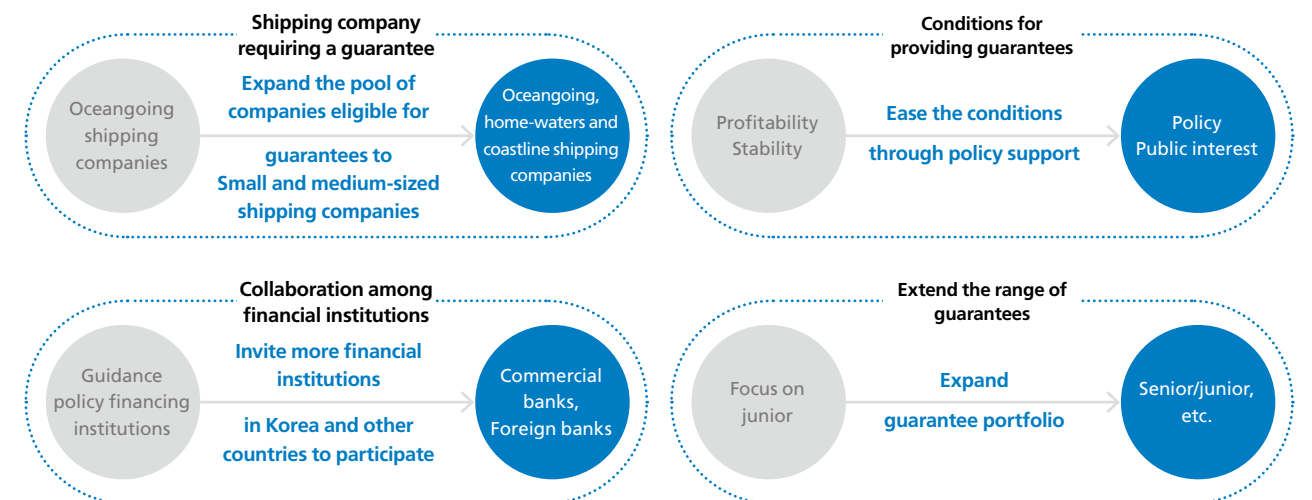
Container Box Lease Financing

We enhance the cost competitiveness of shipping companies by providing a container box lease platform and a competitive lease resulting from it.

Guarantees

Debt guarantees

We provide guarantees for the funds shipping companies borrow to acquire assets.



Bidding and Performance Guarantees

We provide guarantees to shipping companies for their stable conclusion of contracts when they participate in bids and enter into contracts for cargo transportation contracts.

Expanding the ship financing policy

We make sure anyone in need of maritime finance does receive help by relaxing the criteria for eligibility and providing financing programs for small and medium-sized shipping companies by expanding the range of support.



Support for small and medium-sized shipping companies

We provide policy-level support and investment and guarantees to small and medium-sized shipping companies, enabling them to secure liquidity and stabilize their management.

Expand business

Along with the traditional S&LB, we expand our coverage to financing for newly built ships as well as purchasing used ships

Customized support

We help small and medium-sized shipping companies to have professional financial expertise by providing them with customized financial training suitable for the unique situation of every small and medium-sized shipping companies and structured consulting

Relaxation of eligibility criteria

We ease the burden small and medium-sized shipping companies have to bear by improving the eligibility criteria, such as paying for guarantees in installments

Support for coastline shipping companies

We support coastline shipping companies to purchase ships by providing investments and guarantees so that they can improve their stability and competitiveness.

Coastline passenger & cargo ship modernization program

In cooperation with policy finance institutions, we help coastline shipping companies to ease their burden for replacing old ships.

“KOBC is working hard to be ready for international environmental regulations, guarantee access to mobility for island residents, secure stability of maritime transportation, and seek revitalization of industries in coastal areas.”



Financial support for the maritime industry

We are the last line of defense for shipping companies, enabling them to become stable internally and enhance competitiveness.

Stabilize the management of shipping companies

Stabilize the management of shipping companies and enhance their competitiveness

We make investments to bolster organizational management and cost competitiveness, and implement a variety of maritime policy projects of the Korean government to foster shipping companies with global competitiveness.

Sale and leaseback

We purchase ships owned by shipping companies and lease them to the companies again so that they can secure liquidity.



Respond to IMO environmental regulations

We provide subsidies for eco-friendly ship upgrades and special guarantees on funds for eco-friendly facility retrofitting.

Certification for Excellent Shipping companies and Shippers

We certify shipping companies and shippers who cooperate and maintain a win-win relationship for the development of the Korean maritime industry and provide a variety of incentives to them.

Benefits to certified companies

Common	Favorable interest rate, up to 0.2%p as part of the policy finance
	Bonus points for government projects (such as the right to move into a berth development complex)
	Government award for outstanding companies
Shipping companies	Up to 4% discount for the rate of return of KOBC (Investment, Guarantee)
	Discount on port due (30 to 50%)
	USD 500 discount when issuing a ship valuation certificate
Shippers	Part of transport cost can be deducted from corporate tax (forwarders only)

National mandatory maritime system

We designate and operate essential vessels for national interest pursuant to the Act on Maintaining Marine Transportation and Port Functions to Prepare for Emergencies to transport strategic materials stably and provide stable employment to national merchant marines.

Training maritime and harbor logistics specialists

We train specialists who will pioneer new markets in the global maritime harbor logistics market through customized industry-based training.

Advanced information platform for the maritime industry

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We will make contributions to strengthen the capabilities of shipping companies to respond to crisis and prevent insolvencies through maritime transaction information, market information, ship valuation, support for government maritime policies, diagnosis of the industry and consulting.



Provide maritime industry information

We periodically publish maritime industry reports reflecting the market characteristics for each ship type to solve the digital divide issue and provide support for rational decision making.

If you subscribe to 'KOBC' in KaKao Plus Channel, you can receive maritime industry information.



Information networking with professional organizations in Korea and overseas

We have established a network with research institutes as well as maritime-related organizations in Korea and overseas to respond to changes in the market.

- Korea : Host the shipping market forums and the KOBC Maritime Conference
- Overseas : signed agreements with credible overseas research institutes such as the MSI, Vessels Value, etc

KOBC

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Ship valuation

We provide objective and credible ship valuation service to shipping companies and ship financing companies.



We have expertise gained through the cooperation with many professional organizations all over the world based on an elaborate ship price management system

- Increase accuracy by improving the evaluation method
- Increase expertise by collaboration with professional organizations overseas



We reflect qualitative indices through data-based quantitative indices and a professional panellists to secure objectivity

- Ship information, sale and purchase information, freight indices, ship price indices
- Reflect opinions of the professional panellists



We provide the value you can trust through independent valuation

- The objective of KOBC to work for the public interests comes first
- Certify policy financing institutions and policy support projects



Maritime industry Analysis

Based on information, we proactively manage risks of the industry and companies.

- Upgrade the traditional maritime transaction database such as ocean freight charge and ship sales, etc
- Quantify financial information and fleet operation information for each shipping company
- Build a shipping company risk management system based on data



KOBC focuses on the environment, society and government for 'driving the growth engine of the Korean economy by rebuilding the maritime industry'.

Pledge for ESG management

After its incorporation in 2018, KOBC has strengthened the competitiveness of the Korean maritime industry and implemented sustainable management through providing support for securing competitive fleet, stable management of shipping companies and building a maritime industry information platform.

KOBC and its all officers and employees will not stop here and promise to implement ESG management further and build a sustainable maritime industry ecosystem through our commitment to social responsibilities and strengthening our corporate governance.

First, we will take the lead in achieving carbon neutrality by expanding a variety of eco-friendly support programs to help Korean shipping companies to respond to the IMO 2020 of the International Maritime Organization.

Second, we will practice human rights-based management respecting all stakeholders and continue to expand our activities to create social values, such as job creation, cooperation with the local communities, and building a win-win maritime industry ecosystem.

Finally, we will make sure that the culture of ethics and integrity takes root in our company and strengthen fairness and transparency in the decision-making process on major strategies and policies through meeting of shareholders, the board of directors and risk management committee.

We will continue to strive to become a trusted public institution that meets the expectations of all stakeholders through continuous innovations, realization of social values, and more stringent compliance.



ESG management strategy system

Environment

We have proactively joined the eco-friendly initiative of the International Maritime Organization (IMO) and support Korean shipping companies to respond to the IMO 2020, taking part in a variety of environment preservation activities.

Eco-friendly ship financing

- Investment and guarantees for building eco-friendly ships
- Subsidies for eco-friendly ship conversion

Eco-friendly facility manufacturing financing

- Special guarantee program to manufacture and install eco-friendly facilities

Practice environmental protection

- Implement social contribution activities to protect the marine environment

Governance

With our goal as a transparent and trusted public institution meeting the expectations of the public, we are implementing an internal control system, stringent ethical management, and compliance activities.

Shareholders

- Close management of the shareholders consisted of the government, public institutions, and shipping companies

Board of Directors

- Form a professional Board of Directors and strengthen the review function

Risk management

- Operate the Risk Management Committee and perform integrated risk management

Anti-corruption

- Provide an intensive integrity training to the officers and employees and severely discipline corrupt activities
- Whistleblower system in place

Human rights and ethics

- Independent Ethics Management Committee and Human Rights Management Committee

Social

We have been implementing a variety of collaboration activities to foster a win-win relationship with the maritime and shipbuilding industries and grow together with the local community since the incorporation.

Jobs

- Create jobs in the private sector through implementation of core projects
- Minimize vacant positions by continuous hiring and create jobs for young people

Workers

- Hiring talents based on talents through blind recruitment
- Maintain zero industrial accidents
- Build a win-win labor and management culture based on cooperation

Industry environment

- Operate the outstanding shipping and shipper company certification system
- Operate the unfair maritime transaction report center
- Provide a maritime information service
- Investigate power abuse over business partners and enhance the channel of communication

Local community

- Contribute to the establishment of Busan Finance Center
- Contribute to the Busan Social Economic Support Fund
- Implement contribution to the local community by collaborating with the relevant organizations

Customer

- Customer satisfaction survey, analyze VOC and give feedback
- Operate the Public Participation Innovation Committee

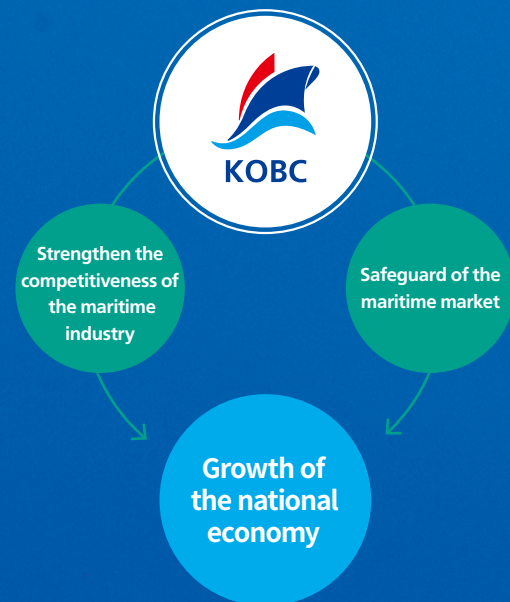
Korea, a maritime superpower! KOBIC will pave the way!

Korea's marine merchants are sailing the sea all over the world to contribute to the national economy and lives of the Korean people.

KOBIC will continue to be a reliable supporter of the Korean maritime industry with various policy supports so that it can continue to grow.

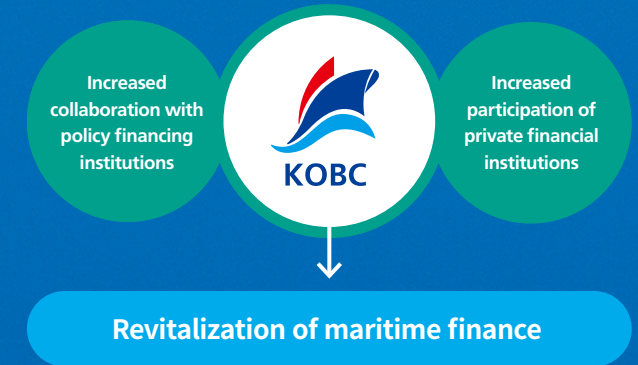
01 We will build a win-win industry ecosystem through strengthening the competitiveness of the Korean maritime industry!

We will support continuous growth of shipping companies by actively implementing the policies of the Korean government and stimulate economic revitalization, such as job creation, through strengthening the competitiveness of the Korean maritime industry, to contribute to the growth of national economy.



02 We will become a total solution provider in the maritime finance market!

Through a variety of programs, we will encourage active participation of private financial institutions!



03 We will enhance the mid-and long-term competitiveness of the maritime industry!

KOBIC will continue its effort to enhance the mid-and long-term competitiveness of the maritime industry to find growth engines for the maritime and port industries in preparation of the 4th Industrial Revolution.

-  **Advanced knowledge information service**
Bigdata based knowledge service
-  **Lead smart maritime industry**
Support the introduction of IoT in logistics, automatic sailing ships and smart complex logistics centers
-  **Support for developing new businesses**
Strengthen the role as a tonnage provider wholly responsible for the maritime industry



Leaping into a
'maritime industry leading nation',
KOBC will be your partner

Contact and how to find us

Directions to the head office

Address 5th and 7th floors, Building C1, (U-dong, Haeundae i-Park) 38,
Marine city 2-ro, Haeundae-gu, Busan, Republic of Korea (48120)

Phone +82-51-795-1500

Subway Get off at Dongbaek station -> exit through either No.
1 or 3 exit and walk 16 minutes

Bus 139, 307, Express 1003
(Get off at Yachting Center, Gyeongnam Marina Apartment
stop -> walk 9 minutes) 100-1, 31, 63, 141
(Get off at Busan Munhwa Girls' Highschool -> walk 15 minutes)

By car Enter Gate 1

Directions to Seoul Office

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