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## **EXCLUSIVE — Prostar Capital to grow South Korean footprint with new operating partner**

BY KALI PERSALL

Prostar Capital has appointed In Ku Kang as an operating partner, based in Seoul.

Kang, who has worked with the Prostar team for more than five years, will help bolster Prostar's existing investment footprint in South Korea. South Korea has been an investment focus for Prostar for more than a decade, and the firm has a pipeline consisting of \$500 million in proprietary deals ready to deploy.

"The unique thing about South Korea is that it combines all the things that we look for. It's an OECD country with strong GDP growth and a stable political and regulatory framework," said Steve Bickerton, senior managing director at Prostar Capital, in an exclusive call with IREI. "It's got a rising demand for energy to keep its industrial operations growing. Some of the biggest companies in the world are in South Korea in terms of manufacturing, but it's heavily reliant on imported energy, predominantly coal."

Kang most recently served as CEO of Prostar's portfolio company, Kyungnam Energy, the largest independent city gas business in South Korea. Kang was also instrumental in leading Prostar's investments in hydrogen fuel cell, solar, biogas from sewage and steam from recycled plastic incineration.

Prostar acquired Kyungnam Energy in 2017, a regulated utility with strong growth potential. Since the acquisition, it has had the fastest growing gas penetration rate in South Korea.

Prior to Kyungnam Energy, Kang served as CEO at Korea Energy Terminal, and prior to that held various senior leadership roles at Daewoo and Isu Chemical. In addition, Kang has also served as chairman of the Korean Institute of Chemical Engineers and was awarded the Government Industrial Service medal for his contributions to South Korean industry.

In his new role, Kang will help develop investment opportunities in natural gas, as well as investments in alternative, cleaner processes and technologies, such as fuel cell technology, that can offset carbon emissions and be partnered with renewable sources.

“Given the depth of Mr. Kang’s experience, we expect that he will make a significant contribution to the growth of our portfolio companies and support Prostar’s long-term commitment to meeting the South Korean government’s targets to increase LNG and renewables usage,” said Bickerton.

Dave Noakes, senior managing director at Prostar Capital, told IREI that he believes solar and hydrogen fuel cells will yield the best investment opportunities that will help South Korea reach its net-zero goal by 2050.

“As South Korea’s energy needs rise, that creates more opportunities,” said Noakes, who noted that energy usage is projected to grow 3 percent annually over the next 15 years, and renewables share of the energy mix is projected to rise 10 times, as LNG usage is predicted to double.

“In that same timeframe, the energy mix in South Korea will change massively, reducing coal and nuclear as a source of energy to be replaced by increased use of renewables and LNG,” said Noakes. “Those are some pretty key indicators that there’s a great opportunity in terms of the investment required to meet that growing energy demand and deliver that increased proportion of energy coming from renewables and LNG.”