Early Warning System

IFC-40355

KHMF Equity&Loan

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Quick Facts

Countries	Myanmar
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	C
Voting Date	2018-06-15
Borrower	KEB HANA MICROFINANCE LIMITED
Sectors	Finance
Ring Fence	Small & Medium Enterprises
Investment Type(s)	Equity
Investment Amount (USD)	$ 13.00 million
Loan Amount (USD)	$ 10.00 million
Project Cost (USD)	$ 13.00 million

Project Description

According to the IFC, the proposed project consists of an equity investment of up to US$3 million in KEB Hana Microfinance Ltd., a deposit taking microfinance company in Myanmar, and a MMK denominated senior loan of up to US$10 million equivalent for a tenor of up to 5 years to KHMF for on-lending to micro enterprises in Myanmar. Through the investment, IFC will support KHMF’s growth of its micro and very small enterprise (“VSE”) loan portfolio, which increases financial inclusion and reduces poverty in Myanmar. The Company focuses on extending small loans to support the financing needs of the lower-income population, especially women, across Myanmar.

Investment Description

- International Finance Corporation (IFC)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- KEB HANA MICROFINANCE LIMITED (Financial Intermediary) **is owned by** Hana Financial (Parent Company)

Private Actor Relationship

There is often limited information publicly available about what development banks are funding through financial intermediaries. In 2021, the Early Warning System partnered with Oxfam International to incorporate information on high-risk projects being funded by financial intermediaries receiving funding from the International Finance Corporation (IFC) and the Dutch Development Bank (FMO).

The information listed below describes the relationship between the different private actors linked to high-risk sectors and subprojects of IFC and FMO's financial intermediary investments and/or the financial intermediary's parent companies made from 2017 through 2020, including any associated ring fences.

The database, however, does not explicitly or implicitly imply that IFC or FMO have material exposure to or are contractually or legally accountable to the sub-projects financed by their financial intermediaries or the financial intermediary's parent companies. It only shows a seemingly financial relationship among the different private actors, the financial intermediaries, and IFC or FMO.

An extended list of private actors is available in a separate file.

Private Actors Description

Established in 2013, KEB Hana Microfinance Ltd. is sponsored by Hana Financial Group through its subsidiary KEB Hana Bank, which is one of the four largest banking groups in Korea and is rated A1 by Moody’s, A- by Fitch, and A+ by S&P. The current main shareholders of KHMF are: (i) KHB with a 99.998% shareholding, and (ii) the Company’s managing director, Mr. Lee Jeung Sae with a 0.002% shareholding. KHMF focuses on extending small loans to support the financing needs of low-to-mid income borrowers, especially women, through 20 sale units in 6 states in Myanmar.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	KEB Hana Bank (KHB)	Parent Company	-
Baring Private Equity Partners	Parent Company	Construction	owns	Interplex Holdings Ltd	Client	Construction
Doosan Heavy Inds & Constr Co	Parent Company	Construction	owns	Doosan Power Systems	Client	Construction
Hana Financial	Investor	Finance	invests in	Ace Tool	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Ace Tool	Client	Construction
Hana Financial	Investor	Finance	invests in	Aerotech Korea Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Aerotech Korea Co Ltd	Client	Construction
Hana Financial	Investor	Finance	invests in	Agricultural A Ram Co Ltd	Client	Agriculture and Forestry
Hana Financial	Investor	Finance	invests in	Agricultural A Ram Co Ltd	Parent Company	Agriculture and Forestry
Hana Financial	Investor	Finance	invests in	Ansung Industrial Co Ltd	Client	Construction
Hana Financial	Investor	Finance	invests in	Ansung Industrial Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Anu Information Telecommunication Co Ltd	Parent Company	Communications
Hana Financial	Investor	Finance	invests in	Anu Information Telecommunication Co Ltd	Client	Communications
Hana Financial	Investor	Finance	invests in	April Intl Entrp Pte Ltd	Client	Agriculture and Forestry
Hana Financial	Investor	Finance	invests in	Arion Co Ltd	Parent Company	Communications
Hana Financial	Investor	Finance	invests in	Arion Co Ltd	Client	Communications
Hana Financial	Investor	Finance	invests in	Asia Symbol China Holdings Ltd	Client	Agriculture and Forestry
Hana Financial	Investor	Finance	invests in	Baekdoo F&S Co Ltd	Parent Company	Agriculture and Forestry
Hana Financial	Investor	Finance	invests in	Baekdoo F&S Co Ltd	Client	Agriculture and Forestry
Hana Financial	Investor	Finance	invests in	Baring Private Equity Partners	Parent Company	Construction

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Hana Financial	Investor	Finance	invests in	Blue Sky Engineering & Construction	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Blue Sky Engineering & Construction	Client	Construction
Hana Financial	Investor	Finance	invests in	Brickworks Ltd	Client	Construction
Hana Financial	Investor	Finance	invests in	Brickworks Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Byucksan Marine Insulation System Co.Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Byucksan Marine Insulation System Co.Ltd	Client	Construction
Hana Financial	Investor	Finance	invests in	CYNEXZONE CO LTD	Parent Company	Communications
Hana Financial	Investor	Finance	invests in	CYNEXZONE CO LTD	Client	Communications
Hana Financial	Investor	Finance	invests in	Dabp Co.Ltd	Client	Agriculture and Forestry
Hana Financial	Investor	Finance	invests in	Dabp Co.Ltd	Parent Company	Agriculture and Forestry
Hana Financial	Investor	Finance	invests in	DaeGu Agricultural Products Co Ltd	Client	Agriculture and Forestry
Hana Financial	Investor	Finance	invests in	DaeGu Agricultural Products Co Ltd	Parent Company	Agriculture and Forestry
Hana Financial	Investor	Finance	invests in	Daum Construction Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Daum Construction Co Ltd	Client	Construction
Hana Financial	Investor	Finance	invests in	DAUN E&C Co Ltd	Client	Construction
Hana Financial	Investor	Finance	invests in	DAUN E&C Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Deokwoon Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Deokwoon Co Ltd	Client	Construction
Hana Financial	Investor	Finance	invests in	Dong Ah Remicon Ltd Co	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Dong Ah Remicon Ltd Co	Client	Construction

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Hana Financial	Investor	Finance	invests in	Dong Sung Precision Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Dongsung Heavy Industries Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Dongwoo Skt Co Ltd	Parent Company	Communications
Hana Financial	Investor	Finance	invests in	Dongwoo Skt Co Ltd	Client	Communications
Hana Financial	Investor	Finance	invests in	Doosan Heavy Inds & Constr Co	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Doosan Infracore Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Doosan Power Systems	Client	Construction
Hana Financial	Investor	Finance	invests in	Econy Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Gumsung Industrial Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	HAN KOOK SAN UP Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Hanil Construction Material MFG Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Hans Ind Tech Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Hansol Construction Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Hansol HomeDeco Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Il-Shin Tech	Parent Company	Communications
Hana Financial	Investor	Finance	invests in	Il-Shin Tech	Client	Communications
Hana Financial	Investor	Finance	invests in	INT Tec Co Ltd	Parent Company	Communications
Hana Financial	Investor	Finance	invests in	INT Tec Co Ltd	Client	Communications
Hana Financial	Investor	Finance	invests in	Interplex Holdings Ltd	Client	Construction
Hana Financial	Investor	Finance	invests in	Je&Tech Co Ltd	Parent Company	Construction

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Hana Financial	Investor	Finance	invests in	Kapjin Co Ltd	Parent Company	Communications
Hana Financial	Investor	Finance	invests in	Kapjin Co Ltd	Client	Communications
Hana Financial	Investor	Finance	invests in	Kiseung Ind Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	KMS Lab Co Ltd	Parent Company	Communications
Hana Financial	Investor	Finance	invests in	KMS Lab Co Ltd	Client	Communications
Hana Financial	Investor	Finance	invests in	Korea Land & Housing Corp	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Kpf Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	KR Tech Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Latchwon Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Limscable Co Ltd	Parent Company	Communications
Hana Financial	Investor	Finance	invests in	Limscable Co Ltd	Client	Communications
Hana Financial	Investor	Finance	invests in	Mido Construction Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Misung Remicon Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Nara Corp	Client	Agriculture and Forestry
Hana Financial	Investor	Finance	invests in	Nara Corp	Parent Company	Agriculture and Forestry
Hana Financial	Investor	Finance	invests in	Nubicom Inc	Parent Company	Communications
Hana Financial	Investor	Finance	invests in	Nubicom Inc	Client	Communications
Hana Financial	Investor	Finance	invests in	Ohsang International Co Ltd	Parent Company	Agriculture and Forestry
Hana Financial	Investor	Finance	invests in	Ohsang International Co Ltd	Client	Agriculture and Forestry
Hana Financial	Investor	Finance	invests in	PTK Co Ltd	Parent Company	Construction

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Hana Financial	Investor	Finance	invests in	PTPN III	Parent Company	Agriculture and Forestry
Hana Financial	Investor	Finance	invests in	PTPN III	Client	Agriculture and Forestry
Hana Financial	Investor	Finance	invests in	Rgm Intl	Parent Company	Agriculture and Forestry
Hana Financial	Investor	Finance	invests in	Samick Tech Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Sang Sang Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Seakwang International Network Co Ltd	Client	Agriculture and Forestry
Hana Financial	Investor	Finance	invests in	Seakwang International Network Co Ltd	Parent Company	Agriculture and Forestry
Hana Financial	Investor	Finance	invests in	Shin Textile Solutions Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Thai Beverage PCL	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Unitoa Co Ltd	Parent Company	Communications
Hana Financial	Investor	Finance	invests in	Unitoa Co Ltd	Client	Communications
Hana Financial	Investor	Finance	invests in	Utronix Inc	Parent Company	Communications
Hana Financial	Investor	Finance	invests in	Utronix Inc	Client	Communications
Hana Financial	Investor	Finance	invests in	YJ Link Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	YMP Co Ltd	Parent Company	Construction
Hana Financial	Investor	Finance	invests in	Yujin Fibre Board Industrial Co Ltd	Client	Agriculture and Forestry
Hana Financial	Investor	Finance	invests in	Yujin Fibre Board Industrial Co Ltd	Parent Company	Agriculture and Forestry
Mido Construction Co.	Parent Company	Construction	owns	Mido Construction Co Ltd	Client	Construction
Rgm Intl	Parent Company	Agriculture and Forestry	owns	April Intl Entrp Pte Ltd	Client	Agriculture and Forestry
Rgm Intl	Parent Company	Agriculture and Forestry	owns	Asia Symbol China Holdings Ltd	Client	Agriculture and Forestry

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Thai Beverage PCL	Parent Company	Construction	owns	Walker Corp Pty Ltd	Client	Construction

Contact Information

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ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/