

Macquarie Infrastructure and Real Assets (**MIRA**)



Macquarie Korea Infrastructure Fund

Investor Presentation

1H 2021



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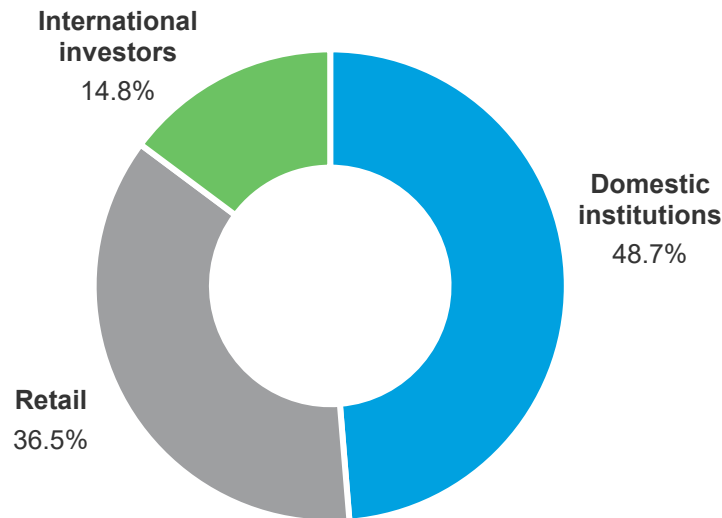
1 | MKIF Overview



A Leading Infrastructure Fund in Korea

- Established in 2002 / Listed on the Korea Exchange in 2006
- Market capitalization of KRW ~4.7 trillion¹
- Invests only in Korea as defined under the Korean PPP Act²
- Delivered approximately ~6.8% distribution yield³ in 2020
- Issuer credit rating of AA0 (Stable)⁴

Key Shareholder Groups⁵



1. As at 30 Jun 2021

2. Act on Public Private Partnerships in Infrastructure ("PPP Act") states infrastructure sectors including roads, railways, ports, water treatment, waste management, etc.

3. Distribution yield based on FY2020 closing share price of KRW 10,650 and FY2020 distributions; historical performance does not guarantee future performance

4. Issuer credit rating by NICE Investor Service on 2 Apr 2021

5. As at 30 Jun 2021

Fund History

Establishment / Listing 2002 / 2006	Mandate Core and Core+ (Korea only)	Portfolio 12 Roads, 1 Port, 1 Rail, 2 City Gas	Market Capitalisation KRW ~4.7 trillion (KOSPI top 69)
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MKIF History¹

Pioneered the infrastructure sector in Korea, leading the market with best fund and asset management practices

2002 ~ 2006

Establishment & Capital Raising

- Established in Dec 2002
- Investment committed in 15 assets
 - 14 toll roads
 - 1 subway line
- Capital reached KRW 1.3tn

2006 ~ 2009

IPO & Asset Stabilization

- IPO in Mar 2006 (KRW 1.0tn)²
- Listing on KRX and LSE²
- 5 greenfield assets commenced operation on time & on budget
- Asset performance stabilized

2007 ~

Active Fund and Asset Management

Fund-level

- 10 investments³ / 4 divestments⁴
- 9 fund-level debt refinancing⁵
- Effective IR: improved market awareness & active share trading

Asset-level

- 16 asset-level restructuring⁶
- 14 asset-level dispute resolutions⁷
- Actively engaged with current issues

2017 ~

Share Offering & New Growth

- Mandate expansion
- Seeking diverse investment opportunities
- Follow-on offering in 2017 (KRW 147.2 billion)
- Follow-on offering in 2020 (KRW 244.2 billion)
- Follow-on offering in 2021 (KRW 398.4 billion expected)

1. Please refer to page 7 for asset acronyms

2. KRW 0.6tn = issuance of new shares, KRW 0.4tn = sale of old shares / MKIF delisted from LSE in Mar 2016

3. BNP 2-3 initial investment (2008); MCB bolt-on (2008); BNP 2-3 bolt-on (2013); YSE bolt-on (2015); IBC bolt-on (2017); SCH bolt-on (2018); DBR (2019); B2RR (2020), HY (2021), SRB (2021)

4. New Daegu Busan Expressway (2008); Seosuwon-Osan Pyungtaek Expressway (2010); Daegu 4th Beltway East (2012); Subway Line 9 (2013)

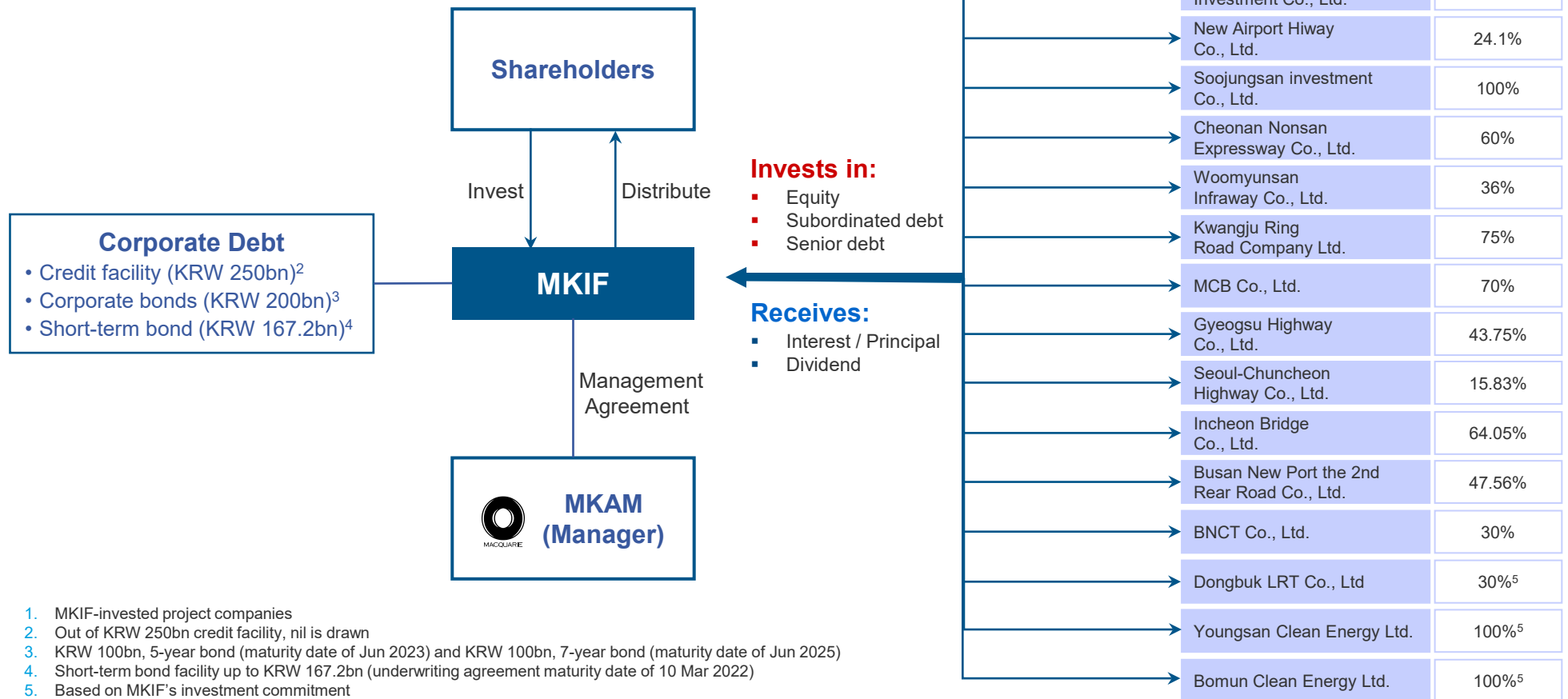
5. MKIF debt refinancing disclosed in May 2007; Apr 2009; Nov 2009; May 2011; Jun 2011; Feb 2014; May 2016; Jun 2018; Jan 2019

6. Asset-level refinancing disclosed in Feb 2007 (Daegu 4th Beltway East); Jan 2008 (BYTL); Dec 2008 (WIC); Mar 2009 (IBC); May 2009 (CNEC); Nov 2010 (MCB); Aug 2015 (NAHC); Oct 2015 (YSE); Jan 2016 (WIC); Dec 2016 (KBICL); Jan 2017 (MCB); Aug 2017 (IBC); Jun 2018 (SCH); Apr 2019 (BNP 2-3); Dec 2019 (CNEC); Dec 2020 (SCH)

7. Disputes resolved in Oct 2013 (BNP 2-3); Apr 2015 (MCB); Aug 2015 (KBICL); Dec 2016 (KBICL); Jan 2019 (SICL & BYTL); Mar 2019 (SICL); 2018-2019 (5 tax litigations involving SICL, WIC, KBICL, NAHC, CNEC), May 2020 (BYTL), Jun 2020 (IBC)

Business Structure

- MKIF is a holding company of 16 infrastructure project companies
- Active management of the underlying project companies¹
- Fund is managed by Macquarie Korea Asset Management Co., Ltd. ("MKAM")
- MKIF corporate tax exempted when 90% or more of its distributable earnings is distributed



Portfolio Summary¹



(As at 30 June 2021)

- KRW 2.2 trillion invested across 16 infrastructure assets in Korea in the form of equity (25%), subordinated debt (71%) and senior debt (4%)

● Toll Roads (68%) ● Port (12%) ● Rail (4%) ● City Gas (16%)

Dongbuk Light Rail Transit (DBR)

- 13.4km, underground rail
- MKIF commitment: KRW 82.7bn (4%)

Incheon International Airport Expressway (NAHC)

- 40.2km, 6 to 8-lane expressway
- MKIF investment: KRW 75.3bn (3%)

Woomyunsan Tunnel (WIC)

- 3.0km, 4-lane tunnel
- MKIF investment: KRW 20.3bn (1%)

Incheon Grand Bridge (IBC)

- 12.3km, 6-lane bridge
- MKIF investment: KRW 295.4bn (14%)

Yongin-Seoul Expressway (YSE)

- 22.9km, 4 to 6-lane expressway
- MKIF investment: KRW 151.1bn (7%)

Gwangju 2nd Beltway, Section 1 (KBICL)

- 3.5km, 6-lane ring road
- MKIF investment: KRW 192.6bn (9%)

Haeyang Energy Co., Ltd. (HY)

- City gas retail distributor with 2,383km of pipelines in Gwangju City and eight other regions in Jeollanam-do
- MKIF commitment: KRW 282.7bn (13%)

Gwangju 2nd Beltway, Section 3-1 (KRRC)

- 5.6km, 6-lane ring road
- MKIF investment: KRW 28.9bn (1%)

Seoul-Chuncheon Highway (SCH)

- 61.4km, 4 to 6-lane expressway
- MKIF investment: KRW 162.4bn (8%)

Cheonan-Nonsan Expressway (CNEC)

- 81.0km, 4-lane expressway
- MKIF investment: KRW 270.1bn (12%)

Sorabol City Gas Co., Ltd. (SRB)

- City gas retail distributor with 495km of pipelines in two regions in Gyeongsangbuk-do
- MKIF commitment: KRW 76.1bn (4%)

Baekyang Tunnel (BYTL)

- 2.3km, 4-lane tunnel
- MKIF investment: KRW 2.3bn (0.1%)

Soojongsan Tunnel (SICL)

- 2.3km, 4-lane tunnel
- MKIF investment: KRW 47.1bn (2%)

Busan New Port Phase 2-3 (BNP 2-3)

- Container terminal with annual handling capacity of 320 million TEUs
- MKIF investment: KRW 259.4bn (12%)

BNP the 2nd Rear Road (B2RR)

- 15.3km, 4-lane expressway
- MKIF investment: KRW 110.7bn (5%)

Machang Bridge (MCB)

- 1.7km, 4-lane bridge
- MKIF investment: KRW 112.8bn (5%)

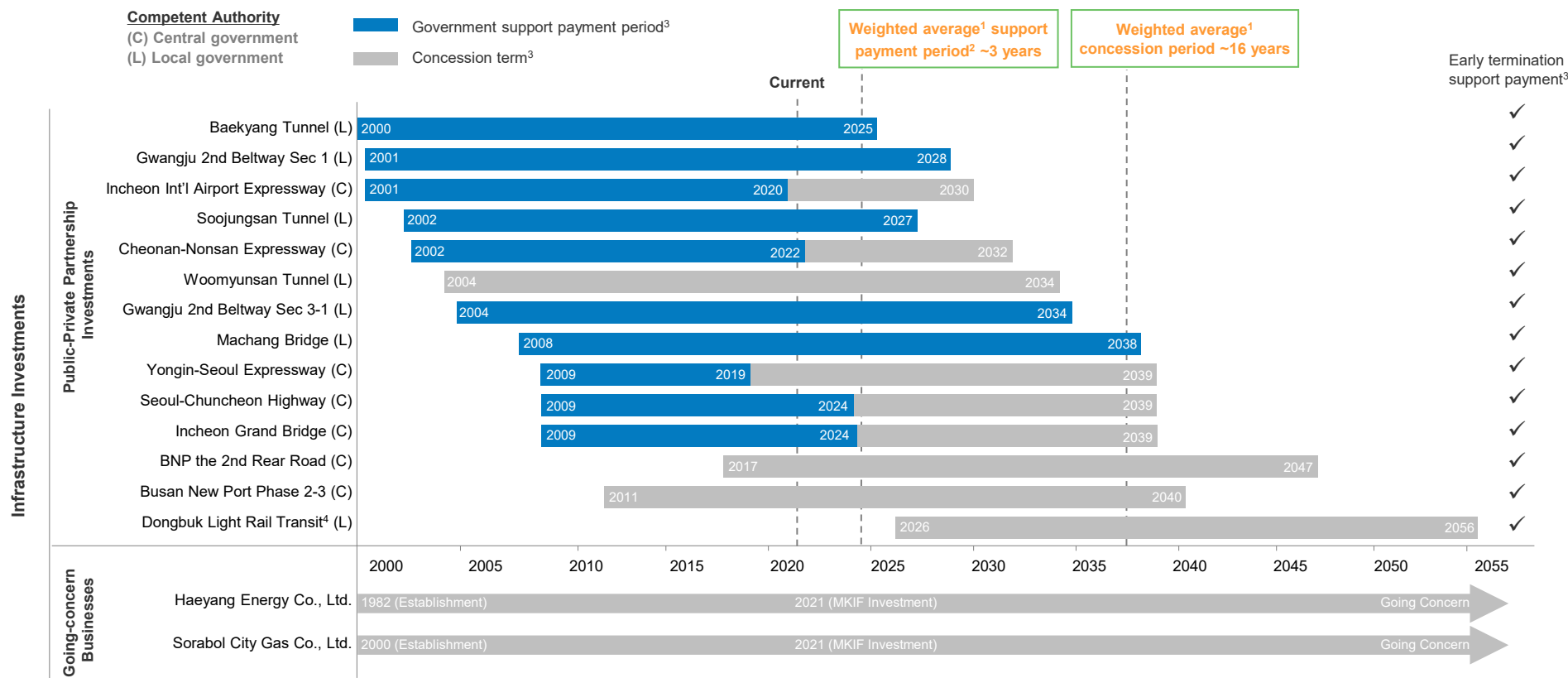
1. All amounts and percentages are based on MKIF's investment amounts (including investment commitments in Dongbuk LRT Co., Ltd., Youngsan Clean Energy Ltd. (project company for HY) and Bomun Clean Energy Ltd. (project company for SRB))

Concession/Operation Period



(As at 30 June 2021)

- MKIF invests in 16 project companies, of which 14 are public-private partnership investments with a fixed concession period defined under respective concession agreement with competent authority, while the remaining 2 are going-concern businesses



- Based on MKIF's investment amounts and investment commitment in Dongbuk LRT Co., Ltd.
- Revenue guarantee and cost compensation payments received from competent authorities, toll freeze compensations related to the CPI growth, etc. Weighted average support payment period is based on the periods of government support payments other than toll freeze compensation, as toll freeze compensation is typically covered throughout entire concession term
- Project companies have the right to receive payments if the relevant concession agreement is terminated prior to expiration of the concession term, including termination due to events attributable to the concession company, the competent authority, or for events of force majeure
- Construction period of 5 years (1H 2021~1H 2026) expected, followed by a 30-year concession period

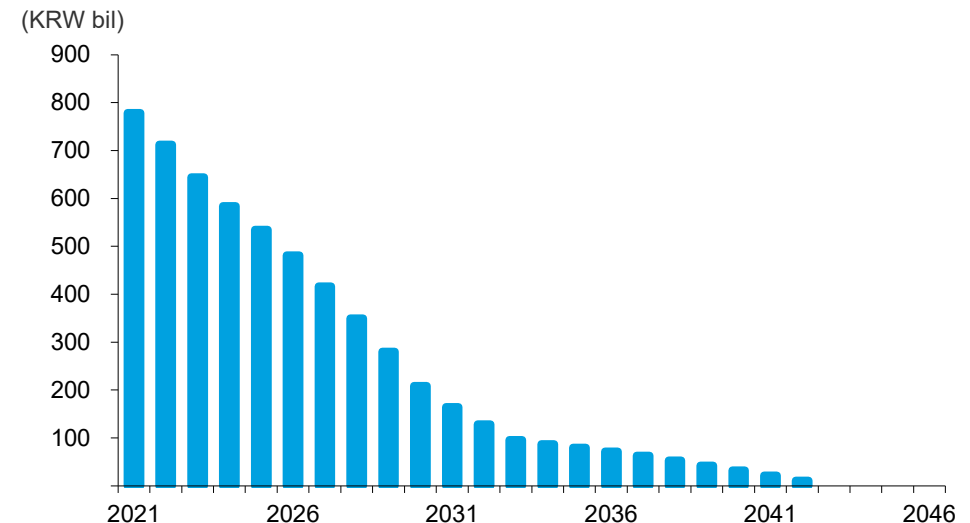
Financial Position

(As at 30 June 2021)

- MKIF debt capped at 30% of its capital under PPP Act¹, with the current outstanding debt at KRW 200 billion out of KRW 450 billion limit under the existing loan agreements
 - Nil is drawn from KRW 250 billion of credit facility limit
 - KRW 200 billion fixed-rate bonds (KRW 100 billion, 5-year bond maturing in June 2023 & KRW 100 billion, 7-year bond maturing in June 2025)
 - Nil has been issued from KRW 167.2 billion of short-term bond facility
- Weighted average interest rate of MKIF debt is 3.09%, and remaining average maturity is 2.7 years
- Project company-level debt is expected to decline as senior debts are redeemed, and average remaining maturity² of external debt³ is 7.3 years

Project Company-level External Debt Balance⁶

CASH ⁴	KRW 406.4bn
EXTERNAL DEBT AVERAGE MATURITY ³	7.3 years
GEARING ⁵	15.6%

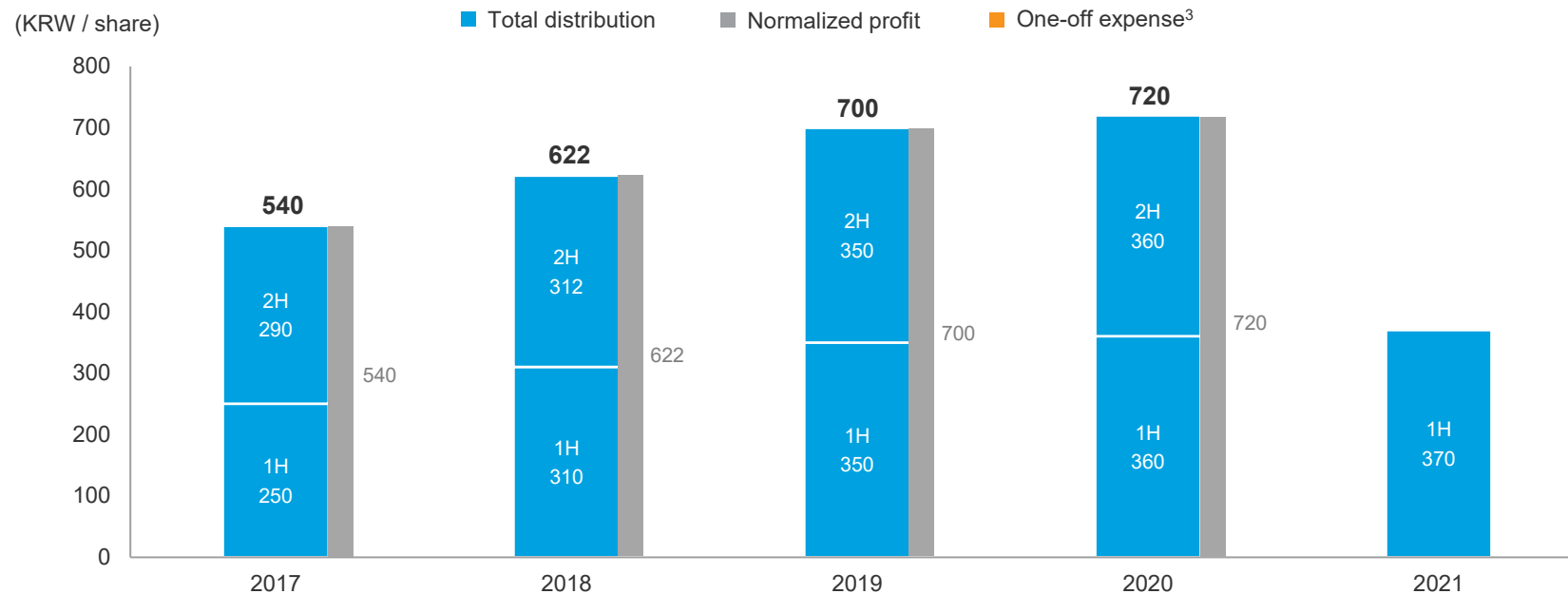


1. Current MKIF debt ceiling under PPP Act is KRW 617.3bn (30% of current MKIF paid-in-capital of KRW 2,057.5bn)
2. Average remaining maturity of external debt of the underlying project companies based on MKIF equity ownership
3. External debt of the underlying project companies is defined as the total drawn debt of the underlying project companies minus: (i) borrowing from MKIF; (ii) borrowing from third parties with the same and/or subordinated term as MKIF's; (iii) borrowing of which default risk and redemption obligation have been transferred to the relevant authority as a result of restructuring
4. Proportionately consolidated MKIF cash and cash equivalents (inclusive of MKIF cash and cash equivalents of KRW 85.7bn)
5. Proportionately consolidated MKIF net debt / (proportionately consolidated MKIF net debt + average MKIF market capitalization for the previous 3 months)
6. Outstanding external debt balance of the underlying project companies based on respective MKIF equity ownership, assuming absence of additional restructuring or new investment

Distribution

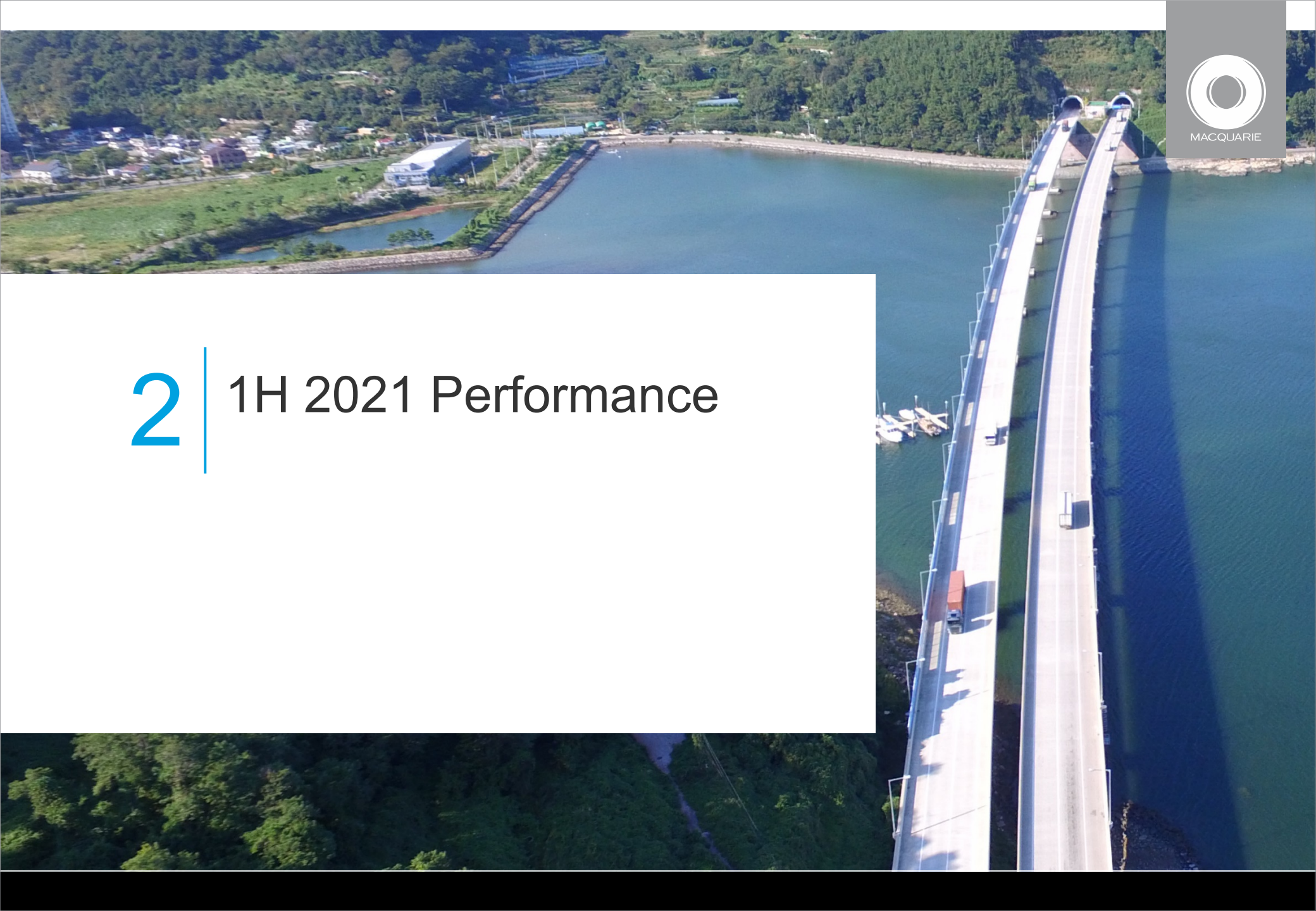
- Distribution is paid semi-annually (record dates are 30 June and 31 December)
- Distribution floor is higher of taxable income or 100% of distributable accounting income to maintain tax exempt status
- 2021 first half distribution of KRW 370 per share¹ (total amount of KRW 137.7 billion) will be paid on 27 August 2021

Distribution History²



1. Distribution amount is treated as dividend income and is tax payable under the relevant Korean law. Investors are advised to consult their own tax advisors for the appropriate tax treatment of the distribution
2. Past result does not guarantee future performance
3. Includes over-distribution amount

2 | 1H 2021 Performance



Key Performance



- **MKIF revenue and net income (P13)**

- MKIF recorded revenue of KRW 219.4 billion and net income of KRW 195.6 billion for 1H 2021 (the "Period"), increases of 14.8% and 15.7% respectively compared with the previous corresponding period ("pcp").
- Revenue increased due to higher interest income and dividend income¹, and net income increased due to higher revenue.

- **Performance of toll roads (P17)**

- On a weighted average basis, 12 toll road assets delivered traffic volume and revenue growths of 1.5% and 1.1% for the Period over pcp. Traffic volume improved as the social distancing measures that were implemented due to the outbreak of COVID-19 have eased over time.

- **Performance of Busan New Port Phase 2-3 (P18)**

- BNP 2-3 handled 1.17 million TEUs during the Period, an increase of 7.1% over pcp. Revenue and EBITDA improved by 15.7% and 20.7% to KRW 68.1 billion and KRW 34.3 billion, respectively, during the Period over pcp.
- Revenue improved due to a rise in volume, a change in volume mix and an increase in tariff, and EBITDA improved mainly due to an increase in revenue.

- **Execution of Underwriting Agreement for Issuance Short-Term Bond**

- On 11 June 2021, MKIF executed the underwriting agreement (the "Bond Underwriting Agreement") for issuance of short-term bonds (the "Bond Issuance") with KB Securities Co. Ltd., Shinhan Investment Corp., Korea Investment & Securities Co., Ltd. and NH Investment & Securities Co., Ltd. (the "Bond Underwriters").
- According to the terms of the Bond Underwriting Agreement, MKIF can issue an unlimited number of short-term bonds with the size up to KRW 167.2 billion and a tenor of 90 days or less at a discount rate of 91-day CD during a period of 9 months from 11 June 2021 to 10 March 2022, and the Bond Underwriters are obligated to underwrite the entire amount of the Bond Issuance.

- **Investment in Haeyang Energy Co., Ltd. and Sorabol City Gas Co., Ltd. (P23)**

- On 15 June 2021, MKIF, through Youngsan Clean Energy Ltd. ("YCE") and Bomun Clean Energy Ltd. ("BCE") as its investment vehicles, signed the share purchase agreement with Korea Energy Holdings (the "Seller") to acquire 100% of equity stake in each Haeyang Energy Co., Ltd. ("HY") and Sorabol City Gas Co., Ltd. ("SRB") respectively from the Seller (the "Transaction").
- On 12 July 2021, YCE and BCE received the capital of KRW 358.8 billion from MKIF and KRW 462.7 billion from external lenders to source the total Transaction cost of KRW 821.5 billion. Accordingly, two SPCs provided to the Seller the purchase price of KRW 795.1 billion to acquire 100% of equity stake of each HY and SRB, and plan to use the remaining KRW 26.4 billion to disburse expenses incurred in relation to the Transaction.

- **Launch of Follow-On Offering (P21)**

- On 18 June 2021, the Board of MKIF approved the issuance of 32,653,062 new common shares (8.77% of current outstanding shares) (the "New Shares") (the "Offering"). In order to pursue the Offering, MKIF signed the underwriting agreement with KB Securities Co., Ltd., Shinhan Investment Corp., Korea Investment & Securities Co., Ltd., NH Investment & Securities Co., Ltd. and Samsung Securities Co., Ltd. (together the "Co-Lead Managers"), and submitted the registration statement to the Financial Supervisory Service.
- The form of the Offering is a rights offering followed by a public offering of forfeited shares. MKIF set the record date of 2 July 2021 (the "Record Date") to provide warrants (the "Warrants") that grant preferential subscription rights on the New Shares to the shareholders registered to MKIF's shareholders' registry on the Record Date pro-rata to their shareholdings.
- Key dates are, disclosure of the offer price on 2 August 2021, subscription/over-subscription by holders of Warrants from 4 August 2021 to 5 August 2021, subscription by participants of the public offering from 9 August 2021 to 10 August 2021 if forfeited shares exist, MKIF's receipt of the offering proceed on 12 August 2021 and the listing of the New Shares on 23 August 2021

1. 1H 2021: dividend income of KRW 10.8bn from New Airport Hiway Co., Ltd.; KRW 84.0bn from Cheonan-Nonsan Expressway Co., Ltd.; KRW 12.5bn from Soojungsan Investment Co., Ltd.; KRW 3.0bn from Kwangju Ring Road Company, Ltd.
1H 2020: dividend income of KRW 28.9bn from New Airport Hiway Co., Ltd.; KRW 45.3bn from Cheonan-Nonsan Expressway Co., Ltd.; KRW 17.0bn from Soojungsan Investment Co., Ltd.

Financial Results

Unaudited, non-consolidated – 1H 2021 and 1H 2020



- 1H 2021 revenue and net income increased by 14.8% and 15.7% respectively compared with the pcp
- The increase in revenue and net income was mainly due to higher interest income and dividend income¹

(Unit: KRW million)

	1H 2021 (Jan – Jun)	1H 2020 (Jan – Jun)	% Change
Revenue	219,402	191,163	14.8%
Interest income	109,047	99,844	
Dividend income ¹	110,350	91,184	
Other income	5	135	
Expenses	23,784	22,158	7.3%
Management fee	19,227	16,867	
Interest expense	3,122	3,609	
Other fees and expenses	1,435	1,682	
Net income	195,618	169,005	15.7%
Normalised net income²	195,618	169,005	15.7%
EPS (KRW per share)	526	484	
Normalised EPS (KRW per share)²	526	484	

1. 1H 2021: dividend income of KRW 10.8bn from New Airport Hiway Co., Ltd.; KRW 84.0bn from Cheonan-Nonsan Expressway Co., Ltd.; KRW 12.5bn from Soojungsan Investment Co., Ltd.; KRW 3.0bn from Kwangju Ring Road Company, Ltd.
1H 2020: dividend income of KRW 28.9bn from New Airport Hiway Co., Ltd.; KRW 45.3bn from Cheonan-Nonsan Expressway Co., Ltd.; KRW 17.0bn from Soojungsan Investment Co., Ltd.

2. Excludes one-off items
1H 2021 and 1H 2020: no one-off item

Financial Results

Unaudited, non-consolidated – 2Q 2021 and 2Q 2020



- 2Q 2021 revenue and net income increased by 9.8% and 8.8% respectively compared with the pcq
- The increase in revenue and net income was mainly due to higher interest income

(Unit: KRW million)

	2Q 2021 (Apr – June)	2Q 2020 (Apr – Jun)	% Change
Revenue	55,214	50,297	9.8%
Interest income	55,211	50,237	
Dividend income	-	-	
Other income	3	60	
Expenses	12,886	11,387	13.2%
Management fee	10,557	8,675	
Interest expense	1,557	1,769	
Other fees and expenses	772	943	
Net income	42,328	38,910	8.8%
Normalised net income¹	42,328	38,910	8.8%
EPS (KRW per share)	114	111	
Normalised EPS (KRW per share)¹	114	111	

1. Excludes one-off items
2Q 2021 and 2Q 2020: no one-off item

Statement of Financial Position

Non-consolidated – as at 30 June 2021 and 31 December 2020



(Unit: KRW mil)

	30 June 2021	31 December 2020
Assets		
Invested Assets	1,815,325	1,801,033
Cash & deposits	85,678	71,362
Loans	1,265,737	1,265,761
Equity securities	463,910	463,910
Others	580,298	532,855
Interest receivable	572,791	525,281
Other receivables	2,349	2,348
Deferred costs, net	3,007	3,267
Prepayment	2,151	1,959
Total Assets	2,395,623	2,333,888
Liabilities		
Management fee payable	10,557	8,329
Long-term debt	-	-
Bonds	199,698	199,644
Other liabilities	6,615	8,791
Total Liabilities	216,870	216,764
Shareholders' Equity		
Share capital	2,057,517	2,057,517
Retained earnings	121,236	59,607
Total Shareholders' Equity	2,178,753	2,117,124
Total Liabilities and Shareholders' Equity	2,395,623	2,333,888

CHANGE IN INVESTMENT

No change in investment except for loan amortization of KRW 24 million from Baekyang Tunnel Ltd.

Toll Roads Performance

- Key highlights for 1H 2021 are:
 - Traffic volume improved as the social distancing measures that were implemented due to the outbreak of COVID-19 have eased over time
 - Traffic revenue declined less than volume as the Government granted exemption of the toll payment for certain assets during the Korean Lunar New Year holiday season in 1Q 2020, while the Government did not grant such toll exemption in 1Q 2021. The assets which toll exemption was granted in 1Q 2020 received full compensation for the revenue loss from the Government
 - Traffic revenue of Seoul-Chuncheon Highway declined more than its volume primarily due to the effect of the toll fare reduction as part of restructuring in December 2020. Toll revenue loss resulting from the toll fare reduction is fully compensated via quarterly funding from a new loan facility provided by the new lenders

	1H 2021				2Q 2021			
	Average daily traffic volume		Average daily revenue ¹		Average daily traffic volume		Average daily revenue ¹	
	Vehicles/day	% change yoy	KRW1,000/day	% change yoy	Vehicles/day	% change yoy	KRW1,000/day	% change yoy
Baekyang Tunnel	73,275	2.9%	61,073	3.7%	74,981	3.4%	62,561	4.3%
Gwangju 2nd Beltway, Section 1	63,047	8.4%	67,077	8.2%	67,023	8.0%	71,260	7.7%
Incheon International Airport Expressway	64,156	(9.9%)	282,915	(11.8%)	67,877	7.1%	299,805	8.6%
Soojungsan Tunnel	46,151	2.2%	42,757	3.2%	47,330	3.0%	43,907	4.1%
Cheonan-Nonsan Expressway	54,576	3.0%	254,284	4.6%	57,068	3.2%	265,997	2.3%
Woomyunsan Tunnel	33,015	3.5%	72,411	3.8%	34,108	1.4%	74,849	1.6%
Gwangju 2nd Beltway, Section 3-1	56,811	10.7%	61,113	11.1%	60,314	10.4%	64,969	10.9%
Machang Bridge	40,974	10.3%	90,275	12.4%	43,085	10.3%	94,865	10.2%
Yongin-Seoul Expressway	93,383	1.3%	149,986	2.6%	98,295	2.1%	157,830	1.9%
Seoul-Chuncheon Highway	58,199	3.0%	256,772	(16.5%)	64,661	4.1%	284,851	(17.6%)
Incheon Grand Bridge	41,857	(5.4%)	192,676	(3.1%)	44,627	11.5%	204,103	11.9%
BNP 2nd Rear Road	19,217	11.9%	37,427	12.5%	19,809	15.0%	38,475	14.2%
Weighted average growth rate¹		1.5%		1.1%		6.1%		4.7%

- Does not include government support payments; Baekyang Tunnel, Gwangju 2nd Beltway Section 1 & 3-1, Soojungsan Tunnel, Cheonan-Nonsan Expressway, Machang Bridge, Seoul-Chuncheon Highway and Incheon Grand Bridge receive support payments from government if their toll revenue or cash flow in a given period is less than specified amount under concession agreement
- On a weighted average basis based on the revenue size and MKIF equity ownership in each project company

Port Performance

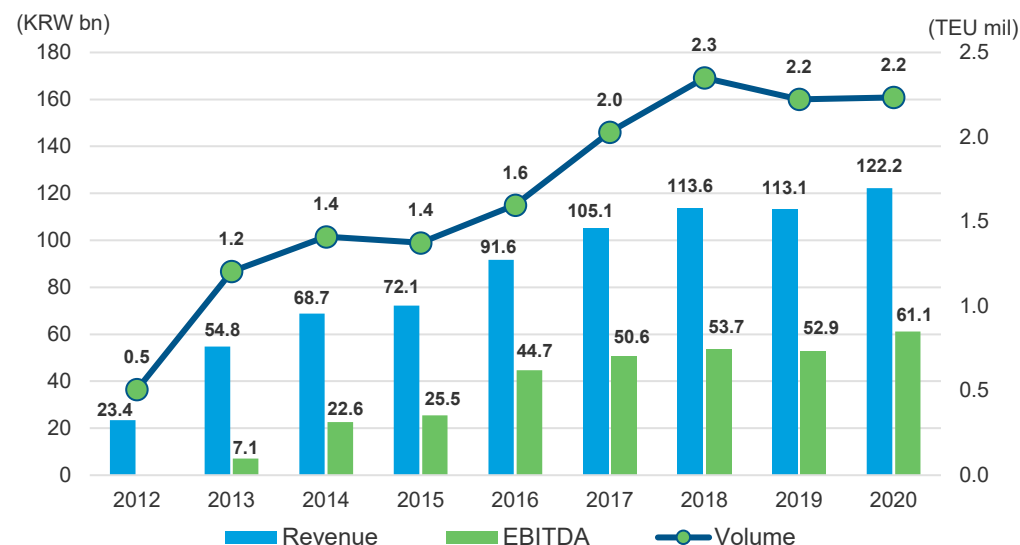


BNCT 1H 2021 Performance

	1H 2021	1H 2020	Change over pcg	2Q 2021	2Q 2020	Change over pcg
Volume (TEU million)	1.17	1.09	7.1%	0.61	0.58	5.6%
Revenue (KRW billion)	68.1	58.9	15.7%	36.3	31.7	14.4%
EBITDA (KRW billion)	34.3	28.4	20.7%	19.6	16.6	18.2%
EBITDA margin	50.3%	48.2%	2.1%p	54.1%	52.4%	1.7%p

- BNP 2-3 handled 1.17 million TEUs during 1H 2021, an increase of 7.1% over pcg.
- Revenue improved by 15.7% over pcg to KRW 68.1 billion due to a rise in volume, a change in volume mix and an increase in tariff
- EBITDA improved by 20.7% over pcg to KRW 34.3 billion mainly due to an increase in revenue. EBITDA margin was 50%

BNCT Historical Results



- BNCT raised additional capex funding in April 2019 via debt refinancing to undertake further capacity expansion, and the maximum capacity of BNP 2-3 has increased from 2.5 million TEUs to 3.2 million TEUs during January 2021

Busan Port

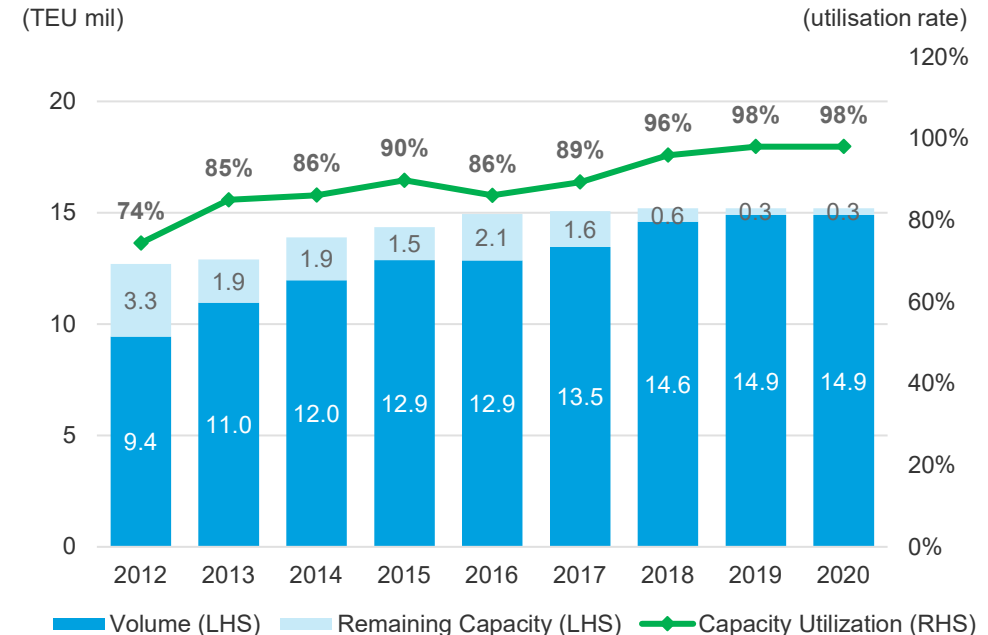
- Busan Port is comprised of Busan New Port (the “New Port”) and Busan North Port (the “North Port”)
- Busan Port handled 21.5 million TEUs¹ of container volume in 2020, of which the New Port handled 69% or 14.9 million TEUs
- The New Port’s utilization rate and the market share within Busan have been on a growing trend over the last 8 years mainly due to (i) stable container volume growth in Busan Port overall and (ii) migration of vessel services from the North Port to the New Port

Busan Port Highlights

FY2018	BNP 2-3	New Port ¹	North Port ¹
Number of Terminals in Operation	(New Port Terminal)	5 Terminals	3 Terminals
Capacity ² (TEUs p.a.)	2.5 mil	15.2 mil	7.3 mil
Handling Volume ³ (TEUs)	2.23 mil	14.9 mil	6.6 mil
Volume Growth (over pcp)	0.5%	(0.3%)	(1.1%)
Utilisation Rate	89%	98%	91%
Market Share ⁴ within Busan Port	10%	69%	31%

1. Source: Busan Port Authority
2. Excludes the expanded capacity, as the capacity expansion of BNP 2-3 was completed in Jan 2021
3. Source: volume for BNP 2-3 includes shifting; volumes for the New Port and the North Port are compiled by Busan Port Authority and do not include shifting
4. Based on 2020 handling volume

Historical Performance of the New Port³



3 Restructuring of Seoul-Chuncheon Highway Co., Ltd.

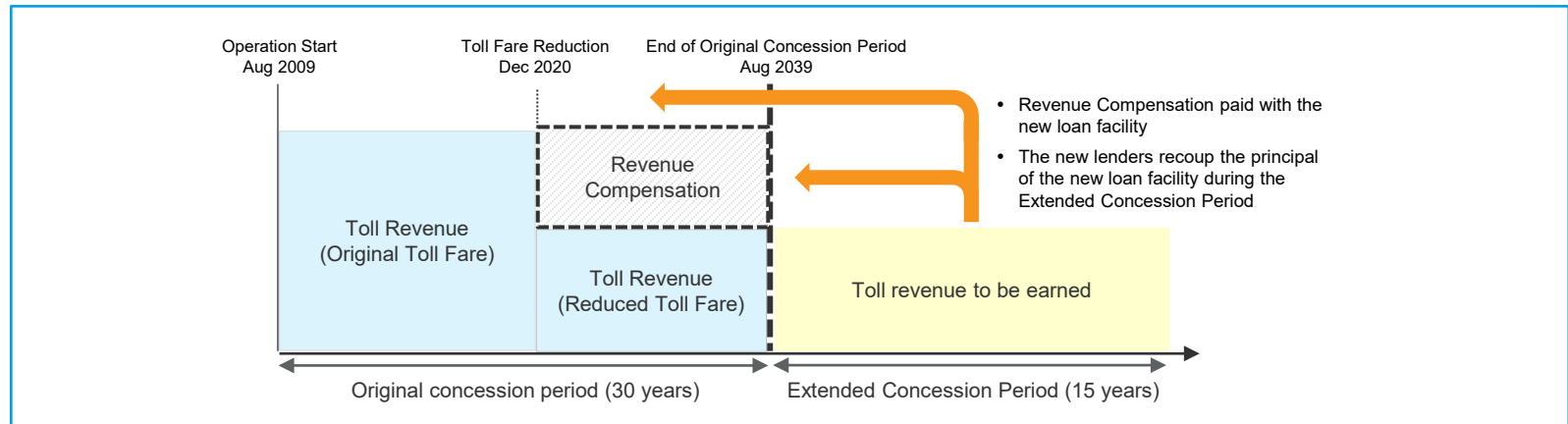


Restructuring Highlights

Restructuring Highlights

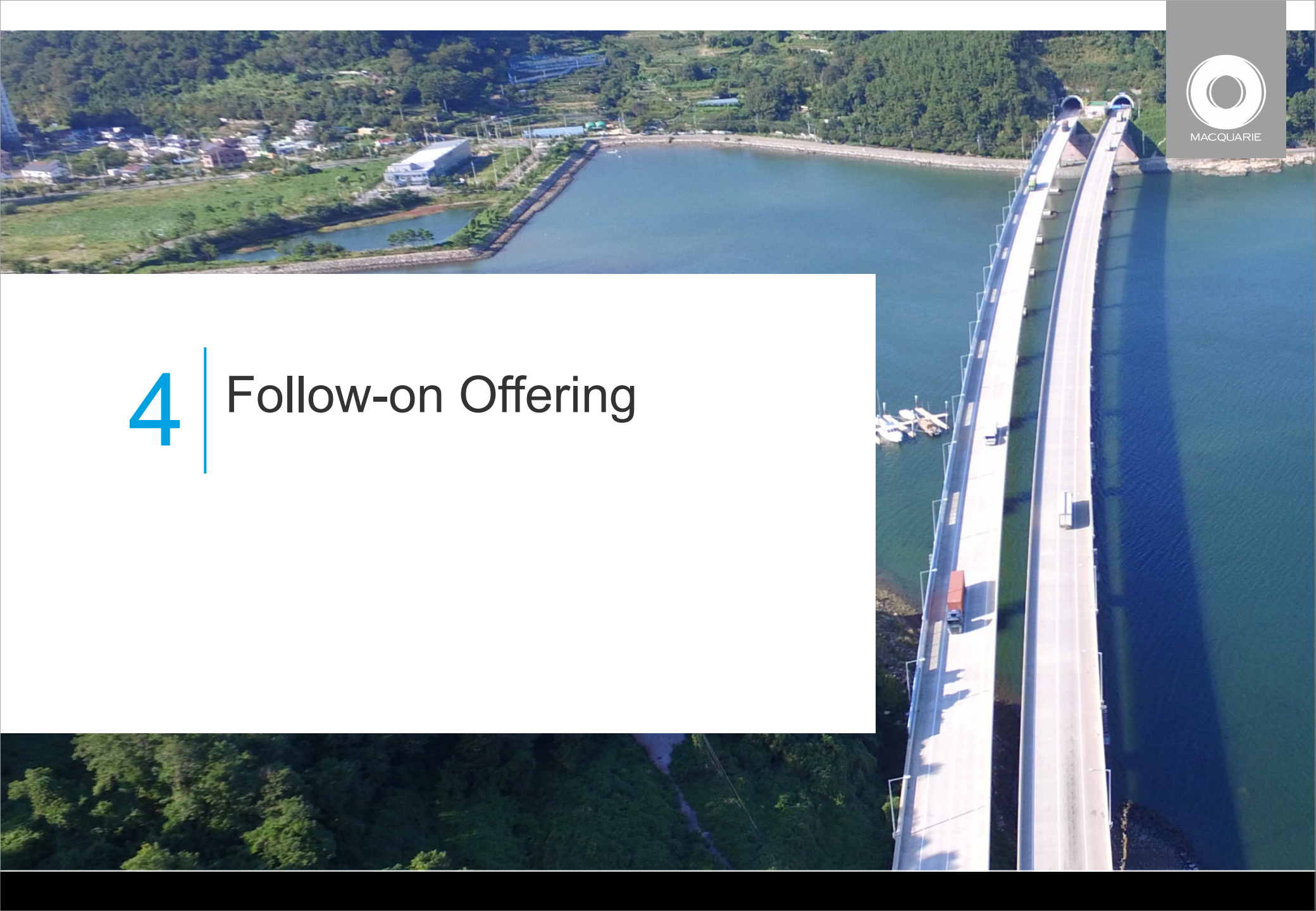
- Seoul-Chuncheon Highway Co., Ltd. ("SCH") completed restructuring in December 2020 that involves:
 - (i) Reduction of toll fare by 28%¹ (toll fare reduction effective from 24 December 2020)
 - (ii) The new lenders will fully compensate SCH for toll revenue loss (the "Revenue Compensation") resulting from the toll fare reduction during the remaining original concession period through quarterly funding from a new loan facility with a facility limit of KRW 1,070 billion
 - The quarterly funding² includes the Revenue Compensation, interest expense & financing costs associated with the new loan facility and other expenses related to the restructuring
 - Impact of traffic volume increase attributable to the toll fare reduction is to be calculated based on traffic volume / toll fare elasticity and will be excluded from the Revenue Compensation
 - (iii) The concession period of the Seoul-Chuncheon Highway project will be extended by 15 years from 12 August 2039 to 11 August 2054 (the "Extended Concession Period"), and the principal of the new loan facility will be repaid during the Extended Concession Period
 - MKIF is to exit its investment in SCH at the end of the original concession period, as the anticipated project return during the Extended Concession Period is not in line with MKIF's target level due to adoption of the cost compensation scheme³
 - (iv) No change in the amount and terms of MKIF's investment in SCH during the original concession period

Conceptual Diagram: Revenue Compensation



- Toll fare reduced from KRW 5,700 per vehicle to KRW 4,100 per vehicle for Type 1 vehicles (small vehicles); toll fare based on the entire section of Seoul-Chuncheon Highway
- Funding is adjusted for the tax shield created from the restructuring
- If the resulting amount from (actual revenue – expense items specified in the Amended Concession Agreement) is a negative figure, the competent authority provides cost compensation for the deficit; if it is a positive figure, the competent authority recoups the excess
- Conceptual diagram and may be different from the actual; while the MRG provision is effective until Aug 2024, the diagram assumes that SCH would not rely on MRG in the future based on recent traffic volume growth of Seoul-Chuncheon Highway

4 | Follow-on Offering



2021 MKIF Follow-on Offering¹

- **Offer Size:** 32,653,062 new common shares (8.77% of previous outstanding shares) (the “New Shares”) / approximately KRW 400 billion
- **Use of Offering Proceed²:**
 - KRW 358.8 billion: repay MKIF’s outstanding debt, which was utilized for the investment in each Haeyang Energy Co., Ltd. (“HY”) and Sorabol City Gas Co., Ltd. (“SRB”) through respective investment vehicles, Youngsan Clean Energy Ltd. (“YCE”) and Bomun Clean Energy Ltd. (“BCE”)
 - Any remaining proceed: together with MKIF’s debt, repay the short-term debt of KRW 50.7 billion held by YCE and BCE, which in effect would result in MKIF’s additional investment in HY and SRB
- **Offer Type:** a rights offering followed by a public offering of forfeited shares
 - Shareholders registered to MKIF’s shareholders’ registry on 2 Jul 2021 (the “Record Date”) were provided warrants (the “Warrants”) that grant preferential subscription rights on the New Shares pro-rata to their shareholdings; the Warrants were listed for trading from 21 Jul 2021 to 27 Jul 2021
 - The holders of the Warrants may over-subscribe up to 100% of their allotted number of new shares in excess of their allotted shares (“Over-Subscription”)
- **Co-Lead Managers / Underwriters:** KB Securities Co., Ltd., Shinhan Investment Corp., Korea Investment & Securities Co., Ltd., NH Investment & Securities Co., Ltd. and Samsung Securities Co., Ltd. (the “Co-Lead Managers”)
- **Offer Price:** determined by applying the pre-determined discount rate of 2.4% to the reference price³ (to be disclosed on 2 Aug 2021)
- **Subscription & Underwriting:**
 - Subscription / Over-Subscription by holders of Warrants (4 Aug 2021 – 5 Aug 2021)
 - If any forfeited shares exist, subscription by participants of the public offering (9 Aug 2021 – 10 Aug 2021)
 - If any unsubscribed New Shares exist, they will be fully underwritten by the Co-Lead Managers at the Offer Price on a joint and several basis
- **Offering Proceed & Listing:** MKIF to receive the offering proceed on 12 Aug 2021, and the new shares are to be listed on the Korea Exchange on 23 Aug 2021

1. Schedule may vary based on the results of the review of the registration statement by the Financial Supervisory Service; please refer to the registration statement originally submitted to the Financial Supervisory Service on 18 June 2021 and amended on 30 June 2021

2. For use after disbursing issuance costs for the Offering

3. Determined pursuant to Article 57 of the Regulation on Securities Issuance and Disclosures

5 | Investment in Haeyang Energy Co., Ltd. & Sorabol City Gas Co., Ltd.



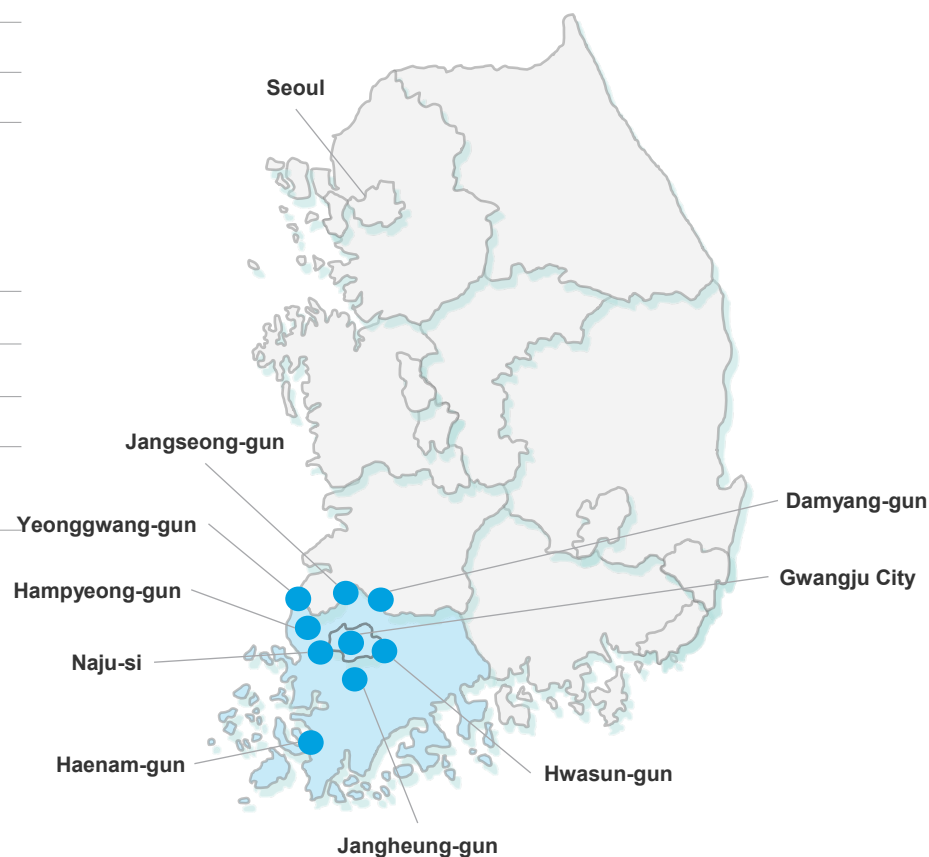
Haeyang Energy Co., Ltd.



Business Overview¹

Asset Company	Haeyang Energy Co., Ltd.
Establishment	1982
Business	Distribution & sale of city gas and associated products
Distribution Area (Penetration Rate)	Gwangju City (100%) 8 regions in Jeollanam-do (33%): Naju-si, Hwasun-gun, Jangseong-gun, Damyang-gun, Yeonggwang-gun, Haenam-gun, Hampyeong-gun, Jangheung-gun
Total Asset / Revenue	KRW 483.6 bn / KRW 520.0 bn
Pipeline Length	Total 2,383km
No. of Users	738,593
Amount of Gas Distributed	33,398 million MJ ²
Gas Distribution by User Type	<p>Gwangju City:</p> <ul style="list-style-type: none"> - Residential: 59% - General/Commercial: 15% - Industrial: 20% - Others: 6% <p>8 regions in Jeollanam-do:</p> <ul style="list-style-type: none"> - Residential: 26% - General/Commercial: 8% - Industrial: 52% - Others: 14%

Distribution Area



1. Source: Korea City Gas Association and the audit report of Haeyang Energy Co., Ltd.; all figures are as at 31 Dec 2020 or for FY2020

2. Megajoule; unit of energy used to measure gas usage

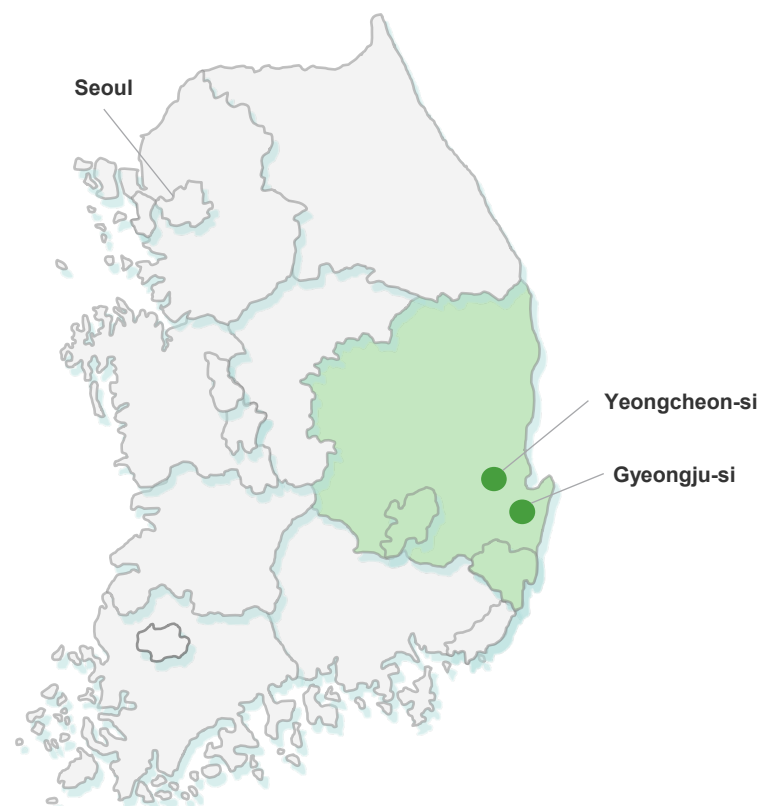
Sorabol City Gas Co., Ltd.



Business Overview¹

Asset Company	Sorabol City Gas Co., Ltd.
Establishment	2000
Business	Distribution & sale of city gas and associated products
Distribution Area (Penetration Rate)	2 regions in Gyeongsangbuk-do (71%): Gyeongju-si and Yeongcheon-si
Total Asset / Revenue	KRW 104.6 bn / KRW 122.4 bn
Pipeline Length	Total 495km
No. of Users	128,549
Amount of Gas Distributed	8,100 million MJ ²
Gas Distribution by User Type	<div>2 regions in Gyeongsangbuk-do:</div> <ul style="list-style-type: none">- Residential: 36%- General/Commercial: 11%- Industrial: 51%- Others: 2%

Distribution Area



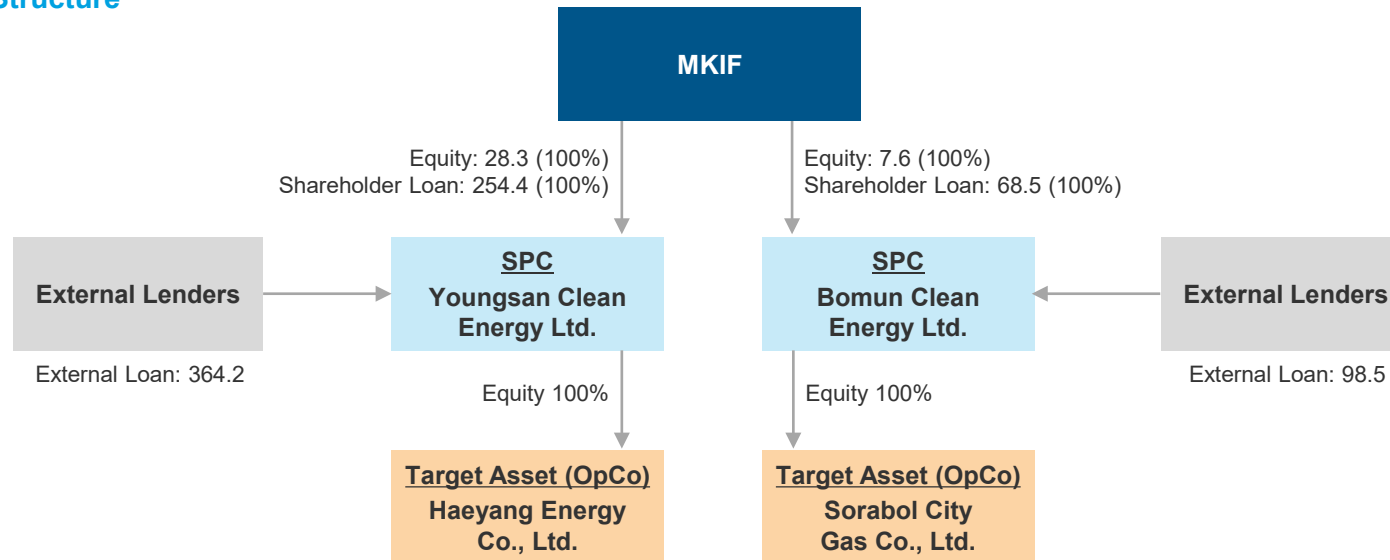
1. Source: Korea City Gas Association and the audit report of Sorabol City Gas Co., Ltd.; all figures are as at 31 Dec 2020 or for FY2020

2. Megajoule; unit of energy used to measure gas usage

Transaction Structure

Transaction Structure

(Unit: KRW bn)



Transaction Summary

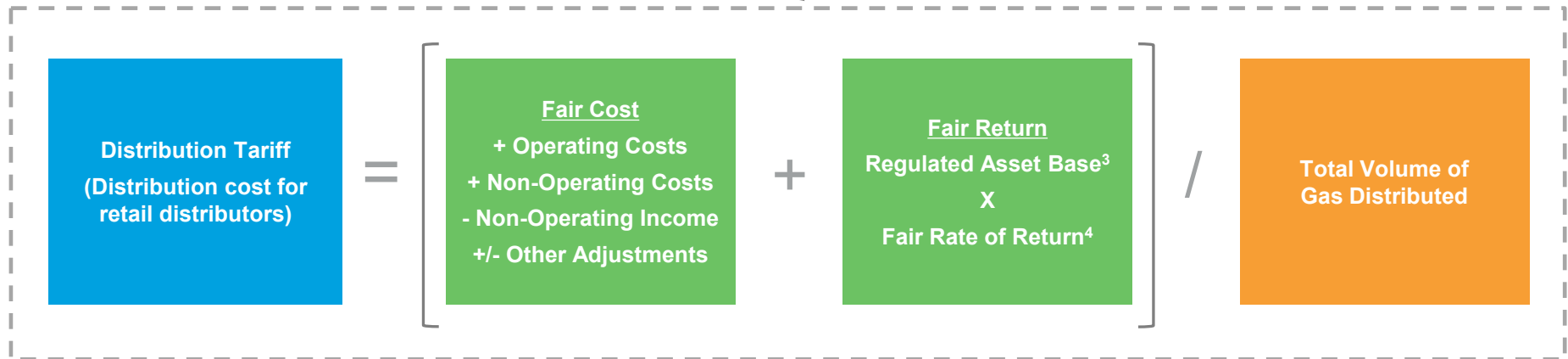
(Unit: KRW bn)

	Yongsan Clean Energy Ltd.	Bomun Clean Energy Ltd.	Total
MKIF Investment (MKIF 100%)	282.7 - Equity 28.3 - Shareholder loan 254.4	76.1 - Equity 7.6 - Shareholder loan 68.5	358.8 - Equity 35.9 - Shareholder loan 322.9
External Debt (External Lenders 100%)	364.2 - Long-term debt 321.8 - Short-term debt 39.7 - Revolving credit facility 2.7	98.5 - Long-term debt 86.8 - Short-term debt 11.0 - Revolving credit facility 0.7	462.7 - Long-term debt 408.6 - Short-term debt 50.7 - Revolving credit facility 3.4
Total	646.9	174.6	821.5

Gas Distribution Tariffs in Korea¹

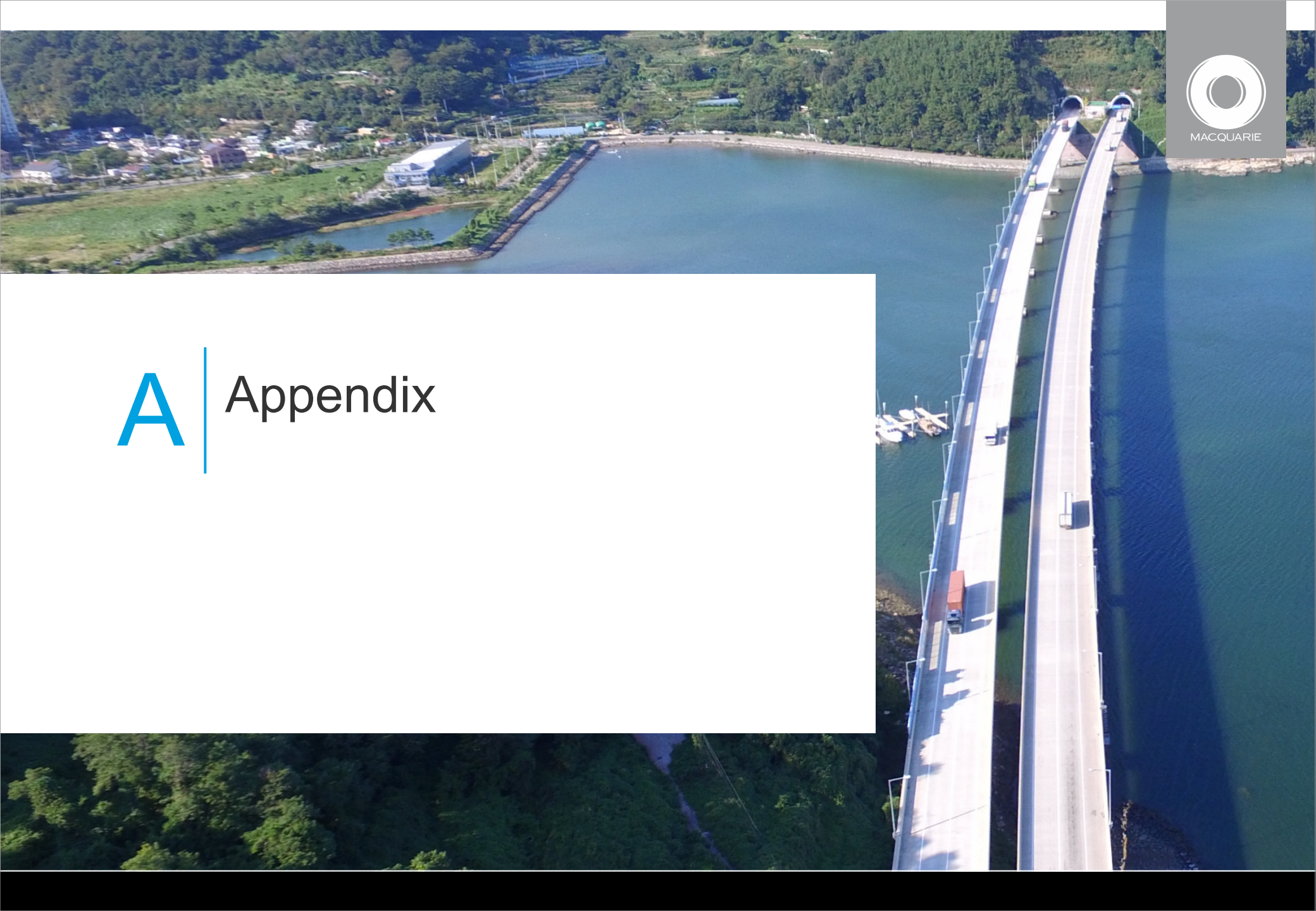
Gas Distribution Tariffs in Korea¹

Wholesale Tariff



1. Source: Guidelines on Gas Distribution Tariffs promulgated by the Ministry of Trade, Industry and Energy
2. Korea Gas Corporation
3. Sum of tangible & intangible assets, assets under construction and certain amount of working capital that are related to the city gas distribution business
4. Calculated based on the weighted average cost of capital of the business entity

A | Appendix



Management Fee



(As at 30 June 2021)

Management Fee

- 85bps p.a. of (Net Investment Value (*NIV) + Commitment) of MKIF
- Commitment means all amounts that MKIF has firmly committed for future investment; commitment of KRW 426.5 billion² outstanding on 30 June 2021
- Management Fee is calculated and paid on a quarterly basis

* NIV for any quarter equals:

- The average market capitalisation¹ of MKIF over all trading days in the quarter
- NIV is adjusted down by MKIF net debt (debt minus cash & cash equivalents) when net debt is a negative figure

1. Based on volume weighted average trading price for the quarter

2. Investment commitments in Dongbuk LRT Co., Ltd. (KRW 67.7bn), Youngsan Clean Energy Ltd. (project company for HY) (KRW 282.7bn) and Bomun Clean Energy Ltd. (project company for SRB) (KRW 76.1bn)

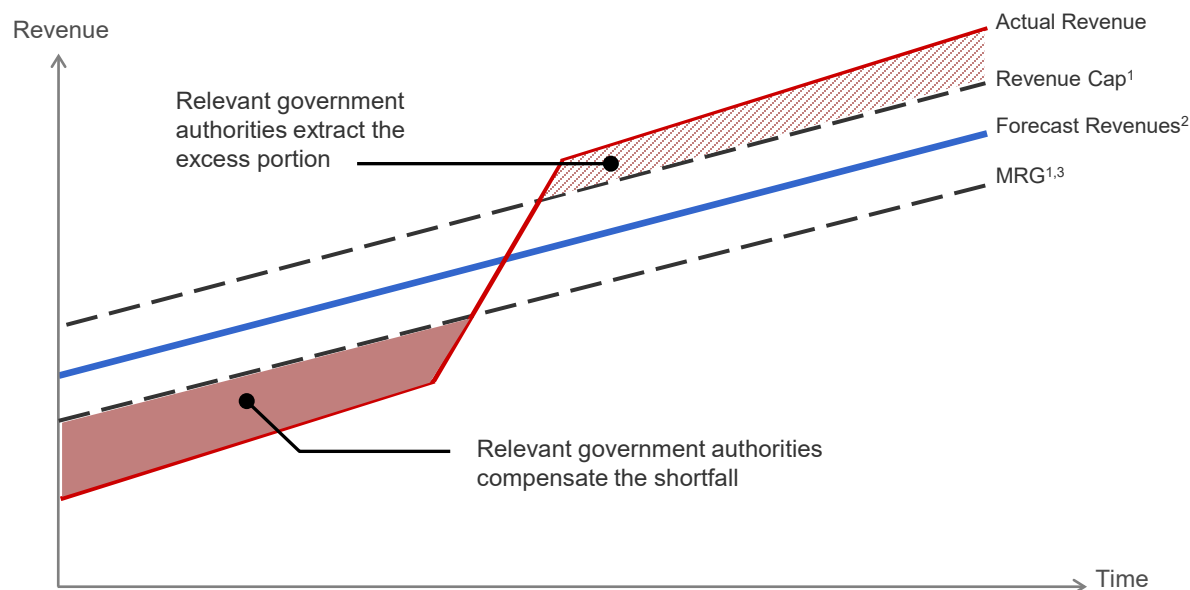
Minimum Revenue Guarantee



(As at 30 June 2021)

Minimum Revenue Guarantee (“MRG”) Scheme

(Conceptual Diagram)



- Inflation-linked revenue support
- MRG line tracking the forecast revenue line (typically 70~90% below forecast revenue)
- Current sovereign ratings of Korea:
 - S&P: AA (Stable)
 - Moody's: Aa2 (Stable)

1. MRG and revenue caps vary across assets

2. Forecast revenues set out in the Concession Agreement

3. In two MRG assets invested by MKIF, no revenue guarantee applies if actual revenue falls below 50% of the toll revenue forecast

Performance of the Project Companies in Operation¹

(Unit: KRW mil)

Project Company	2020						2019					
	Adjusted operating revenue ²	OPEX	Adjusted EBITDA ²	Net debt ³	Adjusted EBITDA margin	Net debt to adjusted EBITDA	Adjusted operating revenue ²	OPEX	Adjusted EBITDA ²	Net debt ³	Adjusted EBITDA margin	Net debt to adjusted EBITDA
Baekyang Tunnel Ltd.	27,036	(4,816)	22,220	54,973	82%	2.5x	26,669	(4,411)	22,258	68,700	83%	3.1x
Kwangju Beltway Investment Co., Ltd.	42,858	(9,097)	33,761	(6,604)	79%	(0.2x)	34,889	(7,865)	27,024	(5,691)	77%	(0.2x)
New Airport Hiway Co., Ltd.	275,118	(33,719)	241,399	(7,535)	88%	(0.0x)	259,892	(32,731)	227,161	(60,810)	87%	(0.3x)
Soojongsan Investment Co., Ltd.	24,872	(4,926)	19,945	(12,911)	80%	(0.6x)	24,806	(4,535)	20,272	(16,354)	82%	(0.8x)
Cheonan Nonsan Expressway Co., Ltd.	259,542	(34,163)	225,379	(397,312)	87%	(1.8x)	247,819	(36,267)	211,552	(253,531)	85%	(1.2x)
Woomyunsan Infraway Co., Ltd. ⁴	27,212	(5,063)	22,148	(12,725)	81%	(0.6x)	28,158	(4,927)	23,232	(10,796)	83%	(0.5x)
Kwangju Ring Road Company Ltd.	23,462	(7,187)	16,276	(6,354)	69%	(0.4x)	22,912	(8,212)	14,700	(2,022)	64%	(0.1x)
MCB Co., Ltd. ⁵	33,855	(5,810)	28,045	(3,755)	83%	(0.1x)	34,560	(6,310)	28,249	(3,020)	82%	(0.1x)
Gyeongsu Highway Co., Ltd.	62,187	(16,585)	45,602	328,770	73%	7.2x	63,648	(16,273)	47,375	344,192	74%	7.3x
Seoul-Chuncheon Highway Co., Ltd.	162,001	(27,462)	134,540	348,843	83%	2.6x	139,605	(27,612)	111,994	395,694	80%	3.5x
Incheon Bridge Co., Ltd.	98,850	(17,841)	81,009	305,124	82%	3.8x	113,559	(24,548)	89,011	339,842	78%	3.8x
Busan New Port the 2nd Rear Road Co., Ltd.	12,841	(7,779)	5,062	266,310	39%	52.6x	12,183	(6,260)	5,922	265,098	49%	44.8x
BNCT Co., Ltd.	122,167	(61,049)	61,118	568,942	50%	9.3x	113,113	(60,203)	52,910	543,351	47%	10.3x
Proportionate average⁶	526,809	(103,788)	423,021	475,121	80%	1.1x	511,611	(107,061)	404,550	592,351	79%	1.5x

1. Based on audited financial statements
2. Revenue compensation and other compensations from the relevant government authority are reflected on accrued basis, not on cash basis (therefore is different from revenue stated in audit report)
3. Net debt = external debt – cash & cash equivalents
4. For calculation of net debt, Shareholder Debt A backed by the relevant authority and cash balance of Surplus Income Account (which is overseen by the relevant authority) were excluded
5. For calculation of net debt, the senior loan backed by the relevant authority was excluded
6. On a proportionate average basis based on MKIF's equity interest in each project company

MKIF Investment Details¹



(As at 30 June 2021)

(Units: KRW bn, %)

Project Company	Asset Abbrev.	Equity	Ownership (%)	Subordinated Debt	Senior Debt	Total
Baekyang Tunnel Ltd.	BYTL	1.2	100%	-	1.1	2.3
Kwangju Beltway Investment Co., Ltd.	KBICL	33.1	100%	85.2 ²	74.3	192.6
New Airport Hiway Co., Ltd.	NAHC	23.6	24.1%	51.7	-	75.3
Soojungsan Investment Co., Ltd.	SICL	47.1	100%	-	-	47.1
Cheonan Nonsan Expressway Co., Ltd.	CNEC	87.8	60%	182.3	-	270.1
Woomyunsan Infraway Co., Ltd.	WIC	5.3	36%	-	15.0	20.3
Kwangju Ring Road Company Ltd.	KRRC	28.9	75%	-	-	28.9
MCB Co. Ltd.	MCB	33.8	70%	79.0	-	112.8
Gyeongsu Highway Co., Ltd.	YSE	51.5	43.75%	99.6	-	151.1
Seoul-Chuncheon Highway Co., Ltd.	SCH	0.6	15.83%	161.8	-	162.4
Incheon Bridge Co. Ltd.	IBC	54.4	64.05%	241.0	-	295.4
Busan New Port the 2nd Rear Road Co., Ltd.	B2RR	41.5	47.56%	69.2	-	110.7
BNCT Co., Ltd.	BNP 2-3	66.4	30%	193.0	-	259.4
Dongbuk LRT Co., Ltd.	DBR	35.4	30%	47.3	-	82.7
Youngsan Clean Energy Ltd.	HY	28.3	100%	254.4	-	282.7
Bomun Clean Energy Ltd.	SRB	7.6	100%	68.5	-	76.1
Total		546.5		1,533.0	90.4	2,169.9
Percentage (%)		25.2%		70.6%	4.2%	100%

1. Based on MKIF's investment amounts (including investment commitments in Dongbuk LRT Co., Ltd., Youngsan Clean Energy Ltd. and Bomun Clean Energy Ltd.)

2. Includes KRW 3.2bn working capital facility and KRW 50bn new shareholder loan

Government Support Payment Provisions¹



(As at 30 June 2021)

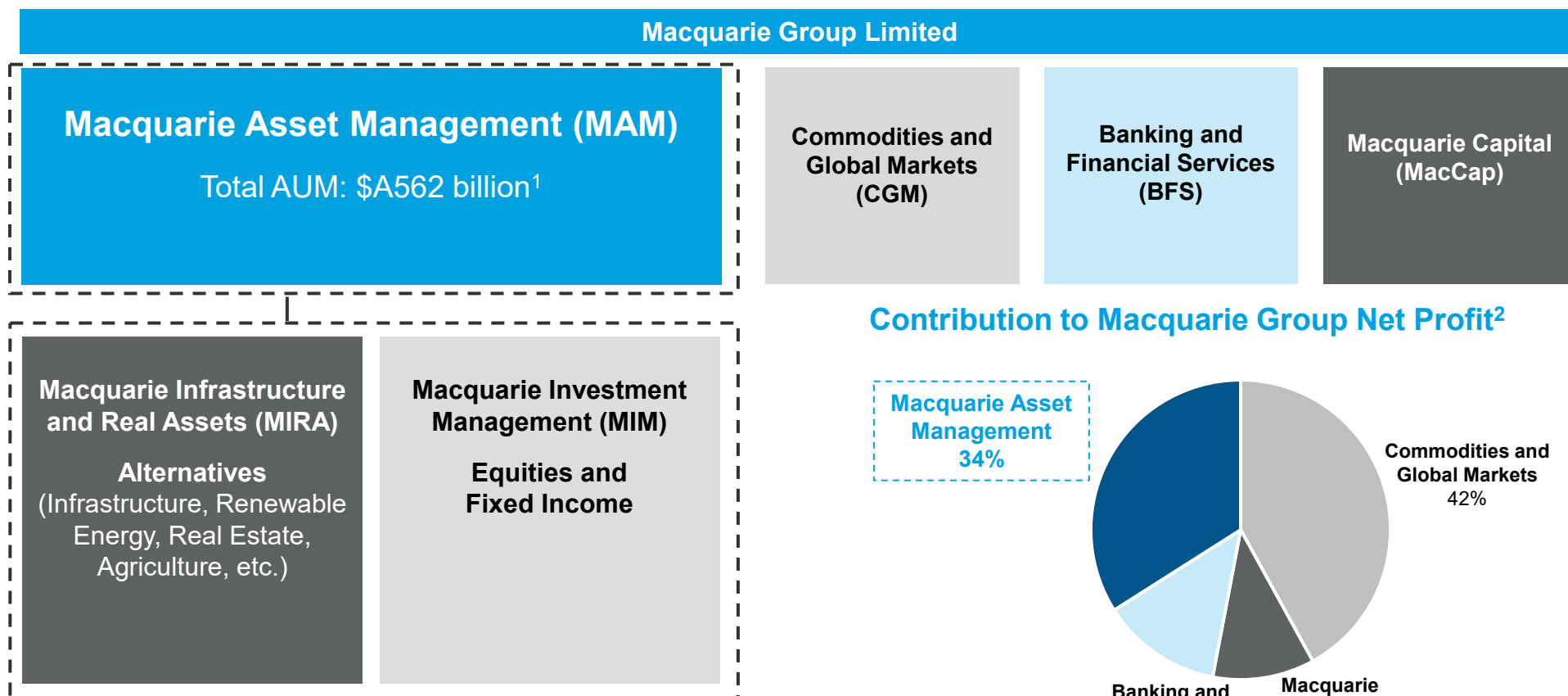
Asset	Competent Authority	Concession Term	Remaining Concession Term	Support Payment Duration	Remaining Support Payment Duration	Revenue Guarantee Threshold ²	Revenue Cap Threshold ^{2,3}	Remarks
Baekyang Tunnel	Busan Metropolitan City	25.0	3.8	25.0	3.8	90%	110%	
Gwangju 2nd Beltway, Section 1	Gwangju Metropolitan City	28.0	7.8	28.0	7.8	Investment cost compensation		Competent authority provides agreed cashflow to concessionaire to guarantee MKIF investment return
Soojungsan Tunnel	Busan Metropolitan City	25.0	6.1	25.0	6.1	90%	110%	For toll revenue below 90%, Busan Metropolitan City is obligated to compensate 91.5% of the shortfall amount
Cheonan-Nonsan Expressway	MOLIT ⁴	30.0	11.7	20.0	1.7	82%	110%	Partial revenue sharing in excess of 82% to 110% level
Gwangju 2nd Beltway, Section 3-1	Gwangju Metropolitan City	30.0	13.7	30.0	13.7	90%	110%	
Machang Bridge	GSND ⁴	30.0	17.3	30.0	17.3	75.78%	100%	Revenue guarantee applies to MCB account 50:50 revenue sharing with competent authority in excess of 100%
Seoul-Chuncheon Highway ⁵	MOLIT ⁴	30.0	18.4	15.0	3.4	60%	140%	
Incheon Grand Bridge	MOLIT ⁴	30.0	18.6	15.0	3.6	80%	120%	

1. For the government support payment provisions that are effective as at the record date
2. % of annual concession agreement projected revenue
3. Relevant government authorities are entitled to receive the portion exceeding the threshold
4. MOLIT (Ministry of Land, Infrastructure and Transport) / GSND (Gyeongsang Namdo Government)
5. No revenue guarantee applies if actual revenue is below 50% of the annual concession agreement projected revenue

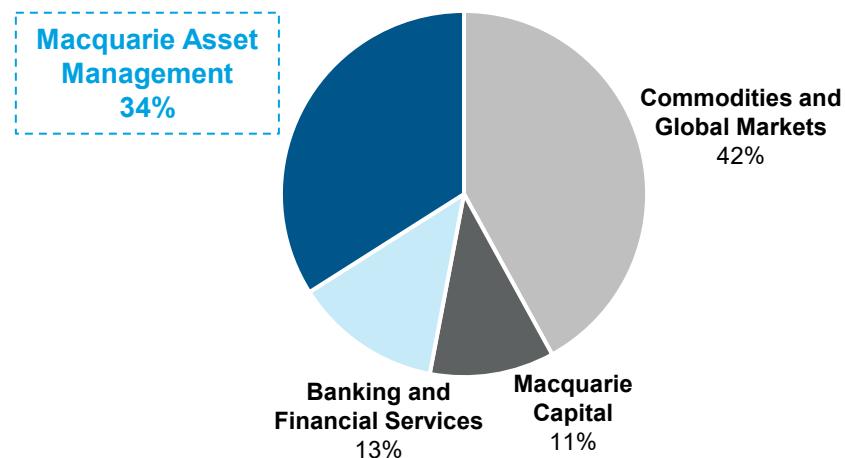
Macquarie Group and MIRA

MIRA is a standalone business within MAM and has a 26-year track record in global infrastructure investment and management

MKAM is an entity within MIRA that has focused on investment and management of landmark infrastructure assets in Korea since its establishment in 2002



Contribution to Macquarie Group Net Profit²



1. As at 31 Mar 2021

2. Based on 2021 (1 Apr 2020 – 31 Mar 2021) net profit

Notice on Environmental, Social and Governance



MKAM, as an affiliate of the Macquarie Group (Macquarie) and in a capacity as a manager and corporate director of MKIF, has adopted ESG framework that Macquarie Infrastructure and Real Assets (MIRA) applies to its fund management activities to the extent relevant and possible. MIRA aims to improve the sustainability performance of portfolio companies by addressing material ESG issues and opportunities to enhance long-term value for our investors. MIRA addresses a broad range of ESG risks and opportunities throughout the entire investment lifecycle from screening and due diligence through to ongoing asset management and exit. MIRA also regularly collect a range of ESG data from portfolio companies, allowing us to track and support improvement of their ESG performance. ESG information is communicated to shareholders at least annually in fund reports and fund presentations. MKAM is committed to continuously improving our ESG performance and look forward to continuing to share our progress with investors.

Macquarie Asset Management (MAM) climate change commitment

As long-term investors in companies that underpin economies and communities, MIRA take our responsibility to address climate change risks seriously. As stewards of these vital businesses, MIRA have a duty to ensure they play their part in global efforts to address our warming planet.

Macquarie Group is supporting the transition to a low carbon economy by progressing a range of initiatives to mitigate climate change and adapt to its effects. On the fifth anniversary of the Paris Agreement, Macquarie Asset Management (MAM), which MIRA belongs to as one of its business group, announced a commitment to manage its global portfolio in line with net zero emissions by 2040.

The public commitment articulated our goal to implement Paris-aligned or net zero business plans at each of our fund portfolio companies by the end of 2022. This commitment has several steps that are already underway:

- measure greenhouse gas emissions of all portfolio companies;
- identify pathways to reduce emissions;
- develop business plans that contribute to a net zero economy by 2040, or sooner;
- for new investments, target completion of these steps within 24 months of acquisition;
- work with portfolio companies with the aim that they will be meeting their Paris-aligned/net zero emissions reduction pathways by 2030; and
- report on our progress annually.

This detailed commitment complements extensive activity across the broader Macquarie Group in developing and managing renewable energy projects, helping clients on their decarbonisation pathways, and adapting infrastructure for climate resilience.

MIRA look forward to working with our investors, portfolio companies, regulators and other stakeholders to achieve these transformational objectives for the benefit of all. MIRA remain grateful for these partnerships and MIRA welcome continued engagement as MIRA seek to play our part in building a more sustainable future for everyone.

Please visit [MIRAFunds.com](https://www.mirafunds.com) for more detail regarding our climate change commitment as well as our approach to ESG, sustainability and responsible investment.