



MACQUARIE

Macquarie Korea Infrastructure Fund

2021 1st Quarter Asset Management Report



Name

Macquarie Korea Infrastructure Fund (MKIF)

Period Quarter 1 (1 January 2021 - 31 March 2021)

Prepared by Macquarie Korea Asset Management Co., Ltd. (MKAM)

Fund code: 35801

Important notice

Under the Financial Investment Services and Capital Markets Act (the “Act”), Macquarie Korea Infrastructure Fund (“MKIF”) is required to upload an Asset Management Report at MKIF website, in the form and containing specific information set out in the Act, on a quarterly basis. This Asset Management Report has been prepared by MKIF in compliance with its statutory obligations.

Disclaimer

MKIF and Macquarie Korea Asset Management Co., Ltd. (“MKAM”), are not an authorised deposit-taking institution for the purposes of the Banking Act 1959 (Commonwealth of Australia) and its obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542 (MBL). MBL does not guarantee or otherwise provide assurance in respect of the obligations of MKIF/ MKAM. Neither MKIF, nor any member of the Macquarie Group companies, including MKAM, guarantees the performance of MKIF, the repayment of capital or the payment of a particular rate of return on MKIF securities.

General advice warning

The contents of this report do not constitute an offer, invitation or recommendation for the subscription or purchase of securities. It does not take into account the investment objectives, financial situation and particular needs of the investor. Before making an investment in MKIF, the investor or prospective investor should consider whether such an investment is appropriate to their particular investment needs, objectives and financial circumstances and consult an investment adviser if necessary.

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1. General Report

1.1 Overview

Under the Financial Investment Services and Capital Markets Act (the Act)

Investment Grade: 4*

Fund name	Macquarie Korea Infrastructure Fund (MKIF)
Fund type	Investment company/Special asset fund/Closed-end with an option for new share issuance
Fund code	35801
Date of incorporation	12 December 2002
Date of registration	26 December 2002
Date of listing	15 March 2006
Financial year end	31 December every year
Fund maturity	Perpetual (until the occurrence of dissolution events defined in the Articles of Incorporation of MKIF)
Asset manager	Macquarie Korea Asset Management Co., Ltd. (MKAM)
Sales agents	The shares of the MKIF have been listed on Korea Exchange stock market. An investor may trade the shares through the account opened at a registered securities firm.
Custodian	Korea Securities Finance Corporation (KSFC)
Fund administrator	Hana Investors Service Co., Ltd.
Board of directors ^	Corporate Director: MKAM Supervisory Directors: Woo Young Jung, Hwa Jin Kim and Daeki Kim
Key staff of MKAM ^	Boum Sik Suh (CEO) Jinwook Park (Fund Management) Do Kyung Kim (Legal) Ju Dong Kim (Finance) Ronnie Kim (Risk Management) Dae Sung Lee (Compliance)
MKIF profile	<p>MKIF, managed by MKAM, has the portfolio of infrastructure assets in Korea that have been, or are being, constructed under the Act on Public-Private Partnerships in Infrastructure (PPI Act).</p> <p>MKIF was established in December 2002 with a mandate to invest in entities that construct or operate infrastructure businesses such as toll roads, bridges and tunnels in Korea. MKIF invests in these infrastructure businesses through equity and debt. MKIF is focused on generating profits from its investments and distributing these profits to its shareholders.</p>

* MKAM assessed MKIF risk level, the investment grade, at 4 in consideration of MKIF's target asset and associated risk. However, this is a subjective rating by MKAM and should not be recognized as an official rating by any external rating agencies

^ See Section 4. Registered Asset Managers and Appendix I. MKIF Board of Directors for more information.

1.2 Asset Details

Under the Act, MKIF is required to report the net asset value per share (NAV per share) of its portfolio.

The total net asset value of MKIF's portfolio is calculated by subtracting total liabilities from total assets of MKIF. MKIF's assets include its equity and debt investments in concession companies, cash and deposits and other investment securities. The net asset value per share of MKIF is calculated by dividing total net asset value by the number of outstanding shares.

The Collective Investment Property Appraisal Committee of MKAM has chosen to adopt the acquisition cost as its assessment of fair value for the unlisted equity investments under the Act and accounting principles generally accepted in Korea (K-GAAP). In addition, the debt investments are measured at amortised cost under the Act and K-GAAP.

The calculation of the NAV per share of MKIF is set out in the table below. For the purposes of this calculation, asset and liability information is based on the balance sheet of MKIF, which is attached as Appendix II.

(Unit: KRW, share)

Type	Q4 2020	Q1 2021	% Change
Total Assets (A)	2,333,888,149,485	2,351,444,829,660	0.75%
Total Liabilities (B)	216,764,173,142	215,020,760,554	-0.80%
Net Asset Value (C=A-B)	2,117,123,976,343	2,136,424,069,106	0.91%
Shares (D)	372,192,485	372,192,485	0.00%
NAV per share (E=C/D) +	5,688.25	5,740.11	0.91%

+ NAV per share of MKIF is calculated by dividing total net asset value by the number of outstanding shares. However, as MKIF is listed on the Korea Exchange, its shares are traded at share price.

^ MKIF completed follow-on public offering of 23,148,149 of common shares at the price of KRW 10,550 per share in 4Q 2020. NAV has been increased by KRW 241,902,247,437 net of issuance cost KRW 2,310,724,513. For details, refer to MKIF disclosure on 29 October 2020.

※ Distribution payment (during the Third quarter)

(Unit: KRW, share)

Date of Declaration	Distribution Amount (KRW Million)	Balance after Payment (Shares)	NAV per share		Remarks
			Before declaration	After declaration	
2021-01-29	133,989	372,192,485	5,724.22	5,365.48	

2. Management Performance and Term Performance

2.1 Overview

Established on 12 December 2002, MKIF is a leading private sector infrastructure investor in Korea under the PPI Act and governed by the Act. MKIF is mandated to invest in concession companies that construct or operate infrastructure assets through equity and debt. MKIF is focused on generating profits from its investments and distributing these profits to its shareholders. As of 31 December 2020, MKIF has committed to invest in 12 toll roads, 1 light rail transit and 1 port with a total investment commitment of KRW 1,811.1 billion.

2.2 Management plan

MKIF is focusing on investments in loans to, and unlisted equity of, concession companies that operate infrastructure assets under concessions from Korean central, provincial or city governments throughout the country.

Target assets for infrastructure investment in Korea have historically been concessionaires operating toll roads, bridges, and tunnels, etc. Target portfolio company is an entity conducting facilities projects defined under Article 2 Sub-paragraph 1 of the PPI Act.

MKIF is to invest in entities that develop and/or operate Infrastructure Assets and to target to generate stable returns to our shareholders through capital growth and cash distribution.

2.3 Management performance

The table below sets out the historical NAV (including the distribution paid) for MKIF. As explained above and given that the majority of MKIF's assets are held at their acquisition cost, the net asset value is not representative of changes in the value of the MKIF portfolio.

A. Short-term performance

(Unit: %)

Type	3 Months	6 Months	9 Months	12 Months
MKIF	7.93	10.54	12.38	14.79
Comparative Index +	N/A			

+ There is no comparable index available because MKIF is the only listed infrastructure fund in Korea with publicly available NAV data.

※ Performance quoted above is historical and does not guarantee future performance.

※ NAV increase by the follow-on public offering in 4Q 2020 and 3Q 2017 is not reflected in Long-term performance calculation.

B. Long-term performance

(Unit: %)

Type	1 Year	2 Years	3 Years	5 Years
MKIF	14.79	12.67	12.79	12.46
Comparative Index ^	N/A			

^ There is no comparison index available because MKIF is the only listed infrastructure fund in Korea with publicly available NAV data.

※ Performance quoted above is historical and does not guarantee future performance.

※ NAV increase by the follow-on public offering in 4Q 2020 and 3Q 2017 is not reflected in Long-term performance calculation.

2.4 Profit and Loss summary

The table below sets out the profit and loss incurred by MKIF in its P&L during the Quarter, in comparison with any profit and loss from the previous quarter.

(Unit: KRW million, %)

Type	Equity(unlisted)	Loans	Dividend Income	Short-term Facilities & Deposit	Other Assets	Total Profit (Loss)
Q1 2021		53,822	110,350	14	1	164,187
Q4 2020		54,374	4,875	10	45	59,304

2.5 Environmental, Social and Governance (ESG)

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(Macquarie Infrastructure and Real Assets) 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. We 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 investors at least annually in fund reports provided to investors, within fund investor presentations and during one-on-one investor meetings. We are 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, we take our responsibility to address climate change risks seriously. As stewards of these vital businesses, we 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, MIRA's parent company, Macquarie Asset Management (MAM), 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.

We look forward to working with our investors, portfolio companies, regulators and other stakeholders to achieve these transformational objectives for the benefit of all. We remain grateful for these partnerships and we welcome continued engagement as we 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.

3. Details of Assets

3.1 Asset portfolio

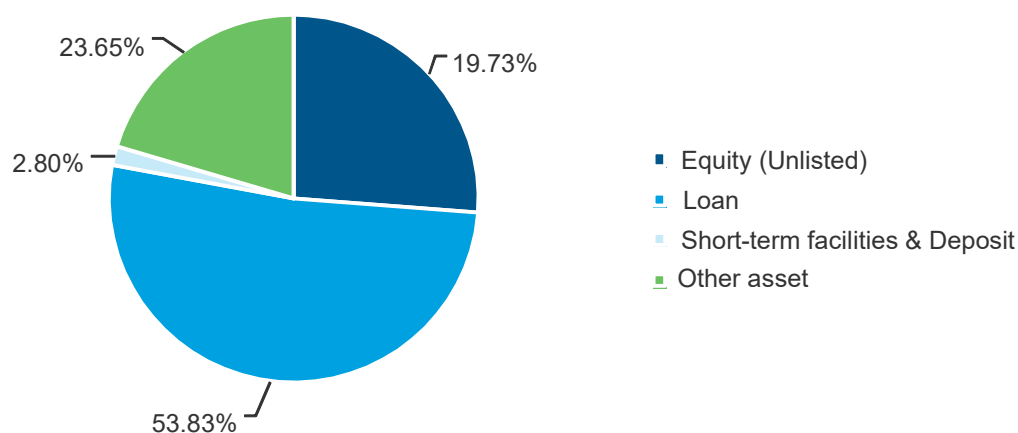
MKIF's investment portfolio consists of equity(unlisted), loans, cash and deposits and other assets.

(Unit: KRW million, %)

Type	Equity (unlisted)	Loans +	Short-term facilities & Deposit	Other assets ^	Total assets
KRW	463,910	1,265,749	65,731	556,055	2,351,445
Composition Ratio	19.73	53.83	2.80	23.65	100

+ Include loans to concession companies

^ Other assets: interest receivable, other receivables and prepaid expenses



3.2 Top ten invested assets

(Unit: KRW million, %)

Rank	Type	Name	Acquisition Value +	Composition Ratio ^
1	Subordinated loan	Incheon Bridge Co., Ltd.	241,000	10.25
2	Subordinated loan	BNCT Co., Ltd.	193,000	8.21
3	Subordinated loan	Cheonan-Nonsan Expressway Co., Ltd.	182,250	7.75
4	Subordinated loan	Gyungso Highway Co., Ltd.	99,633	4.24
5	Equity (unlisted)	Cheonan-Nonsan Expressway Co., Ltd.	93,815	3.99
6	Subordinated loan	Seoul-Chuncheon Highway Co.,Ltd.	87,450	3.72
7	Subordinated loan	MCB Co., Ltd.	79,000	3.36
8	Subordinated loan	Seoul-Chuncheon Highway B Co.,Ltd.	74,327	3.16
9	Senior loan	Kwangju Beltway Investment Co., Ltd.	74,325	3.16
10	Subordinated loan	Busan New Port The 2nd Rear Road Co.,Ltd.	69,226	2.94

+ Under K-GAAP and the Act, MKIF recognizes the value of its equity investments in concession companies at their acquisition costs including transaction costs

^ Ratio refers to the contribution to total assets

3.3 MKIF's asset portfolio details

A. Equity securities (unlisted) (top five assets)

(Unit: Share, KRW million, %)

Name	No. of Shares	Percentage Interest	Acquisition Value (A)	Appraisal Value (B) +	Gain/ Loss (B)-(A)	Composition Ratio ^
Cheonan-Nonsan Expressway Co., Ltd.	17,550,000	60%	93,815	93,815	-	3.99
BNCT Co., Ltd.	13,284,000	30%	67,048	67,048	-	2.85
Incheon Bridge Co., Ltd.	7,826,100	64.05%	58,053	58,053	-	2.47
Gyungso Highway Co., Ltd.	10,319,853	43.75%	52,095	52,095	-	2.22
Soojungsan Investment Co., Ltd.	1,114,880	100%	47,248	47,248	-	2.01

+ Under K-GAAP and the Act, MKIF records the value of its equity investments in concession companies at their acquisition costs including transaction costs

^ Ratio refers to the contribution to total assets

B. Equity securities (unlisted) (more than 1% of total issued shares)

(Unit: Share, KRW million, %)

Name	No. of Shares	Percentage Interest	Acquisition Value (A)	Appraisal Value (B) +	Gain/ Loss (B)-(A)	Composition Ratio ^
Cheonan-Nonsan Expressway Co., Ltd.	17,550,000	60%	93,815	93,815	-	3.99
BNCT Co., Ltd.	13,284,000	30%	67,048	67,048	-	2.85
Incheon Bridge Co., Ltd.	7,826,100	64.05%	58,053	58,053	-	2.47
Gyungso Highway Co., Ltd.	10,319,853	43.75%	52,095	52,095	-	2.22
Soojungsan Investment Co., Ltd.	1,114,880	100%	47,248	47,248	-	2.01
MCB Co., Ltd.	7,955,780	70%	33,925	33,925	-	1.44
Kwangju Beltway Investment Co., Ltd.	6,610,000	100%	33,050	33,050	-	1.41
Kwangju Ring Road Co., Ltd.	5,775,000	75%	29,495	29,495	-	1.25
New Airport Hiway Co., Ltd.	3,665,273	24.10%	25,235	25,235	-	1.07
Busan New Port 2 nd Rear Road	8,295,138	47.56%	18,873	18,873	-	0.80
Dongbuk Light Rail Transit	483,800	4.65%	2,419	2,419	-	0.10
Seoul-Chuncheon Highway Co.,Ltd.	3,128,435	15.83%	1,423	1,423	-	0.06
Baekyang Tunnel Ltd.	100,000	100%	1,231	1,231	-	0.05
Woomyunsan Infraway Co., Ltd. *	835,200	36%	-	-	-	-

+ Under K-GAAP and the Act, MKIF recognizes the value of its equity investments in concession companies at their acquisition costs including transaction costs

^ Ratio refers to the contribution to total assets

* Woomyunsan Infraway Co., Ltd. completed its capital reduction on 16 January 2009 and on 16 February 2016. The value of equity investment in Woomyunsan Infraway Co., Ltd. was recognised as zero because the total proceeds of capital reduction paid to MKIF exceeded the acquisition value of the equity investment. For details, refer to MKIF disclosure on 14 January 2016.

C. Loans to concession companies (top five assets)

(Unit: KRW million, %)

Name	Acquisition Value	Interest Receivable +	Issued Date	Maturity Date	Guarantee	Credit Rating
Incheon Bridge Co., Ltd. (Subordinated loan)	241,000	44,767	18/08/2017	18/11/2037	N/A	N/A
BNCT Co., Ltd. (Subordinated loan)	193,000	370,162	25/02/2008	25/11/2032	N/A	N/A
Cheonan-Nonsan Expressway Co., Ltd. (Subordinated loan)	182,250	28,831	20/05/2005	20/05/2029	N/A	N/A
Gyungso Highway Co., Ltd. (Subordinated loan)	99,633	46,076	29/10/2015	29/07/2039	N/A	N/A
Seoul-Chuncheon Highway Co.,Ltd. (Subordinated loan)	87,450	427	02/11/2006	28/05/2031	N/A	N/A

+These values are accumulated interest receivables

D. Short term facilities and deposit

(Unit: KRW million, %)

Name*	Banks	Deposit amount +	Date of Deposit	Maturity Date	Interest Receivable	Composition Ratio ^
N/A						

* Each deposit amount exceeding 5% of the Total Assets

+ This value is the principal

^ Ratio refers to the contribution to total assets

E. Other assets

The other assets are set out in the table below and consist of accrued income.

(Unit: KRW million, %)

Type	Amount	Composition Ratio ^
Interest Receivable and others*	556,054	23.65

* Other assets under the invested assets composition (ex: accrued dividends, accrued income etc), exceeding 5% of the total assets

^ Ratio refers to the contribution to total assets

For more information, refer to Quarterly Business Reports and Documents of Settlement of Accounts on the website of KOFIA (<http://dis.kofia.or.kr>). However, the effective dates of the Quarterly Business Reports and Documents of Settlement of Accounts on the website of KOFIA may be different from the effective dates of this report.

4. Registered Asset Managers

4.1 Registered infrastructure asset managers*

MKAM is licensed under the Act to carry out asset management activities for MKIF. MKAM employs at least two infrastructure asset management professionals who meet certain qualifications as follows.

Name	KOFIA registration number	Title	Management fund other than MKIF		Fund with performance fee scheme	
			Number of fund(s)	Total asset under management	Number of fund(s)	Total asset under management
Jinwook Park	2115000350	Division Director	N/A	N/A	N/A	N/A
Jae Woo Jung	2110000811	Associate Director	N/A	N/A	N/A	N/A

* For more details, refer to current MKIF prospectus disclosed on DART (<http://dart.fss.or.kr>) fund disclosure. The prospectus translated in English can be found in MKIF website (www.macquarie.com/mkif).

4.2 Change in registered infrastructure asset managers

Period ^	Registered asset managers
October 2019 ~ Present	Jaw Woo Jung, Jinwook Park
February 2019 ~ September 2019	Jae Woo Jung, Boum Sik Suh, Yoonsik Pak (~ March 2019)
March 2016 ~ February 2019	Yoonsik Pak, Jae Woo Jung

^ Change in registered asset managers during the past three years.

For more information, refer to ad-hoc disclosures on the website of KOFIA (<http://dis.kofia.or.kr>). However, the effective dates of information displayed on the website of KOFIA may be different from the effective dates of information in this report.

5. Cost Summary

5.1 Fees to service providers

The table below sets out fees paid by MKIF to its service providers.

(Unit: KRW million, %)

Type	Q4 2020		Q1 2021		Remarks	
	Amount	Ratio+	Amount	Ratio+		
MKIF	Management fee	8,329	0.444	8,670	0.415	Management
	Sales agent fee	-	-	-	-	
	Custodian fee	95	0.005	103	0.005	
	Administrator fee	59	0.003	64	0.003	
	Total	8,483	0.452	8,837	0.423	
	Other expenses [^]	496	0.026	311	0.015	
	Transaction fee	-	-	-	-	
	Securities transaction	-	-	-	-	

+ Ratio refers to fees as a proportion of Net Asset Value

[^] Other expenses include fund audit fee, fund settlement fee and other recurring expenditures other than transaction fee. Excluding transaction fee

5.2 Total expense ratio

(Unit: annualised, %)

Collective Investment Vehicle			
Type	Total Expense Ratio*	Commission Ratio	
MKIF	Q4 2020	1.8985	-
	Q1 2021	1.7775	-

* Total Expense ratio refers to a ratio calculated by dividing the total management fee and other expenses borne by the collective investment vehicle by annual average balance of the fund (before deducting the fees and expenses) and represents the total fees and expenses borne by the investor during the management period

6. Invested Asset Transactions and Debt Facility

6.1 Equity transactions

(Unit: annualised, %)

Shares	Buy		Sell		Turnover Ratio ⁺	
	Shares	Amount	Shares	Amount	Q4 2020	Annualised rate
	-	-	-	-	-	-

+ The Turnover Ratio shows frequency level for the equity transactions. The ratio refers to average disposal amounts divided by average retained equity amounts during the period. Provided that the average equity investment is 10 billion and the average equity disposal amount is 10 billion, turnover ratio is 100%. High turnover ratio will increase fund cost.

6.2 Equity turnover ratio during the past three quarters

(Unit: %)

Q3 2020	Q4 2020	Q1 2021
-	-	-

6.3 Loan sales

(Unit: KRW million)

Name	Type	Date	Amount
	N/A		

6.4 Loan injections

(Unit: KRW million)

Name	Type	Date	Amount
	N/A		

6.5 Debt facility status

(Unit: KRW million)

Name	Debt facility amounts			
	Limit of the Facility ⁺	Cumulative to Q4 2020	Movements in Q1 2021	Cumulative to Q4 2020
Shinhan Bank	60,000	-	-	-
Samsung Fire & Marine Insurance	50,000	-	-	-
Industrial and Commercial Bank of China	50,000	-	-	-
National Agricultural Cooperative Federation	30,000	-	-	-
Mirae Asset Life Insurance	60,000	-	-	-
Total	250,000	-	-	-

+ MKIF refinanced its corporate debt facility ("New Facility") on 28 January 2019 and repaid the previous corporate debt facility ("Precious Facility"). The New Facility limit of KRW 250 billion will remain the same with the Previous Facility. For details, refer to MKIF disclosure on 28 January 2019

6.6 Corporate bond status

(Unit: KRW million)

Name	Par Value	Interest rate	Issue Date	Maturity Date	Credit Rating
Unsecured Bond Tranche 2-1 (5year)	100,000	2.980	11/06/2018	11/06/2023	AA0
Unsecured Bond Tranche 2-2 (7year)	100,000	3.205	11/06/2018	11/06/2025	AA0

+ MKIF issued KRW 200 billion of unsecured, fixed-rate bonds to repay the KRW 190 billion of short-term loan executed on 31 May 2018. For more information, please refer to the disclosure on 11 June 2018.

7. Environmental, Social and Governance (ESG)

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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.

8. Notice

Under the Act, MKAM shall prepare this report and upload it on the website of MKIF and KOFIA after confirmation from the Custodian (KSFC).

For more information on the website:

MKIF www.mkif.com

KOFIA <http://dis.kofia.or.kr>

Appendix I. MKIF Board of Directors

Supervisory directors

Name	Career
Woo Young Jung	<ul style="list-style-type: none"> • Attorney, Lee & Ko • Adjunct Professor, Graduate School of Law, Korea University • Outside Director, Hanjin Shipping • Arbitrator, Korean Commercial Arbitration Board • Committee Member, Policy Advisory Committee, Ministry of Oceans and Fisheries • Legal Advisor, Industrial Bank of Korea • Legal Advisor, Bank of Korea
Hwa Jin Kim	<ul style="list-style-type: none"> • Chairman of Proxy Voting Advisory Committee, Korea Corporate Governance Service • President of Seoul Corporate Governance Forum • Hyundai Heavy Industries Group independent director • Law School professor at Seoul National University • A foreign chair-professor of Law school, University of Michigan
Daeki Kim	<ul style="list-style-type: none"> • Outside Director of Doosan Heavy Industries & Construction Co., Ltd. • Advisor to Hanwha Life Insurance Co., Ltd. • Chief of Policy Staffs, Office of the President • Senior Secretary to the President for Economic Affairs, Office of the President • Vice Minister of Culture, Sports and Tourism • Commissioner of the Korea National Statistical Office • Head of National Budget Office, Ministry of Planning and Budget • Secretary to the President for Economic Affairs, Office of the President • Economist, World Bank • Deputy Director, Economic Planning Board

Corporate director – MKAM

Name	Career
Boum Sik Suh	<ul style="list-style-type: none"> • Representative Director, Macquarie Korea Asset Management Co., Ltd. ("MKAM") • Former Managing Director, Macquarie Korea Opportunities Management Limited • Joined Macquarie Infrastructure and Real Asset Division (MIRA) in 2003 and held various roles mainly in infrastructure asset investment and transaction advisory in Hong Kong, Singapore, Seoul and Japan
Yong Hwan Kim	<ul style="list-style-type: none"> • Country Lead of Macquarie Group Korea • Representative Director, Macquarie Korea Asset Management Co., Ltd. • Former Representative Director, Macquarie Korea Opportunities Limited prior to the merger with MKAM • Joined Macquarie in 2002, previously held senior positions in Macquarie Capital Korea and Macquarie Securities Korea Limited. (Investment Banking Division)
Do Kyung Kim	<ul style="list-style-type: none"> • Head of Legal, Macquarie Korea Asset Management Co., Ltd. • Former lawyer at Kim Chang & Lee and Yulchon • Attorney at law and a member of the Korea Bar

Appendix II. Summary of Financial Statements

Statements of Financial Position

As of 31 March 2021, As of 31 December 2020 and 31 March 2020

(Unit: KRW million)

	31 March 2021	31 December 2020	31 March 2020
Assets			
Invested assets	1,795,390	1,801,033	1,686,484
Cash & deposits	65,731	71,362	51,847
Loans receivable	1,265,749	1,265,761	1,192,020
Equity securities	463,910	463,910	442,617
Others	556,055	532,855	454,669
Interest receivables	548,408	525,281	446,242
Other receivables	2,349	2,348	2,674
Prepaid expense	3,217	3,267	3,879
Prepayment	2,081	1,959	1,874
Total assets	2,351,445	2,333,888	2,141,153
Liabilities			
Operational liabilities	199,671	199,644	254,700
Bond	199,671	199,644	199,563
Long-term debt	-	-	55,137
Others	15,350	17,120	14,775
Payables	-	3	-
Management fee payable	8,670	8,329	8,192
Other liabilities	6,680	8,788	6,583
Total liabilities	215,021	216,764	269,475
Shareholders' equity			
Share capital	2,057,517	2,057,517	1,815,615
Retained earnings (accumulated deficit)	78,907	59,607	56,063
Total shareholders' equity	2,136,424	2,117,124	1,871,678
Total liabilities and shareholders' equity	2,351,445	2,333,888	2,141,153

Statements of Income

For the Quarters Ended 31 Mar 2021, 31 Dec 2020 and 31 Mar 2020

(Unit: KRW million)

	Quarter Ended 31 Mar. 2021	Quarter Ended 31 Dec. 2020	Quarter Ended 31 Mar. 2020
Revenue	164,187	59,304	140,866
1. Interest income	53,836	54,384	49,607
2. Dividend Income	110,350	4,875	91,184
3. Other income	1	45	75
Expenses	10,898	11,905	10,770
1. Management fee	8,670	8,329	8,192
2. Custodian fee	103	95	91
3. Administrator fee	64	59	57
4. Interest expense	1,565	2,896	1,840
5. Other expense	496	526	590
Net income	153,289	47,399	130,096

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