

Macquarie Korea Infrastructure Fund

Investor Presentation

4Q 2022



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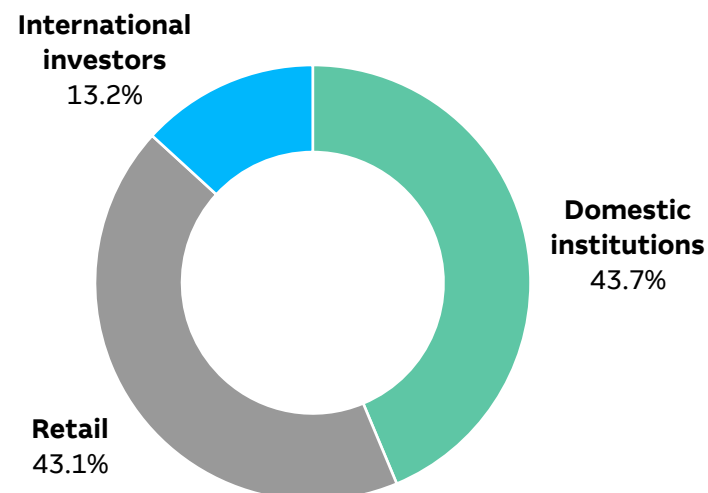
MKIF Overview



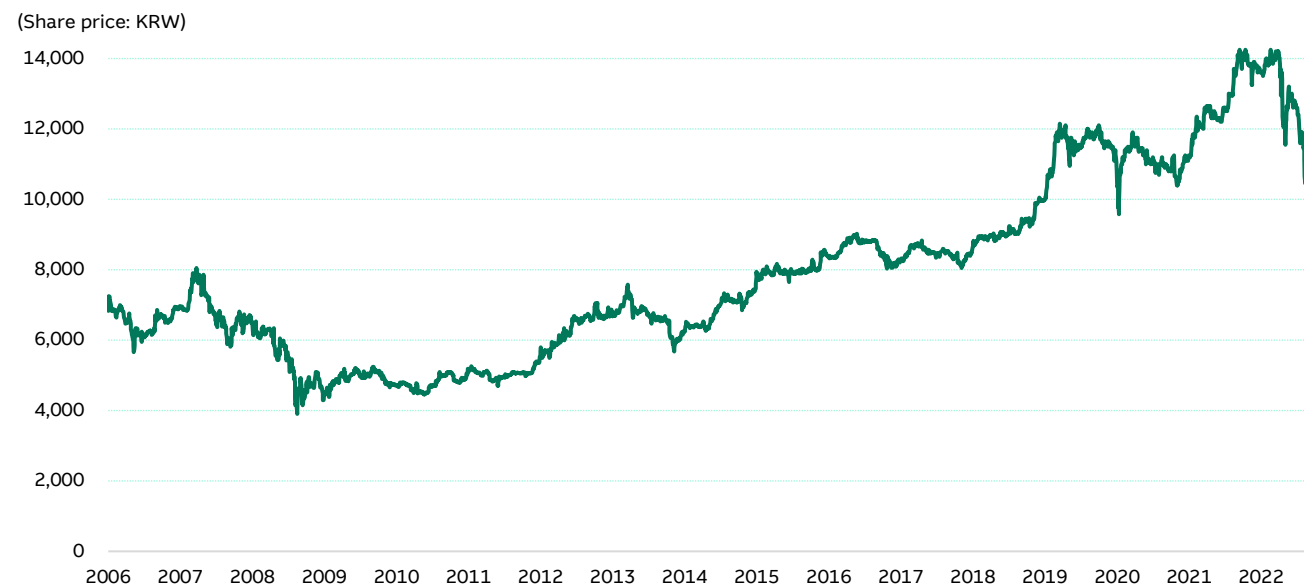
A Leading Infrastructure Fund in Korea

- Established in 2002 / Listed on the Korea Exchange in 2006
- Market capitalization of KRW ~4.5 trillion¹
- Invests only in Korea as defined under the Act on Public Private Partnerships in Infrastructure² (“PPP Act”) of Korea
- Delivered approximately ~7.0% distribution yield³ in 2022
- Issuer credit rating of AA0 (Stable)⁴

Key Shareholder Groups¹



Historical Share Price⁵



1. As at 31 Dec 2022

2. PPP Act states infrastructure sectors including roads, railways, ports, water treatment, waste management, etc.

3. Distribution yield based on FY2022 closing share price of KRW 11,050 and 2022 annual distribution of KRW 770 per share; historical performance does not guarantee future performance

4. Issuer credit rating by NICE Investor Service on 1 Apr 2022

5. MKIF share price since IPO on 15 Mar 2006 to 31 Dec 2022; historical performance does not guarantee future performance

Fund History

Establishment / Listing
2002 / 2006

Mandate
Core and Core+
(Korea only)

Portfolio
**13 Roads, 1 Port,
1 Rail, 2 City Gas**

Market Capitalisation
KRW ~4.5 trillion
(KOSPI top 66)

MKIF History¹

2002 ~ 2006

Establishment and
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 and 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

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

Asset-level

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

2017 ~

Share Offering and
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 393.5 billion)

1. Please refer to page 8 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); IGEX (2022); SCH bolt-on (2022)

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; Jun 2021; Mar 2022

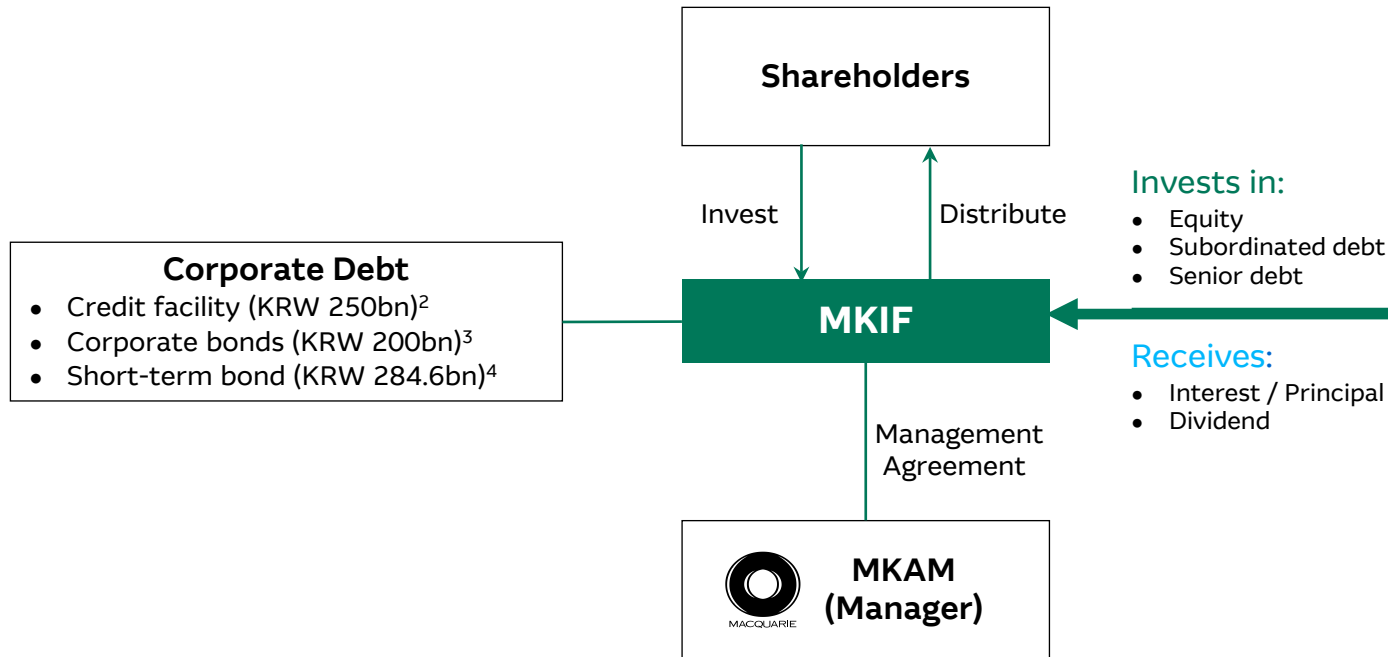
6. Asset-level refinancing disclosed in Feb 2007 (Daegu 4th Beltway East); Jan 2008 (BYTL); Dec 2008 (WIC); Mar 2009 (IBC); May 2009 (CNEC); Nov 2010 (MCB); Aug 2015 (NAHC); Oct 2015 (YSE); Jan 2016 (WIC); Dec 2016 (KBICL); Jan 2017 (MCB); Aug 2017 (IBC); Jun 2018 (SCH); Apr 2019 (BNP 2-3); Dec 2019 (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); Dec 2021 (KBICL)

Business Structure

(As at 31 December 2022)

- MKIF is a holding company of 17 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



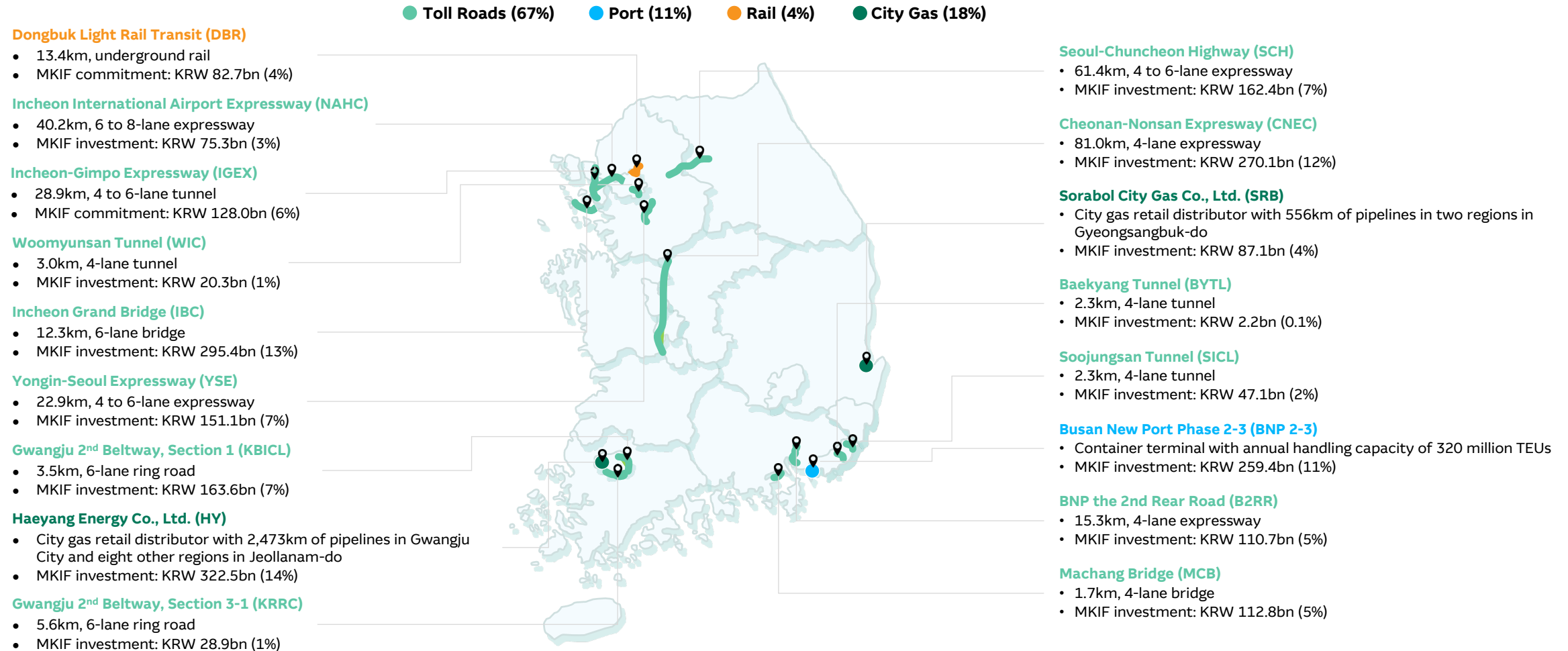
Underlying Project Companies	MKIF Shareholding
Baekyang Tunnel Ltd.	100%
Kwangju Beltway Investment Co., Ltd.	100%
New Airport Hiway Co., Ltd.	24.1%
Soojungsan investment Co., Ltd.	100%
Cheonan Nonsan Expressway Co., Ltd.	60%
Woomyunsan Infraway Co., Ltd.	36%
Kwangju Ring Road Company Ltd.	75%
MCB Co., Ltd.	70%
Gyeongsu Highway Co., Ltd.	43.75%
Seoul-Chuncheon Highway Co., Ltd.	17.59%
Incheon Bridge Co., Ltd.	64.05%
Busan New Port the 2nd Rear Road Co., Ltd.	47.56%
Incheon-Gimpo Expressway Co., Ltd.	22.8%
BNCT Co., Ltd.	30%
Dongbuk Urban Railway Co., Ltd.	30% ⁵
Youngsan Clean Energy Ltd.	100%
Bomun Clean Energy Ltd.	100%

1. MKIF-invested project companies
2. Out of KRW 250bn credit facility, KRW 137.2bn is drawn (credit facility agreement maturity date of 28 Jan 2024)
3. KRW 100bn, 5-year bond (maturity date of 11 Jun 2023) and KRW 100bn, 7-year bond (maturity date of 11 Jun 2025)
4. KRW 151bn drawn from the short-term bond facility with the limit of KRW 284.6bn (underwriting agreement maturity date of 11 Sep 2023)
5. Based on MKIF's investment commitment
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Portfolio Summary¹

(As at 31 December 2022)

- KRW 2.3 trillion invested across 17 infrastructure assets in Korea in the form of equity (25.7%), subordinated debt (71.7%) and senior debt (2.6%)

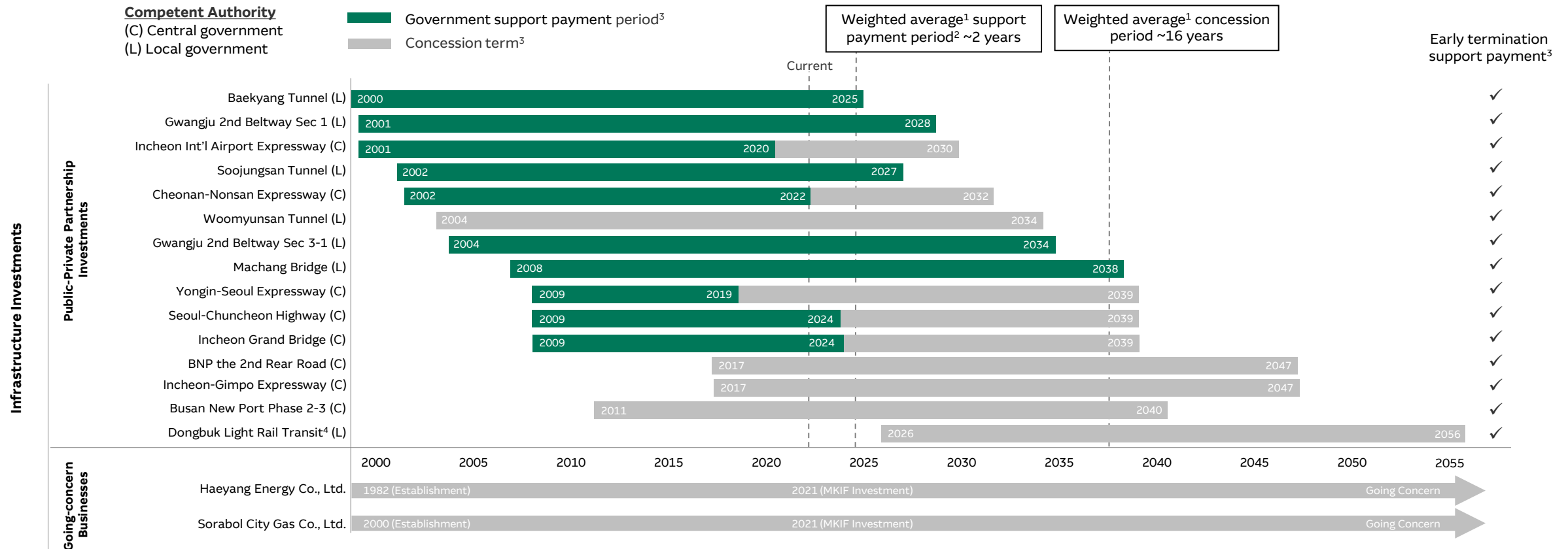


1. All amounts and percentages are based on MKIF's investment amounts (including investment commitments in Dongbuk Urban Railway Co., Ltd. and Incheon-Gimpo Expressway Co., Ltd.)
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Concession/Operation Period

(As at 31 December 2022)

- MKIF invests in 17 project companies, of which 15 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 Urban Railway Co., Ltd. and Incheon-Gimpo Expressway 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 (2021~2026) expected, followed by a 30-year concession period

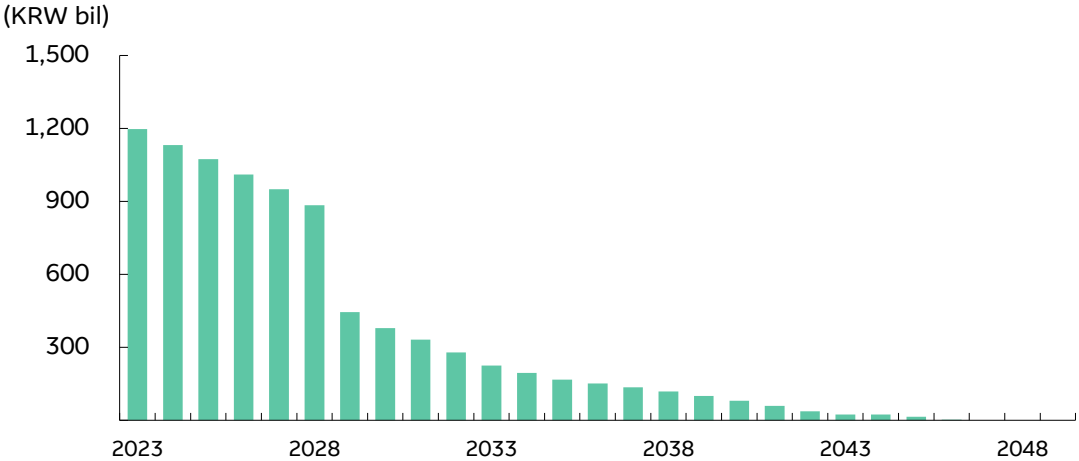
Financial Position

(As at 31 December 2022)

- MKIF debt capped at 30% of its capital under PPP Act¹, with the current outstanding debt of KRW 488.2 billion out of KRW 734.6 billion facility size under the existing loan agreements
 - KRW 137.2 billion is drawn from KRW 250 billion of credit facility limit (credit facility agreement maturity date of 28 January 2024)
 - 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)
 - KRW 151 billion has been issued from KRW 284.6 billion of short-term bond facility (underwriting agreement maturity date of 11 September 2023)
- Weighted average interest rate of MKIF debt is 4.5%, and remaining average maturity is 1.0 years
- Project company-level debt is expected to decline as senior debts are redeemed, and average remaining maturity² of external debt³ is 7.7 years

CASH ⁴	KRW 429.8bn
EXTERNAL DEBT AVERAGE MATURITY ³	7.7 years
GEARING ⁵	26.2%

Project Company-level External Debt Balance⁶



1. Current MKIF debt ceiling under PPP Act is KRW 734.6bn (30% of current MKIF paid-in-capital of KRW 2,448.9bn; rounded down to the nearest tenth billion)

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 27.5bn)

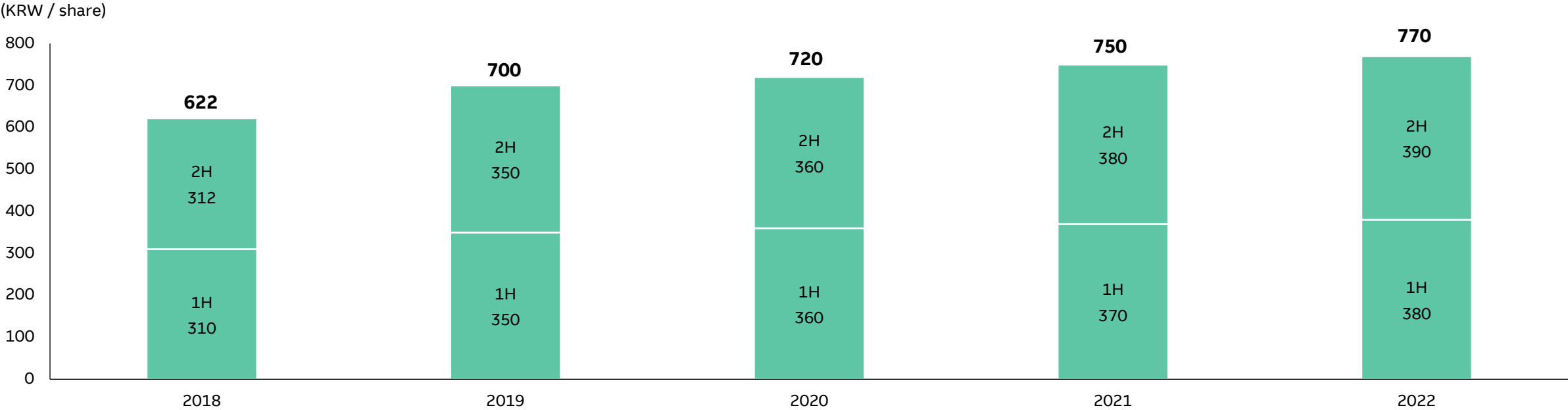
5. Proportionately consolidated MKIF net debt / (proportionately consolidated MKIF net debt + average MKIF market capitalization for the previous 3 months)

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 distributable accounting income to maintain tax exempt status
- 2022 second half distribution of KRW 390 per share¹ (total amount of KRW 157.9 billion) will be paid on 28 February 2023

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

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2022 Performance



Summary of Financial & Operating Results

MKIF revenue and net income (P15)

- MKIF recorded revenue of KRW 376.6 billion and net income of KRW 315.2 billion in 2022 (the “Period”), increases of 8.1% and 6.2% respectively compared with the previous corresponding period (“pcp”). Revenue and net income increased due to higher interest income.

Performance of toll roads (P18)

- On a weighted average basis, 13 toll road assets delivered traffic volume and revenue growths of 5.1% and 4.6% for the Period over pcp.
- Traffic revenue improved less than volume as the respective government authorities requested certain assets to apply toll exemption during the Chuseok holiday season in 3Q 2022, while such toll exemption did not take place in 3Q 2021. The assets which toll exemption was applied are to receive full compensation for revenue loss from the respective government authorities.

Performance of Busan New Port Phase 2-3 (“BNP 2-3”) (P19)

- BNP 2-3 handled 2.69 million TEUs during the Period, an increase of 8.8% over pcp. Revenue and EBITDA improved by 14.5% and 12.4% respectively over pcp to KRW 167.0 billion and KRW 84.5 billion due to volume growth, tariff adjustment and ancillary revenue increase.

Performance of City Gas Business (P21)

- Haeyang Energy Co., Ltd. (“HY”) recorded sales volume of 815 million m³ during the Period, an increase of 1.4% over pcp. Revenue increased by 39.2% over pcp to KRW 743.7 billion due to the volume growth and the increase in the average KOGAS wholesale tariff.
- EBITDA improved by 7.0% to KRW 54.9 billion mainly due to the volume growth and the absence of one-off expense related to the equity transfer of HY in 2021.
- Sorabol City Gas Co., Ltd. (“SRB”) recorded the sales volume of 211 million m³ during the Period, an increase of 4.7% over pcp. Revenue increased by 53.5% over pcp to KRW 207.1 billion due to the volume growth and the increase in the average KOGAS wholesale tariff.
- EBITDA increased by 21.2% to KRW 15.9 billion mainly due to the volume growth and the absence of one-off expense related to the equity transfer of SRB in 3Q 2021.

Summary of Key Transactions

Issuance of Short-Term Bonds Up to KRW 284.6 Billion

- On 10 March 2022, the Board of MKIF granted approval for MKIF to execute the underwriting agreement for issuance of short-term bonds with five underwriters. According to the terms of the agreement, MKIF can issue an unlimited number of short-term bonds with the accumulated size up to KRW 284.6 billion and a tenor of 90 days or less during a period of 18 months from 11 March 2022 to 11 September 2023, and each Underwriter is obligated to underwrite up to the amount agreed under the Underwriting Agreement.
- Of the issue threshold KRW 284.6 billion, the annual discount rate for KRW 80 billion (Tranche A) is 91-day CD rate+130bps, while the annual discount rate for the remaining KRW 204.6 billion (Tranche B) is 91-day CD rate+120bps. MKIF is to use the proceeds from the issuance for investment purposes.

Investment in Incheon-Gimpo Expressway Project (P19)

- On 11 March 2022, MKIF committed to acquire 22.8% of equity and 22.8% of refinanced sub-loan & conditional junior sub-loan of Incheon-Gimpo Expressway Co., Ltd. (“IGEX”).
- MKIF completed the financial closing of the investment by acquiring 22.8% of equity (KRW 43.7 billion) and 22.8% of refinanced sub-loan (KRW 78.7 billion) of IGEX with KRW 122.4 billion secured from short-term bond issuance and revolving credit facility.

Amendment to the Subordinated Loan Agreement of BNCT Co., Ltd. (“BNCT”)

- On 27 September 2022, with the objective of improving business & operating conditions, the Board of Directors of BNCT approved the agenda of amending certain conditions of the sub-loan of BNCT. And on 28 September 2022, BNCT and MKIF, the sole lender of BNCT’s sub-loan, mutually agreed to the proposed amendment and signed the Amended and Restated Subordinated Loan Agreement (the “Amended Agreement”).
- In accordance with the Amended Agreement, interest charged to the principal (KRW 193 billion) and accumulated deferred interest of BNCT’s sub-loan (KRW 442.5bn) will change from compound interest to simple interest from 1 October 2022. Other key terms including the annual interest rate (12%), interest period (quarterly) and principal amount (KRW 193 billion) have not been changed.

Additional Investment in Seoul-Chuncheon Highway Co., Ltd. (“SCH”)

- Following the resolution at the shareholders’ meeting convened by SCH on 13 December 2022, MKIF agreed to acquire additional 459,683 shares (2.3% shareholding) of SCH at KRW 3.64 billion. Financial closing was completed on 6 January 2023, and the additional investment will only affect the shareholding structure and equity ownership of SCH.

Financial Results¹

- 2022 revenue and net income increased by 8.1% and 6.2% respectively compared with the pcg.
- The increase in revenue and net income was mainly due to higher interest income.

(Unit: KRW million)

	2022	2021	% Change
Revenue	376,626	348,352	8.1%
Interest income	268,303	235,381	
Dividend income ²	108,033	112,762	
Other income	290	209	
Expenses	61,450	51,682	18.9%
Management fee	44,340	41,608	
Interest expense	13,616	7,079	
Other fees and expenses	3,494	2,995	
Net income	315,176	296,670	6.2%
Normalised net income³	315,176	296,670	6.2%
EPS (KRW per share)	779	771	
Normalised EPS (KRW per share)³	779	771	

1. Audited, non-consolidated

2. 2022: KRW 19.2bn from New Airport Hiway Co., Ltd.; KRW 60bn from Cheonan-Nonsan Expressway Co., Ltd.; KRW 17.5bn from Soojungsan Investment Co., Ltd.; KRW 11.2bn from Kwangju Ring Road Company, Ltd.
2021: KRW 13.2bn from New Airport Hiway Co., Ltd.; KRW 84bn from Cheonan-Nonsan Expressway Co., Ltd.; KRW 12.5bn from Soojungsan Investment Co., Ltd.; KRW 3bn from Kwangju Ring Road Company, Ltd.

3. Excludes one-off items
2022 and 2021: no one-off item

Financial Results¹

- 4Q 2022 revenue and net income increased by 7.7% and 8.0% respectively compared with the pcq.
- The increase in revenue and net income was mainly due to higher interest income.

(Unit: KRW million)

	4Q 2022 (Oct - Dec)	4Q 2021 (Oct - Dec)	% Change
Revenue	69,287	64,320	7.7%
Interest income	69,114	64,116	
Dividend income	-	-	
Other income	173	204	
Expenses	15,691	14,688	6.8%
Management fee	9,898	11,995	
Interest expense	4,849	1,858	
Other fees and expenses	944	835	
Net income	53,596	49,632	8.0%
Normalised net income²	53,596	49,632	8.0%
EPS (KRW per share)	132	123	
Normalised EPS (KRW per share)²	132	123	

1. Unaudited, non-consolidated

2. Excludes one-off items
4Q 2022 and 4Q 2021: no one-off item

Statement of Financial Position

(Unit: KRW million)

	31 December 2022	31 December 2021
Assets		
Invested Assets	2,305,832	2,193,958
Cash & deposits	27,547	53,510
Loans	1,707,253	1,628,614
Equity securities	571,032	511,834
Others	742,258	628,768
Interest receivable	735,892	621,744
Other receivables	2,350	2,348
Deferred costs, net	1,895	2,582
Prepayment	2,121	2,094
Total Assets	3,048,090	2,822,726
Liabilities		
Bonds	348,915	250,409
Long-term debt	137,151	20,106
Management fee payable	9,898	11,995
Other liabilities	11,119	6,703
Total Liabilities	507,083	289,213
Shareholders' Equity		
Share capital	2,448,937	2,448,937
Retained earnings	92,070	84,576
Total Shareholders' Equity	2,541,007	2,533,513
Total Liabilities and Shareholders' Equity	3,048,090	2,822,726

Change in Investment

(Unit: KRW million)

Project Company	Item	2022
KBICL	Senior Debt	(16,000)
DBR	Equity	15,037
	Subordinated Debt	15,850
IGEX	Equity	44,161*
	Subordinated Debt	78,656
	Junior Subordinated Debt	180
Total**		137,884

* Comprised of equity purchase amount of KRW 43,765 million and transaction cost of KRW 396 million

** Excludes loan amortization of KRW 47 million from Baekyang Tunnel Ltd.

Toll Roads Performance

- Highlights for the Period include:
 - Incheon International Airport Expressway and Incheon Grand Bridge, two assets which traffic performance was negatively impacted by the outbreak of COVID-19 in 2020, are showing steady recovery.
 - Traffic revenue improved less than volume as the respective government authorities requested certain assets to apply toll exemption during the Chuseok holiday season in 3Q 2022, while such toll exemption did not take place in 3Q 2021. The assets which toll exemption was applied in 3Q 2022 are to receive full compensation for revenue loss from the respective government authorities.
 - The construction completion of the nearby competing road has led to the normalization of the traffic volume of Woomyunsan Tunnel.

	2022				4Q 2022			
	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	72,363	(1.4%)	60,300	(1.4%)	73,742	(1.2%)	61,426	(1.4%)
Gwangju 2nd Beltway, Section 1	65,658	1.2%	69,198	0.7%	66,732	(0.6%)	70,158	(1.1%)
Incheon International Airport Expressway	80,996	20.1%	323,116	23.5%	90,939	30.4%	379,184	39.8%
Soojungsan Tunnel	45,949	(0.9%)	42,572	(0.9%)	47,195	(0.3%)	43,648	(0.7%)
Cheonan-Nonsan Expressway	57,995	3.1%	502,522	2.4%	58,427	0.8%	525,310	3.8%
Woomyunsan Tunnel	29,216	(10.2%)	64,229	(10.1%)	30,061	(7.6%)	66,100	(7.5%)
Gwangju 2nd Beltway, Section 3-1	61,724	4.5%	66,327	4.5%	63,135	1.8%	67,821	1.7%
Machang Bridge	43,609	2.5%	95,122	1.2%	45,686	0.3%	100,818	(0.4%)
Yongin-Seoul Expressway	93,019	(1.8%)	146,941	(3.3%)	95,187	(3.0%)	151,343	(3.7%)
Seoul-Chuncheon Highway	62,720	1.1%	268,764	(1.1%)	59,354	(4.7%)	258,749	(4.9%)
Incheon Grand Bridge	53,154	20.5%	242,824	19.3%	58,932	28.1%	289,878	33.9%
BNP 2nd Rear Road	20,391	3.7%	39,560	3.3%	20,866	1.2%	40,216	0.1%
Incheon-Gimpo Expressway	54,167	0.4%	160,641	(0.7%)	53,957	(0.4%)	161,305	(0.5%)
Weighted average growth rate²		5.1%		4.6%		5.5%		7.6%

1. 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

2. On a weighted average basis based on the revenue size and MKIF equity ownership in each project company

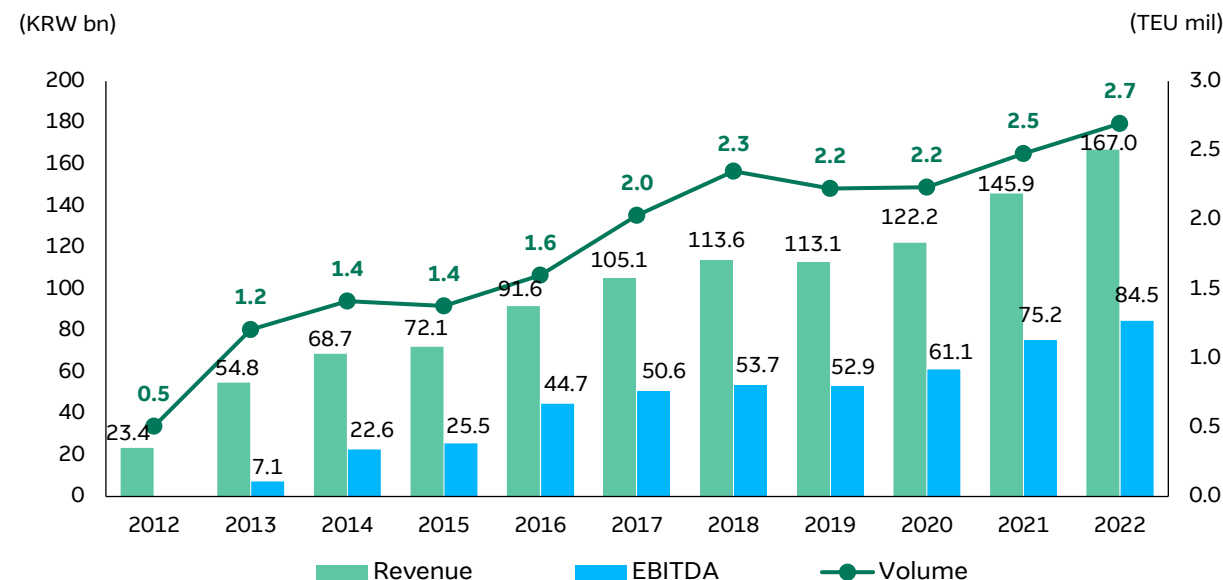
Port Performance

BNCT 2022 Performance

	2022	2021	Change over pc	4Q 2022	4Q 2021	Change over pc
Volume (TEU million)	2.69	2.48	8.8%	0.68	0.66	2.4%
Revenue (KRW billion)	167.0	145.9	14.5%	42.3	40.0	5.7%
EBITDA (KRW billion)	84.5	75.2	12.4%	21.0	21.4	(1.7%)
EBITDA margin	50.6%	51.6%	(0.8%p)	49.6%	53.3%	(3.7%p)

- BNP 2-3 handled 2.69 million TEUs during the Period, an increase of 8.8% over pc.
- Revenue improved by 14.5% over pc to KRW 167.0 billion due to volume growth, tariff adjustment and ancillary revenue increase.
- EBITDA improved by 12.4% over pc to KRW 84.5 billion, recording an EBITDA margin of 51% for the Period
- EBITDA decreased slightly in 4Q 2022 due to various one-off expenses (one-off overhaul of certain equipment, expense related to overflowed containers and severance pay to retiring employee) and the increase in the unit prices of electricity & fuel.

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 3.0 million TEUs during January 2021.

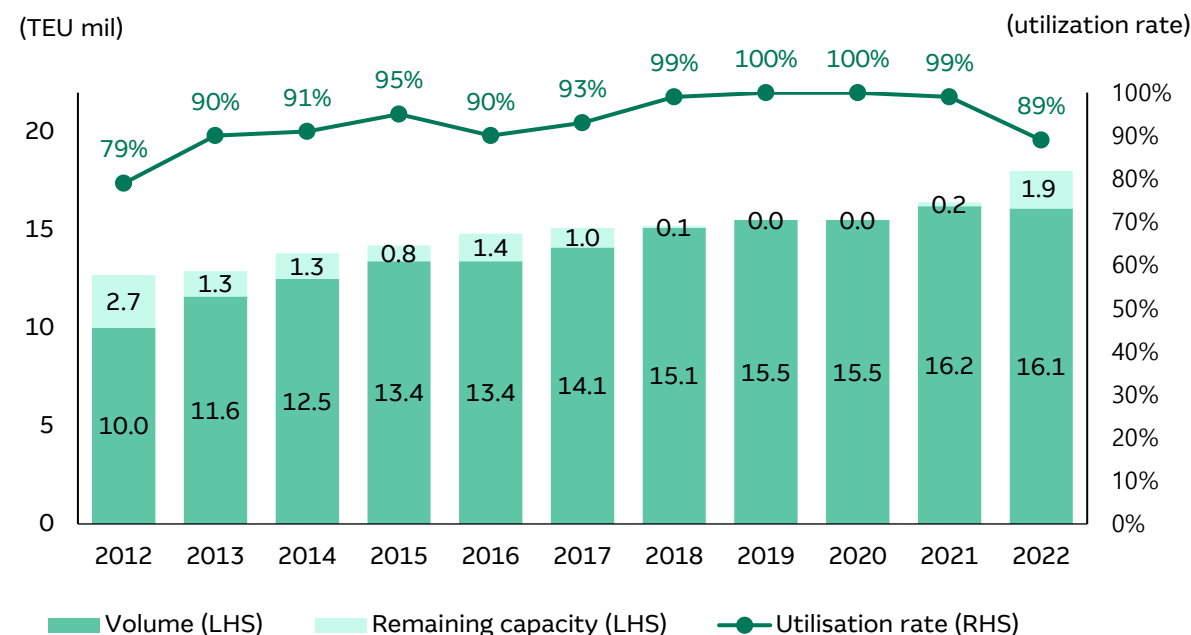
Busan Port¹

- Busan Port is comprised of Busan New Port (the “New Port”) and Busan North Port (the “North Port”).
- Busan Port handled 22.7 million TEUs of container volume in 2022, of which the New Port handled 71% or 16.1 million TEUs.
- The New Port’s market share within Busan has been on a growing trend over the last 10 years mainly due to (i) container volume growth in Busan Port overall and (ii) migration of vessel services from the North Port to the New Port.

Busan Port Highlights

FY2021	BNP 2-3	New Port	North Port
Number of Terminals in Operation	(Part of New Port)	6 Terminals	3 Terminals
Capacity (TEUs p.a.)	3.0 mil	18.0 mil	7.3 mil
Handling Volume (TEUs)	2.7 mil	16.1 mil	6.6 mil
Volume Growth (over pcp)	8.8%	(1.1%)	(4.3%)
Utilisation Rate	90%	89% ²	90%
Market Share ³ within Busan Port	12%	71%	29%

Historical Performance of the New Port



1. Source: terminal operators

2. Adjusted in accordance with the operational commencement of Busan New Port Phase 2-4 in June 2022

3. Based on 2022 handling volume

City Gas Business Performance

HY 2022 Performance

	2022	2021	Change over pcg	4Q 2022	4Q 2021	Change over pcg
Volume (million m ³)	815	803	1.4%	236	244	(3.4%)
Revenue ¹ (KRW billion)	743.7	534.3	39.2% ¹	259.2	178.1	45.5% ¹
EBITDA (KRW billion)	54.9	51.3	7.0%	14.3	15.4	(7.1%)
EBITDA margin	7.4%	9.6%	(2.2%p)	5.5%	8.6%	(3.1%p)
Pipeline length ²	2,473km	2,431km	1.7%	2,473km	2,431km	1.7%
Penetration rate ²	83.7%	82.5%	1.2%p	83.7%	82.5%	1.2%p

- HY recorded sales volume of 815 million m³ during the Period, an increase of 1.4% over pcg. Revenue increased by 39.2% over pcg to KRW 743.7 billion.
- Revenue grew more than sales volume because the increase in the average KOGAS wholesale tariff is passed through to HY's revenue.
- EBITDA improved by 7.0% to KRW 54.9 billion mainly due to the volume growth and the absence of one-off expense related to the equity transfer of HY in 2021.
- Volume declined slightly in 4Q 2022 mainly due to the reduction in gas usage by some industrial users as a result of an economic slowdown

1. Revenue is mostly impacted by sales volume, KOGAS wholesale tariff and retail distribution tariff. Average wholesale tariff has been increasing due to a rise in the natural gas price

2. As at the end of each period; penetration rate is for residential

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SRB 2022 Performance

	2022	2021	Change over pcg	4Q 2022	4Q 2021	Change over pcg
Volume (million m ³)	211	202	4.7%	62	60	2.7%
Revenue ¹ (KRW billion)	207.1	134.9	53.5% ¹	72.6	45.3	60.4% ¹
EBITDA (KRW billion)	15.9	13.1	21.2%	3.5	3.6	(1.0%)
EBITDA margin	7.7%	9.7%	(2.0%p)	4.9%	7.9%	(3.0%p)
Pipeline length ²	556km	529km	5.1%	556km	529km	5.1%
Penetration rate ²	71.2%	70.6%	0.6%p	71.2%	70.6%	0.6%p

- SRB recorded sales volume of 211 million m³ during the Period, an increase of 4.7% over pcg. Revenue increased by 53.5% over pcg to KRW 207.1 billion.
- Revenue grew more than sales volume because the increase in the average KOGAS wholesale tariff is passed through to SRB's revenue.
- EBITDA increased by 21.2% to KRW 15.9 billion mainly due to the volume growth and the absence of one-off expense related to the equity transfer of SRB in 2021.

03

Investment in Incheon-Gimpo Expressway Project



Project Overview

Project Overview¹

Concessionaire	Incheon-Gimpo Expressway Co., Ltd. ("IGEC")
Competent Authority	Ministry of Land, Infrastructure and Transport ("MOLIT")
Project Type	Build-Transfer-Operate
Target Asset	Incheon-Gimpo Expressway ("IGEX")
Location	Jung-gu, Incheon Metropolitan City ~ Gimpo City, Gyeonggi Province (Part of the western section of the 2nd Seoul Beltway)
Length	28.9km (double 2 to 3-lane)
Facilities	5 interchanges 40 bridges 1 tunnels
Construction Period	5 years 23 March 2012 ~ 22 March 2017
Concession Term (Operation Period)	30 years from operation commencement date 23 March 2017 ~ 22 March 2047
Toll Fare	KRW 2,600 per vehicle ¹

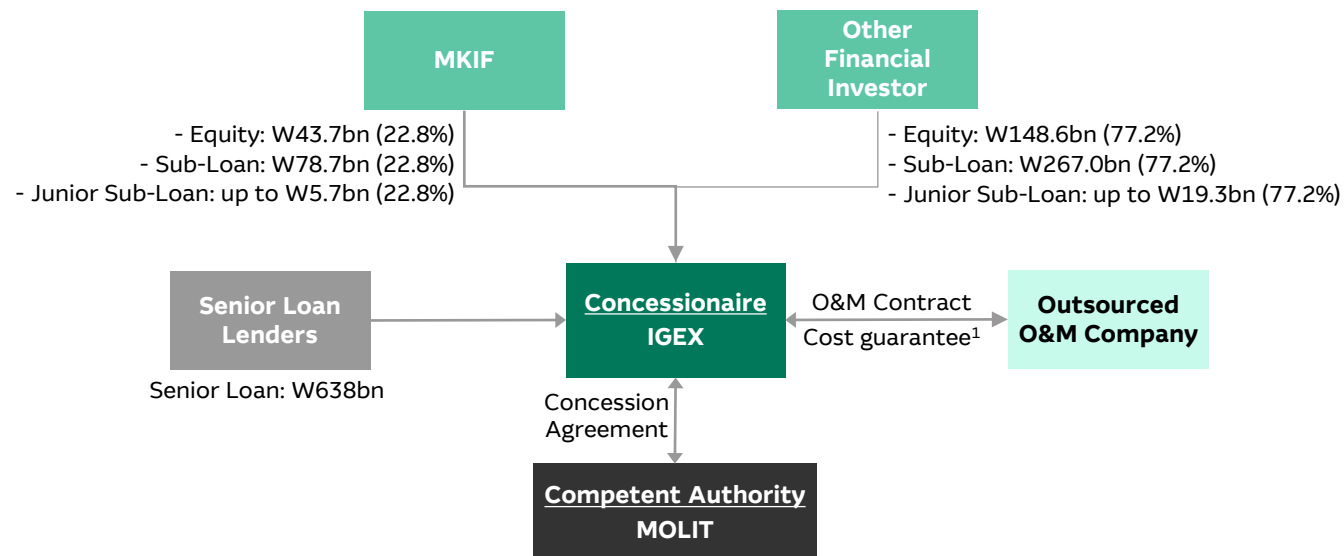
1. As of 26 Apr 2022; type 2 (small vehicle, mini truck) toll fare based on the entire road; subject to a slight reduction after the benefit sharing % is determined
2. Source: public releases from MOLIT on 1 Jun 2020 and Ansan City on 24 Feb 2022
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Location



Transaction Structure

Transaction Structure



Project Investment

Equity	W247.3bn ²
Subordinated Loan	W345.7bn
Senior Loan	W638.0bn
Total Project Investment	W1,231.0bn³

1. The outsourced O&M company will bear the risk associated with cost required for managing and operating the target asset pursuant to the O&M contract
2. The equity investment in the Concessionaire is W247.3bn, but the new financial investors including MKIF have committed to purchase the equity at discount from the existing shareholders
3. Does not include the junior subordinated loan commitment of KRW 25bn (MKIF's commitment is KRW 5.7bn), which is triggered only if the cash yield of FIs fall below 4.2% p.a.
4. 3.98% on 31 Dec 2022
5. While the base rate is fixed 11.5% p.a., if the resulting figure from dividing the free cash flow available for the corresponding loan by the outstanding balance of the corresponding loan falls below 11.5%, the lenders of the corresponding loan have an option to set such resulting figure as one-off annual interest rate for that particular period

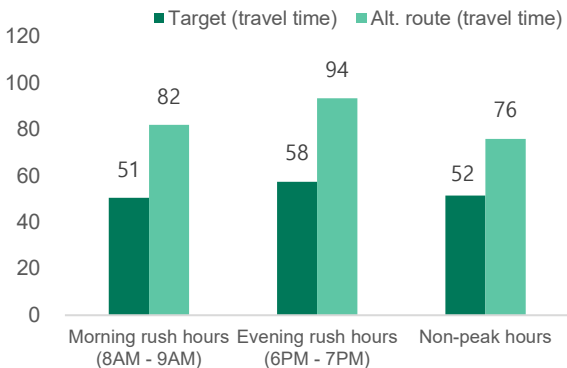
Key Financing Terms

Tranche	Size	Key Terms
Senior Loan Tranche A	W119bn	<ul style="list-style-type: none"> Interest rate: 91CD⁴ + 1.8% Tenor: 14 years
Senior Loan Tranche B	W119bn	<ul style="list-style-type: none"> Interest rate: 91CD⁴ + 1.4% Tenor: 14 years
Senior Loan Tranche C	W240bn	<ul style="list-style-type: none"> Interest rate: 3.5% Tenor: 20 years
Senior Loan Tranche D	W60bn	<ul style="list-style-type: none"> Interest rate: 4.0% Tenor: 21 years
Senior Loan Tranche E	W100bn	<ul style="list-style-type: none"> Interest rate: 4.4% Tenor: 23 years
Senior Loan	W638bn	
Subordinated Loan	W345.7bn	<ul style="list-style-type: none"> Interest rate: 11.5%⁵ Tenor: 19 years
Conditional Junior Subordinated Loan	Up to W25bn	<ul style="list-style-type: none"> Interest rate: 11.5%⁵ Tenor: 19 years
Total	W983.7bn³	

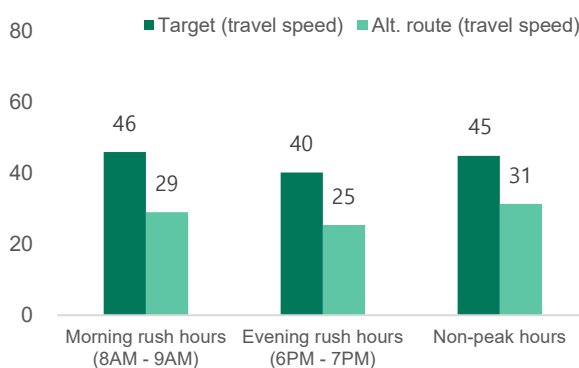
Competitive Analysis & Traffic Demand

Competitive Analysis

(Unit: minute)



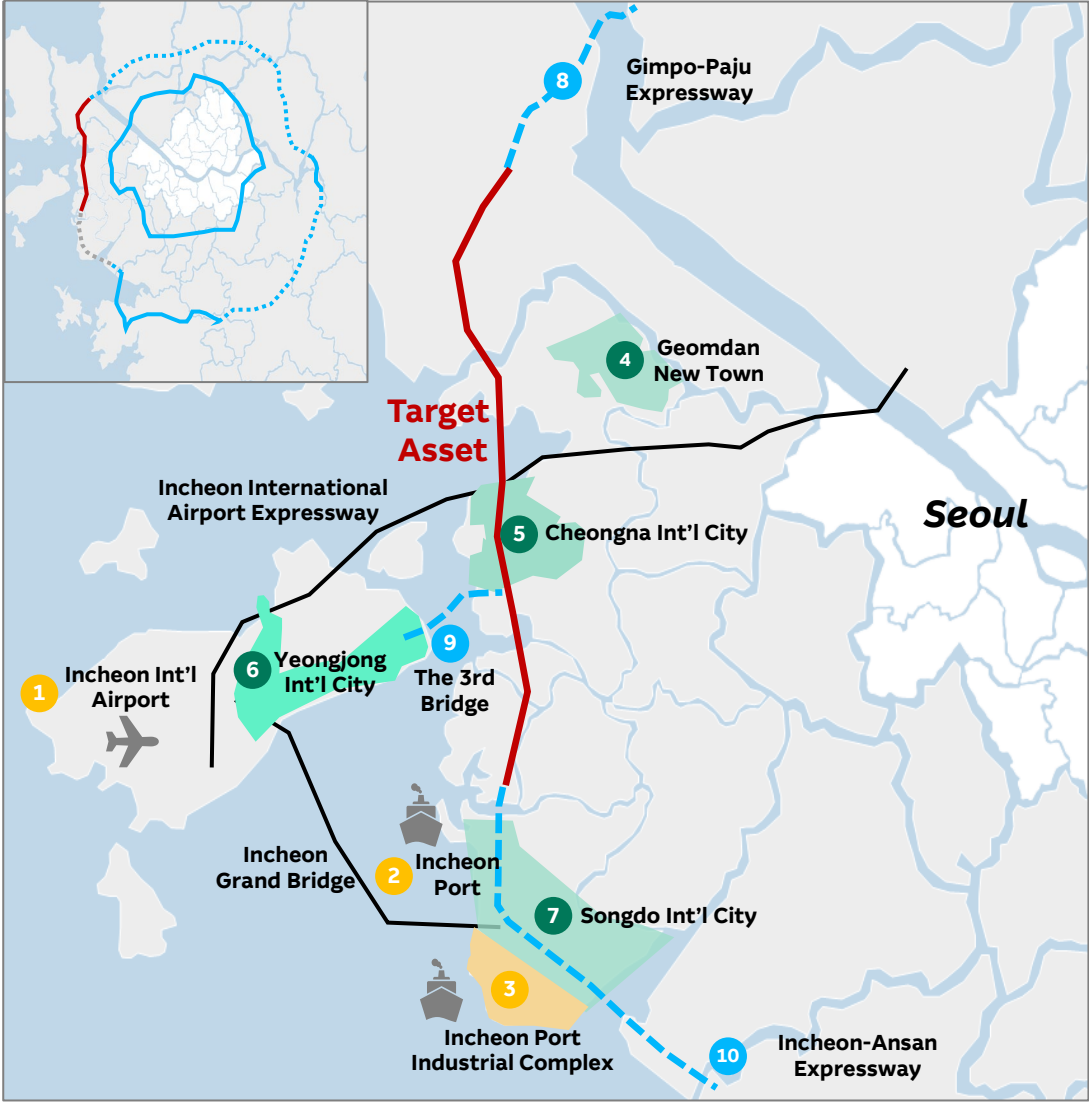
(Unit: km/hour)



Traffic Demand

Type	Demand	Note ¹
Airport / Port / Industrial	1 Incheon Int'l Airport	• 71.77 million annual users (in 2019, before Covid-19)
	2 Incheon Port	• Handled 3.35 million TEUs of container in 2021
	3 Industrial Complex	• 2.55 million m ² industrial complex planned by 2025
Residential / Commercial	4 Geomdan New Town	• Targets to develop a town of ~190k people by 2023
	5 Cheongna Int'l City	• Targets to develop a business town of ~100k people by 2024 (current population of ~110k)
	6 Songdo Int'l City	• Targets to develop a tech city with ~260k people by 2030 (current population of ~190k)
	7 Yeongjong Int'l City	• Targets to develop a city of leisure/tourism with ~180k people by 2027 (current population of ~100k)
Connecting Roads	8 Gimpo-Paju Expr.	• Operation commencement expected in 2025
	9 The 3rd Bridge	• Operation commencement expected in 2025
	10 Incheon-Ansan Expr.	• Operation commencement expected in 2029

1. Source: Incheon Free Economic Zone website, Incheon Metropolitan City website, Incheon International Airport Corp. statistics, Incheon Port statistics, public releases from MOLIT and Ansan City
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A

Appendix



Management Fee

(As at 31 December 2022)



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 28.1 billion¹ outstanding as at the quarter.
- Management Fee is calculated and paid on a quarterly basis.



* NIV for any quarter equals:

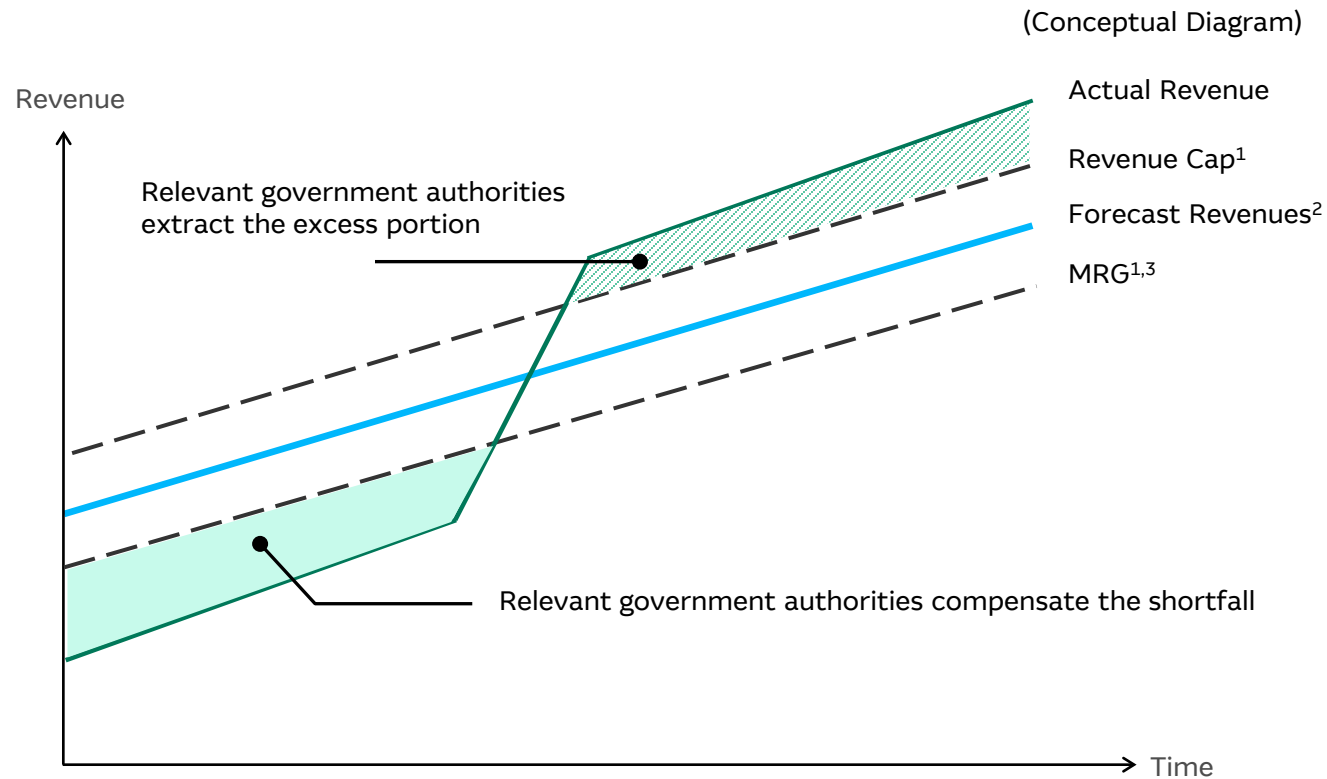
- The average market capitalisation² of MKIF over all trading days in the quarter
- NIV is adjusted down by MKIF net debt (debt minus cash & cash equivalents) when net debt is a negative figure.

1. Investment commitments in Dongbuk Urban Railway Co., Ltd. (KRW 22.6bn) and Incheon-Gimpo Expressway Co., Ltd. (KRW 5.5bn)

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

Minimum Revenue Guarantee (MRG)

(As at 31 December 2022)



- 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
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Performance of the Project Companies in Operation¹

(Unit: KRW mil)

Project Company	2022						2021					
	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.	29,383	(4,770)	24,613	25,984	84%	1.1x	27,864	(4,494)	23,370	40,512	84%	1.7x
Kwangju Beltway Investment Co., Ltd. ⁴	46,349	(8,757)	37,592	(2,549)	81%	(0.1x)	45,308	(8,957)	36,351	(3,529)	80%	(0.1x)
New Airport Hiway Co., Ltd.	164,952	(32,187)	132,765	(126,474)	80%	(1.0x)	139,345	(32,998)	106,347	(131,065)	76%	(1.2x)
Soojongsan Investment Co., Ltd.	25,902	(4,984)	20,918	(13,597)	81%	(0.7x)	25,117	(5,043)	20,074	(17,104)	80%	(0.9x)
Cheonan Nonsan Expressway Co., Ltd.	279,750	(38,391)	241,359	(363,328)	86%	(1.5x)	264,696	(37,738)	226,959	(335,033)	86%	(1.5x)
Woomyunsan Infraway Co., Ltd. ⁴	23,431	(5,034)	18,398	(23,578)	79%	(1.3x)	26,048	(4,795)	21,253	(17,838)	82%	(0.8x)
Kwangju Ring Road Company Ltd.	26,476	(8,315)	18,160	(16,761)	69%	(0.9x)	25,247	(6,991)	18,256	(17,738)	72%	(1.0x)
MCB Co., Ltd. ⁴	39,849	(6,984)	32,865	(3,251)	82%	(0.1x)	37,182	(5,975)	31,208	(3,854)	84%	(0.1x)
Gyeongsu Highway Co., Ltd.	61,213	(16,861)	44,352	315,562	72%	7.1x	62,748	(15,384)	47,364	326,891	75%	6.9x
Seoul-Chuncheon Highway Co., Ltd. ⁴	170,356	(27,331)	143,025	235,314	84%	1.6x	181,687	(27,267)	154,420	295,898	85%	1.9x
Incheon Bridge Co., Ltd.	109,515	(18,150)	91,365	201,645	83%	2.2x	101,199	(16,163)	85,035	261,398	84%	3.1x
Busan New Port the 2nd Rear Road Co., Ltd.	15,703	(6,928)	8,775	282,221	56%	32.2x	13,972	(6,796)	7,176	269,864	51%	37.6x
Incheon-Gimpo Expressway Co., Ltd. ⁵	59,630	(10,118)	49,512	616,679	83%	12.5x	57,098	(9,518)	47,580	627,292	83%	13.2x
BNCT Co., Ltd.	167,046	(82,505)	84,540	520,366	51%	6.2x	145,949	(70,703)	75,247	557,985	52%	7.4x
Haeyang Energy Co., Ltd.	743,710	(688,797)	54,913	(41,466)	7%	(0.8x)	534,324	(483,066)	51,259	(54,002)	10%	(1.1x)
Sorabol City Gas Co., Ltd.	207,107	(191,248)	15,859	(28,776)	8%	(1.8x)	134,906	(121,824)	13,083	(26,328)	10%	(2.0x)
Proportionate average⁶	1,514,310	(996,448)	517,861	407,336	34%	0.8x	1,201,937	(713,623)	488,314	485,784	41%	1.0x

1. Based on 2022 unaudited financial statements and 2021 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 loans backed by the relevant authority were excluded and the cash balance of Surplus Income Account (which is overseen by the relevant authority) were excluded

5. As MKIF invested in the subordinated debt of Incheon-Gimpo Expressway Co., Ltd. on 14 Mar 2022, the subordinated debt was excluded from net debt calculation for 2021

6. On a proportionate average basis based on MKIF's equity interest in each project company on 31 Dec 2022

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MKIF Investment Details¹

(As at 31 December 2022)

(Unit: KRW bn)

Project Company	Asset Abbrev.	Equity	Ownership (%)	Subordinated Debt	Senior Debt	Total
Baekyang Tunnel Ltd.	BYTL	1.2	100%	-	1.0	2.2
Kwangju Beltway Investment Co., Ltd.	KBICL	33.1	100%	85.2 ²	45.3	163.6
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	17.59%	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
Incheon-Gimpo Expressway Co., Ltd.	IGEX	43.7	22.8%	84.3	-	128.0
BNCT Co., Ltd.	BNP 2-3	66.4	30%	193.0	-	259.4
Dongbuk Urban Railway Co., Ltd.	DBR	35.4	30%	47.3	-	82.7
Youngsan Clean Energy Ltd.	HY	32.3	100%	290.2	-	322.5
Bomun Clean Energy Ltd.	SRB	8.7	100%	78.4	-	87.1
Total		595.3		1,663.0	61.3	2,319.6
Percentage (%)		25.7%		71.7%	2.6%	100%

1. Based on MKIF's investment amounts (including investment commitment in Dongbuk Urban Railway Co., Ltd. and Incheon-Gimpo Expressway Co., Ltd.)

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

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Government Support Payment Provisions¹

(As at 31 December 2022)

(Unit : year, %)

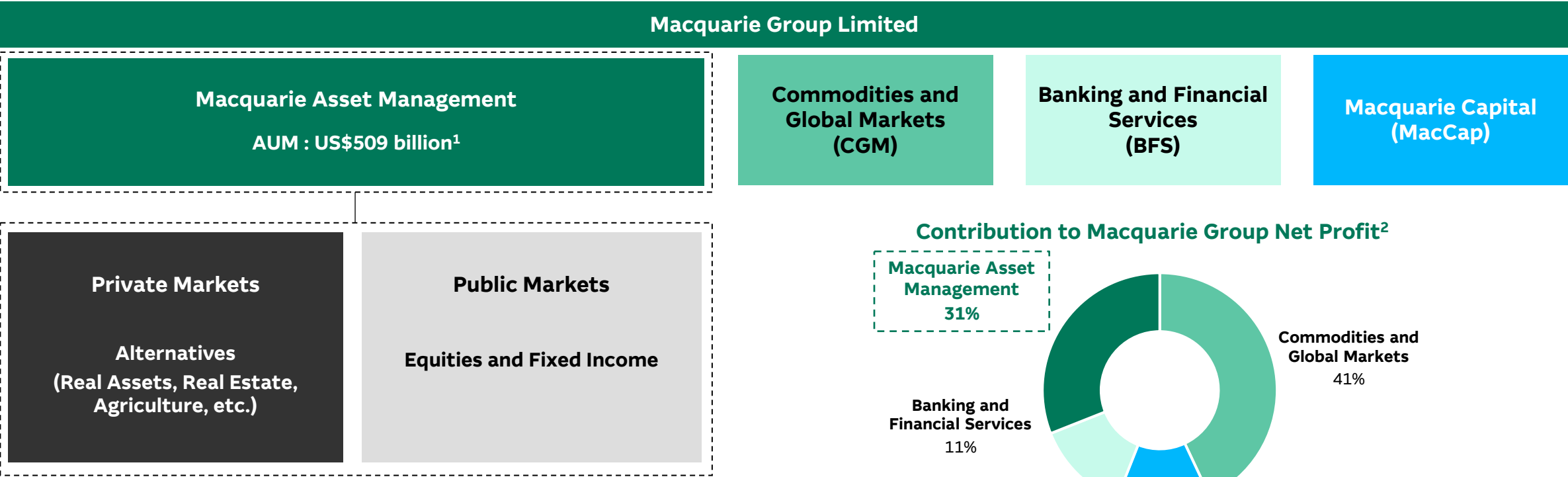
Asset	Competent Authority	Concession Term	Remaining Concession Term	Support Payment Duration	Remaining Support Payment Duration	Revenue Guarantee Threshold ²	Revenue Cap Threshold ^{2,3}	Remarks
Baekyang Tunnel	Busan Metropolitan City	25.0	2.0	25.0	2.0	90%	110%	
Gwangju 2nd Beltway, Section 1	Gwangju Metropolitan City	28.0	6.0	28.0	6.0	Investment cost compensation		Competent authority provides agreed cashflow to concessionaire to guarantee MKIF investment return
Soojungsan Tunnel	Busan Metropolitan City	25.0	4.3	25.0	4.3	90%	110%	For toll revenue below 90%, Busan Metropolitan City is obligated to compensate 91.5% of the shortfall amount
Gwangju 2nd Beltway, Section 3-1	Gwangju Metropolitan City	30.0	11.9	30.0	11.9	90%	110%	
Machang Bridge	GSND ⁴	30.0	15.5	30.0	15.5	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	16.6	15.0	1.6	60%	140%	
Incheon Grand Bridge	MOLIT ⁴	30.0	16.8	15.0	1.8	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 MAM Real Assets

MAM Real Assets is a division under Macquarie Asset Management (MAM) within Macquarie Group and has a 28-year track record in global infrastructure investment and management.

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



1. As at 30 Sep 2022
2. Based on 1H 2023 (1 Apr 2022 – 30 Sep 2022) net profit
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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 Asset Management (MAM) applies to its fund management activities to the extent relevant and possible. MAM aims to improve the sustainability performance of its portfolio companies by addressing material ESG issues and opportunities to enhance long-term value for our investors. MAM 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. MAM also regularly collect a range of ESG data from portfolio companies, allowing us to track and support improvement of their ESG performance. 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, 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, Macquarie Asset Management (MAM) announced a commitment to investing and managing our 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.