



Macquarie Korea Infrastructure Fund

2025 3rd Quarter Asset Management Report

Period Quarter 3 (1 July 2025 - 30 September 2025)

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 on the website of MKIF and KOFIA, 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.

Contents

1.	General Report	1
1.1	Overview	1
1.2	Asset Details	2
1.3	Ad-hoc Disclosures	2
2.	Management Performance and Term Performance.....	3
2.1	Overview	3
2.2	Management plan.....	3
2.3	Management performance	3
2.4	Profit and Loss summary	4
3.	Details of Assets	5
3.1	Asset portfolio.....	5
3.2	Top ten invested assets	5
3.3	MKIF's asset portfolio details	6
3.4	Loans to concession companies (top five assets).....	7
3.5	Short term facilities and deposit.....	7
3.6	Other assets.....	7
4.	Registered Asset Managers	9
4.1	Registered infrastructure asset managers*	9
4.2	Change in registered infrastructure asset managers	9
5.	Cost Summary.....	10
5.1	Fees to service providers.....	10
5.2	Total expense ratio	10
6.	Invested Asset Transactions and Debt Facility.....	11
6.1	Equity transactions.....	11
6.2	Equity turnover ratio during the past three quarters.....	11
6.3	Loan sales.....	11
6.4	Loan injections	11
6.5	Debt facility status.....	12
6.6	Corporate bond status	12
7.	Major risks relating to fund management and management plan.....	13
7.1	Major risks to fund management including liquidity risk	13
7.2	Management plan on major risks	13
7.3	Cross trading	14
7.4	Major emergency plan	14
8.	Principal investment by collective investment company	15
9.	Environmental, Social and Governance (ESG).....	16
10.	Notice.....	17
	Appendix I. MKIF Board of Directors.....	18
	Supervisory directors	18
	Corporate director – MKAM	18

Appendix II. Summary of Financial Statements	19
Statements of Financial Position.....	19
Statements of Income.....	20
Corporate Directory	21

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 MKIF are listed on the stock market of the Korea Exchange, and investors can purchase or sell the shares of MKIF after creating an account at a securities company registered to the Korea Exchange.
Custodian	Korea Securities Finance Corporation (KSFC)
Fund administrator	Samjong KPMG AAS Inc.
Board of directors[^]	Corporate Director: MKAM Supervisory Directors: Tae-Yeon Nam, Jae Do Moon and Hyunju Helen Pak
Key staff of MKAM[^]	Boum Sik Suh (CEO) Jinwook Park (Asset Management) Jae Woo Jung (Investment Management) Ju Dong Kim (Finance) Sangmi Kim (Risk Management) Young Ju Ahn (Compliance) Beumrae Kim (Legal)
MKIF profile	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). MKIF was established in December 2002 with a mandate to invest in entities that construct or operate infrastructure businesses such as toll roads, bridges, tunnels, port and city gas 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.

* MKAM assessed MKIF risk level, the investment grade, at 4 (moderate risk) 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. Also, MKIF is not a complex product under the Act.

⁺ The companies that have signed sales contracts with MKIF are Samsung Securities Co., Ltd. and Shinhan Securities Co., Ltd. as of the end of this quarter.

[^] 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	Q2 2025	Q3 2025	% Change
Total Assets (A)	3,862,097,369,919	3,863,280,388,760	0.03%
Total Liabilities (B)	386,347,420,923	509,539,820,003	31.89%
Net Asset Value (C=A-B)	3,475,749,948,996	3,353,740,568,757	(3.51)%
Shares (D)	478,921,993	478,921,993	0.00%
NAV per share (E=C/D) *	7,257.44	7,002.69	(3.51)%

+ 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.

※ Distribution payment (during the quarter)

(Unit: KRW, share)

Date of Declaration	Distribution Amount^ (KRW Million)	Balance after Payment (Shares)	NAV per share		Remarks
			Before declaration	After declaration	
2025-07-30	181,990	478,921,993	7,293.55	6,914.79	

^ If there is any excess distribution, it will be disclosed in the 4th quarter report.

1.3 Ad- hoc disclosures

Ad-hoc disclosures made during the past three months are as below.

Date	Disclosure
30 July 2025	Reports 2Q 2025 Asset Management Report
30 July 2025	Reports 1H 2025 Financial Results and Asset Performance

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 current quarter-end, MKIF has committed to invest in 13 toll roads, 1 rail, 1 port, 3 city gas, and 1 digital infra (data centre) business operators with a total investment commitment of KRW 3,028.3 billion.

2.2 Management plan

MKIF focuses on investing in loans to, and unlisted equity of project companies that operate infrastructure assets pursuant to the PPI Act.

Accordingly, main investment targets of MKIF are project companies that operate toll road, tunnel, bridge, port, city gas business, data centre and other infrastructure assets listed under Article 2 Sub-paragraph 1 of the PPI Act.

MKIF aims to grow its revenue and provide stable distributions to shareholders by continuously making investment in project companies that operate infrastructure assets and actively managing its portfolio companies,

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.

2.3.1 Short-term performance [※]

(Unit: %)

Type	3 Months (2025.07.01~)	6 Months (2025.04.01~)	9 Months (2025.01.01~)	12 Months (2024.10.01~)
MKIF	1.73	3.54	8.89	9.85
Comparative Index ⁺	N/A			

⁺ MKIF is the largest publicly listed infrastructure fund in Korea by market capitalization at the end of the quarter. Although another infrastructure fund was newly listed on the stock market in the second half of 2024, considering various factors including the new fund's size, listing duration and absence of any other comparable peers, it is still deemed that there is no appropriate benchmark index for comparison.

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

※ NAV increase by the follow-on public offering in 3Q 2017, 4Q 2020, 3Q 2021, 3Q 2023 and 4Q 2024 is not reflected in performance calculation.

2.3.2 Long-term performance [※]

(Unit: %)

Type	1 Year (2024.10.01~)	2 Years (2023.10.01~)	3 Years (2022.10.01~)	5 Years (2020.10.01~)
MKIF	9.85	10.73	11.05	11.32
Comparative Index [^]	N/A			

[^] MKIF is the largest publicly listed infrastructure fund in Korea by market capitalization at the end of the quarter. Although another infrastructure fund was newly listed on the stock market in the second half of 2024, considering various factors including the new fund's size, listing duration and absence of any other comparable peers, it is still deemed that there is no appropriate benchmark index for comparison.

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

※ NAV increase by the follow-on public offering in 3Q 2017, 4Q 2020, 3Q 2021, 3Q 2023 and 4Q 2024 is not reflected in performance calculation.

2.4 Profit and loss summary

The table sets out the profit and loss of MKIF recognized during the quarter, in comparison with the profit and loss recognized during the previous quarter.

(Unit: KRW million)

Type	Dividend income	Interest income (Loans)	Interest income (MMDA & Deposit)	Other income	Total Profit (Loss)
Q3 2025	6,426	70,993	43	-	77,462
Q2 2025	7,100	70,572	68	-	77,740

3. Details of assets

3.1 Asset portfolio

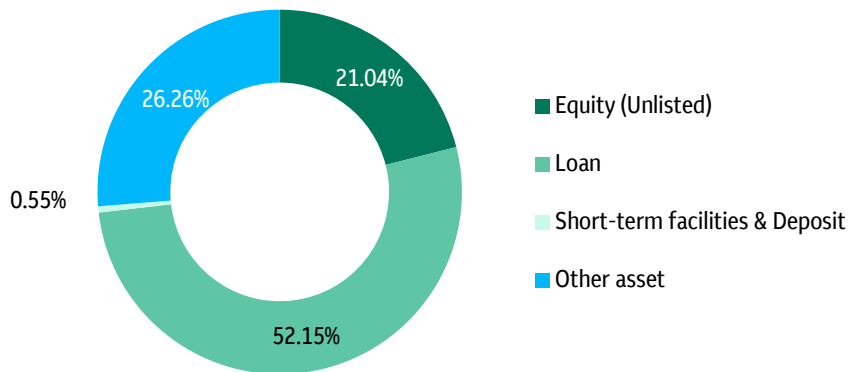
MKIF's investment portfolio consists of equity(unlisted), loans, cash and deposits and other assets.

(Unit: KRW million, %)

Type	Equity (unlisted)	Loans +	Short-term facilities & Deposit	Other assets ^	Total assets
KRW	813,052	2,014,579	21,162	1,014,487	3,863,280
Composition Ratio	21.04	52.15	0.55	26.26	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	Green Digital Infra Co., Ltd.	396,000	10.25
2	Subordinated loan	Youngsan Clean Energy Ltd.*	290,200	7.51
3	Subordinated loan	Incheon Bridge Co., Ltd.	241,000	6.24
4	Subordinated loan	BNCT Co., Ltd.	193,000	5.00
5	Equity (unlisted)	CNCITY energy Co., Ltd.	186,749	4.83
6	Subordinated loan	Cheonan-Nonsan Expressway Co., Ltd.	136,688	3.54
7	Subordinated loan	Gyungso Highway Co., Ltd.	99,633	2.58
8	Equity (unlisted)	Cheonan-Nonsan Expressway Co., Ltd.	93,815	2.43
9	Subordinated loan	Seoul-Chuncheon Highway Co.,Ltd.	87,450	2.27
10	Subordinated loan	MCB Co., Ltd.	79,000	2.04

+ 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.

* Youngsan Clean Energy Ltd. is an investment vehicle that owns 100% of equity stake in Haeyang Energy Co., Ltd.

3.3 MKIF's asset portfolio details

3.3.1 Equity securities (unlisted) (top five assets)

(Unit: Share, KRW million, %)

Name	No. of Shares	Ownership stake	Acquisition value (A)	Appraisal value (B) +	Gain/ Loss (B)-(A)	Composition ratio ^
CNCITY energy Co., Ltd	2,207,437	48	186,749	186,749	-	4.83
Cheonan-Nonsan Expressway Co., Ltd.	17,550,000	60	93,815	93,815	-	2.43
BNCT Co., Ltd.	13,284,000	30	67,048	67,048	-	1.74
Incheon Bridge Co., Ltd.	7,826,100	64.05	58,053	58,053	-	1.50
Gyungso Highway Co., Ltd.	10,319,853	43.75	52,095	52,095	-	1.35

+ 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.

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

(Unit: Share, KRW million, %)

Name	No. of shares	Ownership stake	Acquisition value (A)	Appraisal value (B) +	Gain/ loss (B)-(A)	Composition ratio ^
CNCITY energy Co., Ltd	2,207,437	48	186,749	186,749	-	4.83
Cheonan-Nonsan Expressway Co., Ltd.	17,550,000	60	93,815	93,815	-	2.43
BNCT Co., Ltd.	13,284,000	30	67,048	67,048	-	1.74
Incheon Bridge Co., Ltd.	7,826,100	64.05	58,053	58,053	-	1.50
Gyungso Highway Co., Ltd.	10,319,853	43.75	52,095	52,095	-	1.35
Soojungsan Investment Co., Ltd.	1,114,880	100	47,248	47,248	-	1.22
Incheon-Gimpo Expressway Co., Ltd.	11,254,373	22.76	44,161	44,161	-	1.14
Dongbuk Light Rail Transit	7,076,520	30	35,383	35,383	-	0.92
MCB Co., Ltd.	7,955,780	70	33,925	33,925	-	0.88
Kwangju Beltway Investment Co., Ltd.	6,610,000	100	33,050	33,050	-	0.86
Youngsan Clean Energy Ltd.*	32,286,000	100	32,286	32,286	-	0.84
Kwangju Ring Road Co., Ltd.	5,775,000	75	29,495	29,495	-	0.76
New Airport Hiway Co., Ltd.	3,665,273	24.1	25,235	25,235	-	0.65
Green Digital Infra Co., Ltd	23,000,001	100	23,000	23,000	-	0.60
Busan New Port 2nd Rear Road	8,295,138	47.56	18,873	18,873	-	0.49

Name	No. of shares	Ownership stake	Acquisition value (A)	Appraisal value (B) +	Gain/ loss (B)-(A)	Composition ratio ^
Seoul East Underground Expressway Co., Ltd	3,416,000	20.69	17,629	17,629	-	0.46
Bomun Clean Energy Ltd.**	8,714,000	100	8,714	8,714	-	0.23
Seoul-Chuncheon Highway Co., Ltd.	3,588,118	18.16	5,062	5,062	-	0.13
Baekyang Tunnel Ltd.	100,000	100	1,231	1,231	-	0.03
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.

* Youngsan Clean Energy Ltd. is an investment vehicle that acquired 100% of equity stake in Haeyang Energy Co., Ltd..

** Bomun Clean Energy Ltd. is an investment vehicle that acquired 100% of equity stake in Sorabol City Gas Co., Ltd..

^^ 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.

3.4 Loans to project companies (top five assets)

(Unit: KRW million)

Name	Acquisition Value	Interest Receivable +	Issued Date	Maturity Date	Guarantee	Credit Rating
Green Digital Infra Co., Ltd. (Subordinated loan)	396,000	36,846	09/08/2024	09/08/2028	N/A	N/A
Youngsan Clean Energy Ltd.* (Subordinated loan)	290,200	74,473	12/07/2021	12/07/2051	N/A	N/A
Incheon Bridge Co., Ltd. (Subordinated loan)	241,000	3,486	18/08/2017	18/11/2037	N/A	N/A
BNCT Co., Ltd. (Subordinated loan)	193,000	616,802	25/02/2008	31/12/2032	N/A	N/A
Cheonan-Nonsan Expressway Co., Ltd. (Subordinated loan)	136,688	2,621	20/05/2005	26/05/2029	N/A	N/A

+These values are accumulated interest receivables.

* Youngsan Clean Energy Ltd. is an investment vehicle that acquired 100% of equity stake in Haeyang Energy Co., Ltd..

3.5 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.

3.6 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*	1,014,487	26.26

* 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	Division 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
	N/A

^ 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	Q2 2025		Q3 2025		Remarks
	Amount	Ratio+	Amount	Ratio+	
MKIF	Management fee	12,115	0.352	12,219	0.361
	Sales agent fee	-	-	-	-
	Custodian fee	172	0.005	170	0.005
	Administrator fee	107	0.003	107	0.003
	Total	12,394	0.360	12,496	0.370
	Other expenses^	543	0.016	916	0.027
	Transaction fee	-	-	-	-
	Securities transaction tax	-	-	-	-

+ 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, %)

Type	Fund	
	Total expense ratio*	Commission fee ratio
MKIF	Q2 2025	1.5073
	Q3 2025	1.5736

* Total expense ratio refers to a ratio calculated by dividing the total management fee and other expenses borne by the fund 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: number of shares, KRW million)

Buy		Sell		Turnover Ratio+	
Shares^	Amount	Shares	Amount	Q3 2025	Annualised rate
120,000	600	-	-	-	-

+ 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.

^ Additional investment made to Seoul East Underground Expressway Co., Ltd. on 29 September 2025.

6.2 Equity turnover ratio during the past three quarters

(Unit: %)

Q1 2025	Q2 2025	Q3 2025
-	-	-

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	Limit of the Facility ⁺	Debt facility amounts		
		Balance of Q2 2025	Movements in Q3 2025	Balance of Q3 2025
Kookmin Bank	20,000	-	-	-
Hana Insurance	20,000	-	11,600	11,600
Kyobo Life Insurance	50,000	-	29,000	29,000
NongHyup Life Insurance	50,000	-	29,000	29,000
Kyongnam Bank	30,000	-	17,400	17,400
NongHyup Bank	20,000	-	11,600	11,600
National Credit Union Federation of Korea	60,000	-	46,400	46,400
Total	250,000	-	145,000	145,000

⁺ The limit of facility is KRW 250 billion and maturity is 26 January 2029. For details, refer to MKIF disclosure on 26 January 2024. National Credit Union Federation of Korea represents the Central, Gwangan, Pulmu, Samik association.

6.6 Corporate bond status

(Unit: KRW million, %)

Name	Par Value	Interest rate	Issue Date	Maturity Date	Credit Rating
Unsecured Bond Tranche 3 (5year)	100,000	4.406	12/06/2023	12/06/2028	AA0
Unsecured Bond Tranche 4 (5year) ⁺	100,000	3.014	11/06/2025	11/06/2030	AA0
Short-term Bond [^]	148,000	3.310	30/07/2025	28/10/2025	A1

⁺ MKIF issued a KRW 100 billion of unsecured, fixed-rate bond Tranche 4 to repay Unsecured Bond Tranche 2-2 (7 year) issued on 11 June 2018. For more information, please refer to MKIF disclosure on 11 June 2025.

[^] MKIF executed the underwriting agreement for issuance of short-term bonds of KRW 539.1 billion on 11 December 2024. Underwriters for short-term bonds are Korea Investment & Securities, Shinhan investment & securities, NH investment & securities, Samsung securities and outstanding balance is KRW 148 billion at the end of this quarter. Please refer to MKIF disclosure on 11 December 2024 for more details.

7. Major risks relating to fund management and management plan

7.1 Major risks to fund management including liquidity risk

A. Potential risk factors from investment strategies

Potential risk factors	Description
Portfolio company risk	A portfolio company's ability to generate cash, repay debt and provide dividends can be affected by factors beyond the company's control such as macroeconomic and market conditions and emergence of competing assets. Such factors may cause a portfolio company to underperform in comparison to respective original forecast.
Liquidity risk	MKIF may not have sufficient liquidity to fund major investments, operating expenses and repayment of principal and interest of debts as a result of underperformance of portfolio companies or occurrence of unexpected negative events.
Environmental and social risk	Business activities of portfolio companies may have a negative impact on the environment, employees, investors and other stakeholders.
Risk of industrial accidents	Industrial accidents for workers may occur in the course of business activities of portfolio companies.

B. Risk events such as fund redemption or fund sale during risk events

Not applicable as MKIF is a close-end fund

7.2 Management plan on major risks

Management plan	Description
Risk Management Committee, Investment Deliberation Committee and decision-making procedure	In accordance with Macquarie's internal guideline, the System 7 process, due diligence including feasibility study and risks analysis is conducted on transactions involving the use of fund's assets and/or capital. After the Risk Management Committee comprised of representative director, legal manager, independent risk manager, compliance manager and fund management team head review risk factors and approve their remediation methods, the transaction is deliberated and approved by the Investment Deliberation Committee in accordance with the Board Charter of the company.

Management plan	Description
Implementation of the Transition Plan	In order to respond to major risks identified through due diligence, the progress of the implementation of risk management plan and transition plan is reviewed regularly. Any major changes to these plans are properly updated to the existing transition plan.
Liquidity management	In accordance with the PPI Act, the company can borrow up to 30% of its share capital. As of the current quarter-end, the debt facility commitment under existing loan agreements is 30% and the outstanding debt balance is 15% of the company's share capital, respectively, complying with the legal borrowing limit. In addition, the company manages liquidity risk through quarterly review of cash and remaining borrowing capacity to check if sufficient liquidity exists to fund operating costs and committed investments.
Quarterly industrial safety accidents and ESG reports and regular monitoring of risk management status	The status of industrial safety accidents and greenhouse gas emission of portfolio companies under management are reported on quarterly basis. In addition, evaluation on risk management system of portfolio companies is conducted every three years, and asset deep dive analysis on certain portfolio companies selected by the risk management team is conducted each year to review major risk factors and implement improvement measures, if deemed needed.

7.3 Cross trading

Cross trading	Recent 3 months	Recent 6 months	Recent 9 months	Recent 12 months
Purchase	-	-	-	-
Selling	-	-	-	-

+ There has been no cross trading since last twelve months

7.4 Major emergency plan

Major emergency plan	Description
Portfolio company's emergency plan	In the event of a major emergency at a portfolio company, the asset manager is required to check whether the emergency plan in place is appropriate for each portfolio company and to report the result to the risk manager. The risk management department may report to the representative director and instruct necessary actions if it is deemed that a significant risk has occurred or is likely to occur. The board of directors or investors are also notified if needed. In addition, portfolio companies have appropriate insurance coverage to protect against financial losses resulting from unforeseen events including fire or natural disasters.
Fund's emergency plan	Business Resilience Plan (BRP) for critical processes, activities or function has been established under the Business Resilience Standard, where strategies for disruption scenarios involving physical site risk, IT risk, employee risk, supplier risk and data risk are documented and periodically re-examined by reviewing BRP documents conducting remote working tests.

8. Principal Investment by asset manager

Fund	Investment amount	Investment return%
MKIF	No principal investment	Not applicable

+ There is no principal investment in MKIF by the asset manager (MKAM) as of end of this quarter.

9. Environmental, Social and Governance (ESG)

Our vision

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 possible. As an active manager and fiduciary, MAM aims to improve the sustainability performance of its portfolio companies by addressing material ESG risks and opportunities to help preserve and create long-term value for our investors and the communities in which they operate. MAM assesses a broad range of commercial factors, including ESG risks and opportunities, throughout the entire investment lifecycle from screening and due diligence through to ongoing asset management and exit. MAM also regularly collects 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 sharing relevant updates with investors.

Macquarie Asset Management (MAM) net zero commitment

In supporting the transition to a low carbon economy, MAM has made the following commitments:

- where we have control or significant influence, we will invest and manage our portfolio in line with net zero Scope 1 and 2 financed emissions by 2040 subject to limited exclusions⁺;
- where we do not have control or significant influence, such as in our managed portfolio of public securities, we will continue to support the goals of the Paris Agreement[^] in a manner consistent with our client-guided fiduciary duties and regulatory responsibilities. Accordingly, where we do not have control or significant influence, we will invest and manage our portfolio in line with net zero financed emissions by 2050.

For more information on MAM's Net Zero Commitment, please refer to "[Our approach to net zero](#)".

⁺ Please refer to Section 2.1.1 of "[Our approach to net zero](#)" for more information on how MAM defines control or significant influence and Section 2.1.2 for more information on exclusions to net zero by 2040.

[^] The Paris Agreement's central aim is to strengthen the global response to the threat of climate change by maintaining a global temperature rise this century well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5°C. The Intergovernmental Panel on Climate Change (IPCC) concluded the need for net zero emissions by 2050 to remain consistent with 1.5°C.

10. 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
Tae-Yeon Nam	• Kim & Chang • Arthur Andersen Seoul Co. • International finance division at Ssangyong Investment Securities Co., Ltd. • International Bureau of Fiscal Documentation • KICPA
Jae Do Moon	• Professor by special appointment at Seoul National University Graduate School of Engineering Practice • Chairman of H2KOREA • President & Chairman of the Korea Trade Insurance Corporation • Vice Minister of the Ministry of Trade, Industry and Energy • Secretary of Trade, Industry and Energy to the President of Korea
Hyunju Helen Pak	• Shin & Kim • Jipyong LLC • Simpson Thacher & Bartlett, Hong Kong • Shin & Kim • Simpson Thacher & Bartlett, New York • A member of the New York State Bar

Corporate director – MKAM

Name	Career
Boum Sik Suh	• Representative Director, Macquarie Korea Asset Management Co., Ltd. • 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	• 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)
Soojin Lee	• Executive Director, Macquarie Korea Asset Management Co., Ltd. • Former Division Director, Macquarie Korea Opportunities Management Limited • GE Real Estate, GE International

Appendix II. Summary of financial statements

Statements of financial position

As of 30 Sep 2024, 30 Jun 2025 and 30 Sep 2025

(Unit: KRW million)

	30 Sep 2025	30 Jun 2025	30 Sep 2024
Assets			
Invested assets	2,848,793	2,870,017	2,765,798
Cash & deposits	21,162	27,623	23,273
Loans receivable	2,014,579	2,029,942	1,932,304
Equity securities	813,052	812,452	810,221
Others	1,014,487	992,080	908,202
Interest receivables	1,009,823	987,241	899,780
Dividend receivables	-	-	-
Other receivables	-	-	2,348
Prepaid expense	2,573	2,760	3,202
Prepayment	2,091	2,079	2,872
Total assets	3,863,280	3,862,097	3,674,000
Liabilities			
Operational liabilities	492,174	369,035	800,777
Bond	347,174	369,035	590,777
Long-term debt	145,000	-	210,000
Others	17,365	17,312	20,835
Payables	2	2	3,420
Management fee payable	12,219	12,115	11,920
Other liabilities	5,144	5,195	5,495
Total liabilities	509,539	386,347	821,612
Shareholders' equity			
Share capital	3,297,209	3,297,209	2,807,423
Retained earnings (accumulated deficit)	56,532	178,541	44,965
Total shareholders' equity	3,353,741	3,475,750	2,852,388
Total liabilities and shareholders' equity	3,863,280	3,862,097	3,674,000

Statements of profit and loss

For the quarters ended 30 Sep 2024, 30 Jun 2025 and 30 Sep 2025

(Unit: KRW million)

	Quarter Ended 30 Sep 2025	Quarter Ended 30 Jun 2025	Quarter Ended 30 Sep 2024
Revenue	77,462	77,740	74,352
Interest income	71,036	70,640	67,119
Dividend Income	6,426	7,100	7,232
Other income	-	-	1
Expenses	17,481	16,853	19,787
Management fee	12,219	12,115	11,920
Custodian fee	170	172	145
Administrator fee	107	107	91
Interest expense	3,792	3,644	6,934
Other expense	1,193	815	697
Net income	59,981	60,887	54,565

Corporate directory

Manager of MKIF

Macquarie Korea Asset Management Co., Ltd.

18th Floor, Tower A, Centropolis Building,
26, Ujeongguk-ro, Jongno-gu, Seoul, 03161, KOREA
Tel: +82 2 3705 8565
Facsimile: + 82 2 3705 8596

MKIF Custodian

Korea Securities Finance Corp.

10, Gookjegeumyoongro-8-gil,
Yeoungdeungpo-gu,
Seoul, 07330, KOREA
Tel: + 82 2 3770 8800
Facsimile: + 82 2 3770 8244

MKIF Administrator

Samjong KPMG AAS Inc.

28 Nonhyeon-ro 85-gil, Gangnam-gu,
Seoul, 06236, KOREA
Tel: + 82 2 2112 0001
Facsimile: + 82 2 2112 0939