MFG Select Infrastructure Fund - Class 1

MFG ASSET MANAGEMENT

MARKETING COMMUNICATION

AS AT 31 DECEMBER 2024

PORTFOLIO MANAGERS GERALD STACK, BEN MCVICAR, CFA AND OFER KARLINER, CFA

INVESTMENT PHILOSOPHY	OBJECTIVE	PORTFOLIO CONSTRUCTION
To prudently invest in outstanding infrastructure and utilities companies at attractive prices that exhibit highly predictable cashflows.	To seek to achieve attractive risk-adjusted returns over the medium to long term; while reducing the risk of permanent capital loss.	Concentrated 20-40 stock portfolio applying MFG Asset Management's proprietary infrastructure classification Valuation driven strategy; portfolio construction is not constrained by an index. Typical cash and cash equivalents exposure between 0 – 10%.

MFG SELECT INFRASTRUCTURE FUND - CLASS 1

FUND SIZE	TOTAL SELECT INFRASTRUCTURE ASSETS[1]	MANAGEMENT FEES	INCEPTION DATE
USD $59.6 million	USD $4,499.1 million	Management fee for the Fund is 0.80% per annum	30 December 2016

USD PERFORMANCE[#]

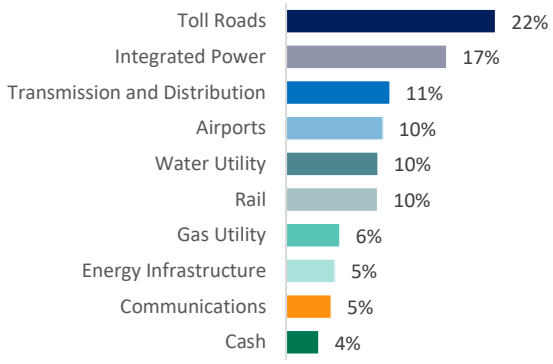
	1 Month (%)	3 Months (%)	1 Year (%)	3 Years (% p.a.)	5 Years (% p.a.)	7 Years (% p.a.)	Since Inception[2] (% p.a.)
MFG Select Infrastructure Fund - Class 1 (Before Fees)	-5.8	-6.9	4.3	1.5	2.2	4.4	6.6
MFG Select Infrastructure Fund - Class 1 (After Fees)	-5.9	-7.1	3.4	0.7	1.4	3.5	5.8
S&P Global Infrastructure NTR Index	-4.5	-2.6	14.0	6.1	4.4	4.9	6.6

CALENDAR YEAR RETURNS

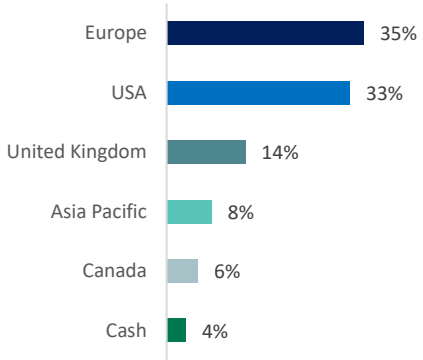
	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)
MFG Select Infrastructure Fund - Class 1 (Before Fees)	4.3	7.9	-7.1	13.4	-5.9	26.9	-4.8	24.2
MFG Select Infrastructure Fund - Class 1 (After Fees)	3.4	7.0	-7.8	12.5	-6.7	25.9	-5.5	23.2
S&P Global Infrastructure NTR Index	14.0	5.8	-1.0	11.0	-6.5	25.8	-10.4	19.1

Past performance does not predict future returns.

SECTOR EXPOSURE[3]



GEOGRAPHICAL EXPOSURE[3]

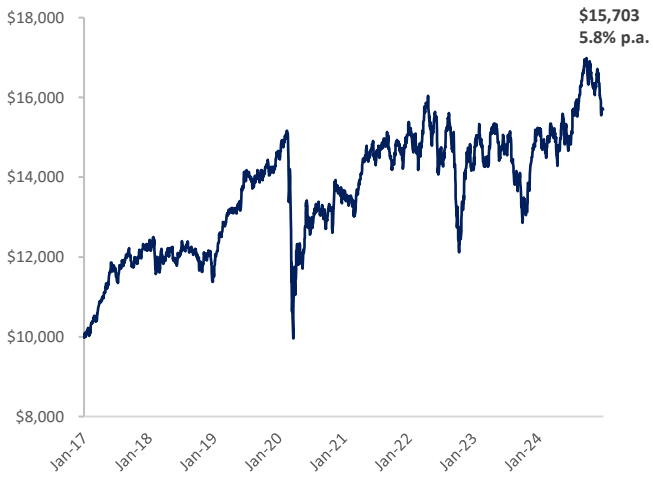


[1] Comprised of all Select Infrastructure strategies managed by MFG Asset Management.
[2] Inception date of the Fund (Class 1) is 30 December 2016.
[3] Sectors are internally defined. Geographical exposures are by domicile of listing. Exposures may not sum to 100% due to rounding.
[#] Shares are denominated in USD. This presents certain risks relating to currency conversion if an investor's financial activities are denominated principally in a different currency, for example, Euro. These include the risk that exchange rates may significantly change. An increase in the value of the investor's currency against USD would decrease the investor's currency equivalent value of the Net Asset Value and Net Asset Value per Share.

TOP 10 HOLDINGS

STOCK	SECTOR[3]	%
Aena SME SA	Airports	7.0
Ferrovial SE	Toll Roads	6.7
Vinci SA	Toll Roads	5.7
Severn Trent	Water Utility	5.3
United Utilities Group Plc	Water Utility	4.5
Sempra Energy	Integrated Power	4.5
National Grid Plc	Transmission and Distribution	4.4
Transurban Group	Toll Roads	4.2
Dominion Energy Inc	Integrated Power	4.0
CSX Corporation	Rail	4.0
	TOTAL:	50.3

PERFORMANCE CHART GROWTH OF USD $10,000[4]



Past performance does not predict future returns.
[4] Growth of USD $10,000 is calculated using USD returns after fees and since inception

IMPORTANT INFORMATION

MFG Select Infrastructure Fund - Class 1 ('**Fund**') is a sub-fund of MFG Investment Fund plc, an open-ended umbrella fund with segregated liability between sub-funds, which is incorporated in Ireland and authorised under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended). This is a marketing communication and is not a contractually binding document. Please refer to the Prospectus of MFG Investment Fund plc and the Supplement and KIID for the Fund and do not base any final investment decision on this communication alone. The Prospectus, Supplement, KIID and a summary of investor rights are available in English at www.magellangroup.com.au. For investors located in Germany, the KIID is available in German at www.magellangroup.com.au.

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Please see the Fund's Prospectus for a discussion of certain risks that should be considered by you. No distribution of this document will be made in any jurisdiction where such distribution is not authorised or is unlawful. There shall be no sale of shares in any jurisdiction in which an offer, subscription or sale would be unlawful, and in any event no securities shall be sold until authorisation has been obtained from the relevant regulatory authority. The marketing of shares or the cessation of the marketing of shares in the Fund, as applicable, in any member state of the European Union shall be in accordance with the requirements of the UCITS Directive. This document does not constitute, and may not be used for the purpose of, an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or not authorised or in which the person making such offer or solicitation is not qualified to do so. It is the reader's responsibility to inform themselves about the above restrictions.

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The investment program of the Fund presented herein is speculative and may involve a high degree of risk. It is not intended as a complete investment program and is suitable only for sophisticated investors who can bear the risk of loss. The Fund may lack diversification, which can increase the risk of loss to investors. The Fund's performance may be volatile. The past performance of the Fund is not necessarily indicative of future results and no person guarantees the performance of the Fund or the amount or timing of any return from it. There can be no assurance that the Fund will achieve any targeted returns, that asset allocations will be met or that the Fund will be able to implement its investment strategy or achieve its investment objective. This document may contain 'forward-looking statements'. Actual events or results or the actual performance of a Fund may differ materially from those reflected or contemplated in such forward-looking statements. The management fees, incentive fees and allocation and other expenses of the Fund will reduce trading profits, if any, or increase losses. The Fund will have limited liquidity, no secondary market for interests in the Fund is expected to develop and there are restrictions on an investor's ability to withdraw and transfer interests in the Fund. In making an investment decision, you must rely on your own examination of any offering documents relating to the Fund.

An investment in shares of the Fund does not represent a direct interest in any of the underlying assets owned by the Fund which may be freely acquired and disposed of by MFG Asset Management for and on behalf of the Fund.

The Fund will invest in companies that generate the dominant part of their earnings from the ownership of infrastructure assets and the Fund's portfolio of 20 to 40 investments is designed to provide sufficient diversification so that investors are not overly correlated to any single company, industry segment-specific or macroeconomic risk. The Fund is actively managed, meaning that investment decisions are made on a fully discretionary basis. The performance of the Fund is measured against the S&P Global Infrastructure Net Total Return Index. Therefore, the Fund can be said to be managed by reference to the S&P Global Infrastructure Net Total Return Index, but as a performance reference benchmark only. The S&P Global Infrastructure Net Total Return Index is a market capitalisation weighted index that is designed to track 75 companies from around the world diversified across three infrastructure sectors energy, transportation and utilities. Index results assume the reinvestment of all distributions of capital gain and net investment income using a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties. Further information regarding any benchmark referred to herein can be found at www.mfgam.com.au/funds/benchmark-information/. Any third-party trademarks contained herein are the property of their respective owners and MFG Asset Management claims no ownership in, nor any affiliation with, such trademarks. Any third-party trademarks that appear in this material are used for information purposes and only to identify the company names or brands of their respective owners. No affiliation, sponsorship or endorsement should be inferred from the use of these trademarks.

Fund Commentary

The portfolio recorded a negative return in the December quarter as long-term bond rates rose in a number of key markets – including in the US, France and the UK.

In the US, the election of the more protectionist Donald Trump increased the risk of more persistent inflation, and Federal Reserve Chairman Jerome Powell expressed the need to be cautious over future rate cuts. In France, political instability caused by the collapse of the minority Barnier government saw French rates spike while concerns about increased spending, borrowing and taxes in the lead-up to and following the UK budget pushed rates up.

Key detractors in the quarter were Crown Castle, American Tower and Eversource Energy. US tower companies Crown Castle and American Tower fell on rising rates and higher inflation expectations. Crown Castle was also affected by rumours it may sell its fibre business for a price below market expectations, while American Tower was also affected by a rising US dollar, which reduced the USD valuation of its offshore assets. US transmission and distribution company Eversource fell as it cut full-year earnings guidance on the back of higher-than-expected interest costs, despite maintaining long-term guidance, executing the sale of its interests in offshore wind projects and delivering improvements in its credit metrics.

The key contributors over the quarter were Enbridge, Ferrovial and Xcel Energy. Energy infrastructure company Enbridge lifted as the pro-fossil-fuel Donald Trump was elected in the US, which the market assessed would reduce risk and potentially provide opportunities for the company, and as the third-quarter results and FY25 guidance both came in ahead of consensus expectations. Ferrovial rose as it announced greater-than-expected price increases on its key asset, the 407 ETR in Toronto. US integrated power utility Xcel Energy's share price rose as it lifted long-term EPS guidance backed by capex to meet increasing load growth demands.

Stock contributors/detractors are based in local currency terms unless stated otherwise.

Outlook

Notwithstanding our expectations for greater volatility in the short to medium term driven by inflation and interest rates, we are confident that the underlying businesses we have included in our defined universe and in our investment strategy will prove resilient over the longer term. We regard the businesses we invest in to be of high quality and, while short-term movements in share prices reflect issues of the day, we expect that share prices in the longer term will reflect the underlying cash flows leading to investment returns consistent with our expectations.

The strategy seeks to provide investors with attractive risk-adjusted returns from infrastructure securities. It does this by investing in a portfolio of listed infrastructure companies that meet our strict definition of infrastructure at discounts to their assessed intrinsic value. We believe that infrastructure assets, with requisite earnings reliability and a linkage of earnings to inflation, offer attractive, long-term investment propositions. Furthermore, we believe the resilient nature of earnings and the structural linkage of those earnings to inflation means that investment returns typically generated by infrastructure stocks are different from standard asset classes and offer investors diversification when included in an investment portfolio. In the current uncertain economic and investment climate, the historically reliable financial performance of infrastructure investments makes them attractive, and an investment in listed infrastructure has the potential to reward patient investors with a long-term time frame.

Stock Story – Getlink

(Ben McVicar – Portfolio Manager and Sector Head Infrastructure and Industrials)

The Channel Tunnel connecting France and the United Kingdom is widely recognised as one of the world's ultimate engineering marvels. The 50 km tunnel, which includes a 38 km stretch that runs beneath the seabed, is recognised by most travelling on the Eurostar high-speed rail or using the car-shuttle service between Folkestone and Coquelles (near Calais). For investors, many recognise the Channel Tunnel as Getlink's core asset – offering highly attractive and resilient returns, diversified revenue streams, a long concession extending to 2086, and entrenched competitive advantages over alternative sea and air transport options. Getlink's revenue is derived from several complementary services, which include:

- LeShuttle: A roll-on service for passenger vehicles, enabling seamless connections between terminals and the national highway networks.
- LeShuttle Freight: A specialised service offering swift and reliable transport for freight vehicles.
- Rail Services: Operating under a long-term contract, Eurostar is the key user, operating high-speed rail services.
- ElecLink: A significant addition since 2022, this 1 GW high-voltage electric cable connects the UK and French power markets, allowing for trading between the two nations.
- Euroports: Provides rail freight services across France and neighbouring countries.

The Channel Tunnel enjoys material competitive advantages over other transport modes. In the passenger vehicle segment, LeShuttle offers faster, more reliable travel compared to car ferry services across the Straits of Dover, allowing it to command a price premium and market share of around 60%. In the freight transport segment, high-value or perishable goods benefit from the tunnel's reliability and time savings, making it the preferred choice for trucking. For rail services, there is no alternative to the tunnel, but its users (Eurostar) compete indirectly with air travel. However, we find rail dominates over shorter-haul trips. The advantages of city-centre-to-city-centre convenience, ease of use, and growing environmental awareness make rail increasingly attractive to travellers. This has led to a market share of 63% in the rail markets of London-Paris (77% share), and London-Brussels/ Amsterdam (47% share).

While the Channel Tunnel is a dominant infrastructure asset today, its early history underscores the risks of greenfield projects. Conceived in the 1980s, the project suffered significant delays and cost overruns, opening with a strained balance sheet. Early traffic levels also fell short of forecasts, which led to the company entering bankruptcy protection in 2006 as it sought a debt restructure – highlighting the dual risks of construction and demand uncertainty. However, once the asset stabilised, its long-term earnings potential and strategic importance became clear – a textbook example of the advantages established infrastructure assets offer over new developments.

Despite challenges from COVID-19 and Brexit, Getlink has demonstrated resilience and adaptability. Post-pandemic traffic patterns have shifted but the company's strategic pricing adjustments have driven aggregate revenue and earnings beyond previous peaks. Key drivers of future growth include: (1) yield optimisation through ongoing pricing strategies that aim to enhance revenue per user, rather than focusing solely on traffic volume recovery; and (2) high-speed rail market expansion from increased competition in the rail market, which will bring down prices, and stimulating demand and adding capacity. In addition, additional services linking European cities with the UK will further bolster demand; and (3) following the success of ElecLink, the company is exploring ElecLink 2, which would expand energy capacity between the UK and France. Although a long-term project, it underscores Getlink's ability to leverage its core infrastructure for diversified growth.

Getlink's Channel Tunnel is an irreplaceable asset, offering stable and diversified revenue streams, a strong competitive moat and long-term growth potential. With strategic investments and operational enhancements, the company is well-positioned to adapt to evolving transport and energy demands, ensuring sustained value creation for investors.