

Magellan High Conviction Trust - Active ETF



TICKER: MHHT | APIR: MGE1055AU | ARSN: 634 789 754

AS AT 30 NOVEMBER 2024

PORTFOLIO MANAGER

NIKKI THOMAS, CFA

INVESTMENT OBJECTIVE AND PHILOSOPHY

Objectives: To achieve attractive risk-adjusted returns over the medium to long-term.

Aims to deliver 10% p.a. net of fees over the economic cycle.

Philosophy: To invest in outstanding companies at attractive prices, while exercising a deep understanding of the macroeconomic environment to manage investment risk.

PORTFOLIO CONSTRUCTION

A concentrated portfolio of 10-20 high quality companies meaningfully diversified in risk exposure and correlations seeking to achieve strong risk-adjusted, not benchmark-relative returns.

Cash and cash equivalents exposure between 0 - 15%.

The trust may, from time to time, hedge some or all of the capital component of the foreign currency exposure of the trust arising from investments in overseas markets back to Australian Dollars.

INVESTMENT RISKS

All investments carry risk. While it is not possible to identify every risk relevant to an investment in the trust, we have provided details of risks in the relevant Product Disclosure Statement or offer document. You can view the PDS for the trust on Magellan's website www.magellangroup.com.au.

MAGELLAN HIGH CONVICTION TRUST - ACTIVE ETF: KEY PORTFOLIO INFORMATION

TICKER	TRUST SIZE	BUY/SELL SPREAD ¹	MANAGEMENT AND PERFORMANCE FEES ²	INCEPTION DATE
MHHT	AUD \$470.6 million	0.07% / 0.07%	1.50% p.a. and performance fee of 10% of excess return [^]	11 October 2019

[^] 10.0% of the excess return of the Trust above the Absolute Return Performance Hurdle of 10% per annum. Additionally, Performance Fees are subject to a high water mark.

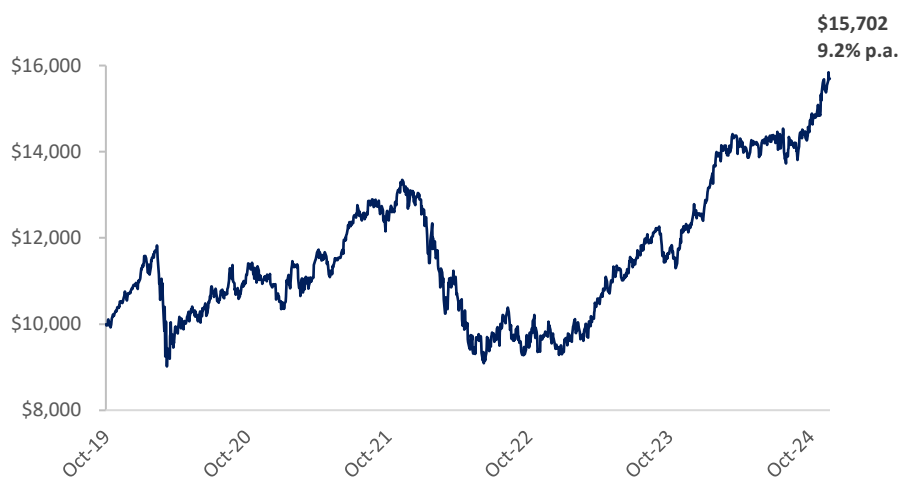
PERFORMANCE³

	1 MONTH (%)	3 MONTHS (%)	1 YEAR (%)	3 YEARS (% p.a.)	5 YEARS (% p.a.)	Since Inception (% p.a.)
MHHT	5.8	10.5	28.7	6.8	7.9	9.2

CALENDAR YEAR RETURNS	CYTD (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (part year)
MHHT	25.1	34.6	-27.7	21.2	-1.6	8.2

Past performance is not a reliable indicator of future performance.

PERFORMANCE CHART GROWTH OF AUD \$10,000³



Past performance is not a reliable indicator of future performance.

TRUST CHARACTERISTICS⁴

	3-YEAR	AVERAGE	HIGH	LOW
Cash Weight		4.1%	18.7%	1.1%
Number of Stocks		14	18	10
Hedging Weight		0.3%	10.1%	0.0%

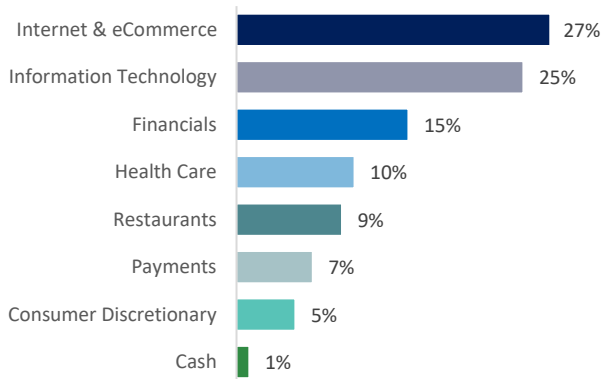
¹ Only applicable to investors applying for units and withdrawing units directly with the Responsible Entity.

² Transaction costs may also apply – refer to the Product Disclosure Statement. All fees are inclusive of the net effect of GST.

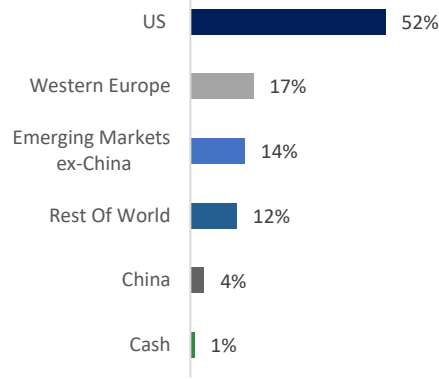
³ Calculations are based on exit price with distributions reinvested, after ongoing fees and expenses but excluding individual tax, member fees and entry fees (if applicable). Returns denoted in AUD.

⁴ Trust characteristics averages are calculated using the last day of each month in the 3-year period.

SECTOR EXPOSURE BY SOURCE OF REVENUE⁵



GEOGRAPHIC EXPOSURE BY SOURCE OF REVENUE⁵



TOP 5 HOLDINGS (ALPHABETICAL ORDER)

STOCK	SECTOR ⁵
Amazon.com Inc	Internet & eCommerce
Brookfield Corporation	Financials
Microsoft Corporation	Information Technology
salesforce Inc	Information Technology
Visa Inc	Payments

TOP CONTRIBUTORS/DETRACTORS 1 YEAR⁶

TOP 3 CONTRIBUTORS	CONTRIBUTION TO RETURN (%)
Amazon.com Inc	4.1
Brookfield Corporation	3.9
Booking Holdings Inc	3.6
TOP 3 DETRACTORS	CONTRIBUTION TO RETURN (%)
Ulta Beauty Inc	-1.9
Novo Nordisk ADR	-0.8
WEC Energy Group Inc	-0.3

MONTHLY SUMMARY

Early November saw both Trump and Republican victories in the US election. With expectations of a pro-business and markets President coupled with deregulation and smaller government, there was excitement in the air. Reversing October results, regional markets all rose except the Nikkei. The MSCI World Index (AUD) rose 5.2% with the AUD down slightly. As we look ahead, inflation is no longer an issue of note around most of the world while employment markets look solid, household and corporate balance sheets are in good shape and activity in capital markets (mergers, acquisitions, IPOs, raisings) looks set to move higher. It appears to us the 'tariffs on everyone' narrative from Trump is probably more bark than bite and deals will be struck, while central banks will likely continue to cut policy rates into and through 2025. While asset prices don't move in a straight line, the backdrop is broadly positive for investors in quality global companies, especially those that can leverage economic growth.

The portfolio had a strong month of performance with large positive moves in most of our holdings, led by Brookfield Corporation, Salesforce, Morgan Stanley, Amazon, Booking and Chipotle, which all rose by over 10%. Brookfield reported third-quarter results in mid-November, revealing 19% growth in distributable earnings before realisations. Improving capital markets means a good backdrop for realising prior investments and fuelling its future returns. Salesforce's AI product, Agentforce, is helping it beat expectations and deliver strong growth in its current Remaining Performance Obligation (cRPO), reaching over \$26B. After a difficult few months recently, ASML rose post its mid-November Capital Markets Day as it reassured on long-term semiconductor demand. Near term overall semiconductor sector complexity remains given Intel's struggles and geopolitical dynamics. Elsewhere, the Healthcare sector was weak due to rising uncertainty about US policy. HCA Healthcare fell as investors weighed risks of reduced hospital reimbursements if a new US government pursues savings.

Index movements and stock contributors/detractors are based in local currency terms unless stated otherwise.

⁵ Sectors are internally defined. Geographical exposure is calculated on a look through basis based on underlying revenue exposure of individual companies held within the portfolio. Exposures may not sum to 100% due to rounding.

⁶ Shows how much the stock has contributed to the trust's gross return for the period in AUD. Excludes non-disclosed positions established in the latest quarter.

IMPORTANT INFORMATION

Units in the trust referred to herein are issued by Magellan Asset Management Limited ABN 31 120 593 946, AFS Licence No. 304 301 ('Magellan'). This material is issued by Magellan and has been prepared for general information purposes only and must not be construed as investment advice or as an investment recommendation. This material does not take into account your investment objectives, financial situation or particular needs. This material does not constitute an offer or inducement to engage in an investment activity nor does it form part of any offer documentation, offer or invitation to purchase, sell or subscribe for interests in any type of investment product or service. You should obtain and consider the relevant Product Disclosure Statement ('PDS') and Target Market Determination ('TMD') and consider obtaining professional investment advice tailored to your specific circumstances before making a decision about whether to acquire, or continue to hold, the relevant financial product. A copy of the relevant PDS and TMD relating to the relevant Magellan financial product may be obtained by calling +61 2 9235 4888 or by visiting www.magellangroup.com.au. Past performance is not necessarily indicative of future results and no person guarantees the future performance of the trust, the amount or timing of any return from it, that asset allocations will be met, that it will be able to implement its investment strategy or that its investment objectives will be achieved. Statements contained in this material that are not historical facts are based on current expectations, estimates, projections, opinions and beliefs of Magellan or the third party responsible for making those statements (as relevant). Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon. This material may contain 'forward-looking statements'. Actual events or results or the actual performance of a Magellan financial product or service may differ materially from those reflected or contemplated in such forward-looking statements. This material may include data, research and other information from third-party sources. Magellan makes no guarantee that such information is accurate, complete or timely and does not provide any warranties regarding results obtained from its use. No representation or warranty is made with respect to the accuracy or completeness of any of the information contained in this material. Magellan will not be responsible or liable for any losses arising from your use or reliance on any part of the information contained in this material.

Further information regarding any benchmark referred to herein can be found at www.magellangroup.com.au/funds/benchmark-information. Any third-party trademarks contained herein are used for information purposes only and are the property of their respective owners. Magellan claims no ownership in, nor any affiliation with, such trademarks. This material and the information contained within it may not be reproduced, or disclosed, in whole or in part, without the prior written consent of Magellan.