

15 February 2024

ASX Limited
 ASX Market Announcements Office
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 SYDNEY NSW 2000

Magellan Financial Group Ltd

Half year results for the period ended 31 December 2023 (1H24)

- **Statutory net profit after tax of \$104.1 million, up 24% on prior corresponding period**
- **Disciplined cost management with 1H24 funds management operating costs of \$51.3 million tracking in line with FY24 guidance of \$97.5 million - \$102.5 million**
- **Interim dividend of 29.4 cents declared, franked at 50%**
- **Transitional executive leadership structure announced**
- **Corporate stability restored and legacy issues resolved**
 - Addressed Employee Share Purchase Plan (ESPP) loans for current employees
 - Resolved uncertainty on Magellan Global Fund (Closed Class) (MGF)
- **Gaining momentum within business and on strategic priorities**
 - Remain a profitable fund manager of scale
 - Continued improvement in investment performance
 - Enhanced and refocused US distribution platform
 - Plans to launch Magellan Unconstrained Fund to retail investors
 - Positive after-tax contribution from associates of \$3.1 million
 - Progressing development of Employee Equity Plan

| Results summary | 1H24 | 1H23 | Change |
|--|-------|-------|--------|
| Average funds under management (\$ billion) | 36.9 | 53.8 | (31%) |
| Statutory net profit after tax (NPAT) (\$ million) | 104.1 | 83.8 | 24% |
| Adjusted net profit after tax (\$ million) ¹ | 93.5 | 98.3 | (5%) |
| Profit before tax and performance fees of Funds Management business (\$ million) | 79.9 | 119.9 | (33%) |
| Adjusted diluted earnings per share (cents per share) ¹ | 51.6 | 53.6 | (4%) |
| Interim dividend (cps) | 29.4 | 46.9 | (37%) |

¹ Adjusted for strategic, non-recurring, non-cash, or unrealised items.

Magellan Financial Group Ltd (“Magellan” or “the Group”) today announced its financial results for the six months ended 31 December 2023 (“**1H24**”). The Group reported **Statutory NPAT** of \$104.1

million and **Adjusted NPAT** of \$93.5 million. Profit before tax and performance fees of the Funds Management business was \$79.9 million.

The Board has declared an **Interim Dividend** of 29.4 cents per share (cps), 50% franked, which is payable on 6 March 2024.

Magellan's Executive Chairman, Andrew Formica, said: *"Over 1H24 we have restored corporate stability, resolved a number of legacy issues and are gaining momentum on our strategic priorities.*

"A key step in this journey is today's announcement of a transitional executive leadership structure, under which we have appointed Sophia Rahmani to the role of Managing Director of Magellan's main operating subsidiary, Magellan Asset Management Limited, effective in May 2024. I will remain Executive Chair for an interim period to ensure we maintain continuity and stability, focusing my attention on Magellan's strategic development, while Sophia focuses on our funds management business.

"With a new executive leadership structure in place, and a number of legacy issues behind us, including having addressed the Employee Share Purchase Plan loans and the uncertainty around our Magellan Global Fund (Closed Class) (MGF), I am confident the business is in a strong position to rebuild and grow.

"In parallel with these important steps, we have made progress on our strategic agenda, including announcing today an enhanced and refocused US distribution platform, disclosing plans to launch a new product – the Magellan Unconstrained Fund – to retail investors, progressing development of our Employee Equity Plan, and seeing a positive after-tax contribution from our associate investments.

"These initiatives and progress demonstrate that we are moving forward with pace at our strategic objective of becoming the asset manager of choice in the Australian market across a diversified offering. This includes continuing to assess strategic growth opportunities that are value accretive to the business and our shareholders.

"Most importantly, our investment teams continue to deliver improved investment performance across our strategies, adding value for our clients. I am confident that this will lead to continued improvement in our net flows, which have seen signs of stabilisation in recent quarters.

"Whilst more needs to be done, we remain a highly profitable business, with robust operating cashflows and significant financial strength in the form of our strong balance sheet. I am encouraged by the progress we are making and am confident our strong foundations position us well to deliver positive outcomes for our clients and shareholders."

Authorised by the Board

About Magellan

Magellan Financial Group is a specialist funds management business established in 2006 and based in Sydney, Australia. Magellan's core operating subsidiary, Magellan Asset Management Limited, manages approximately \$36.3 billion of funds under management at 31 January 2024 across its global equities, global listed infrastructure and Australian equities strategies for retail, high net worth and institutional investors and employs approximately 104 staff globally. Further information can be obtained from www.magellangroup.com.au.

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