

Magellan High Conviction Trust - Active ETF



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

AS AT 28 FEBRUARY 2025

PORTFOLIO MANAGER

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INVESTMENT OBJECTIVE AND PHILOSOPHY

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

Aims to deliver 10% per annum 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, returns are not guaranteed and there is a risk that investors may lose money on any investment they make. The Fund's Product Disclosure Statement (PDS) sets out the significant risks relevant to the Fund. You can view the PDS at 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 \$460.9 million	0.12% / 0.12%	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.

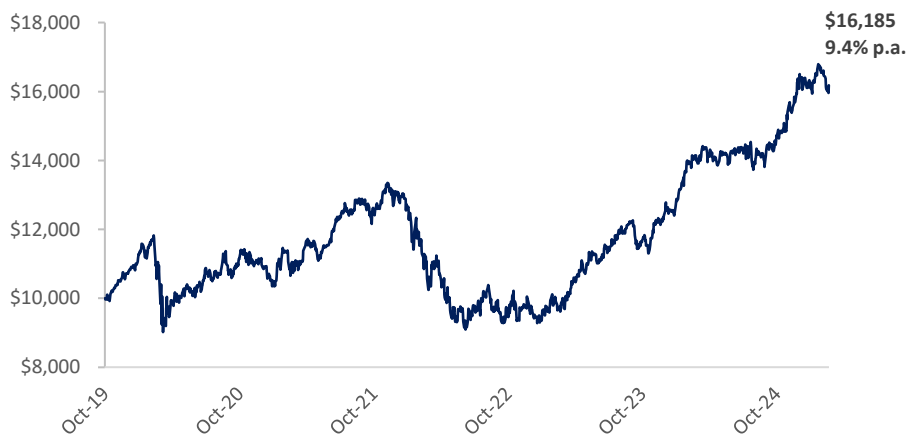
PERFORMANCE³

	1 MONTH (%)	3 MONTHS (%)	1 YEAR (%)	3 YEARS (% p.a.)	5 YEARS (% p.a.)	Since Inception (% p.a.)
MHHT	-3.5	3.1	14.6	13.0	8.6	9.4

CALENDAR YEAR RETURNS	CYTD (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (part year)
MHHT	0.5	28.3	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



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TRUST CHARACTERISTICS⁴

	3-YEAR	AVERAGE	HIGH	LOW
Cash Weight		3.9%	18.7%	1.1%
Number of Stocks		15	19	10
Hedging Weight		1.0%	10.1%	0.0%

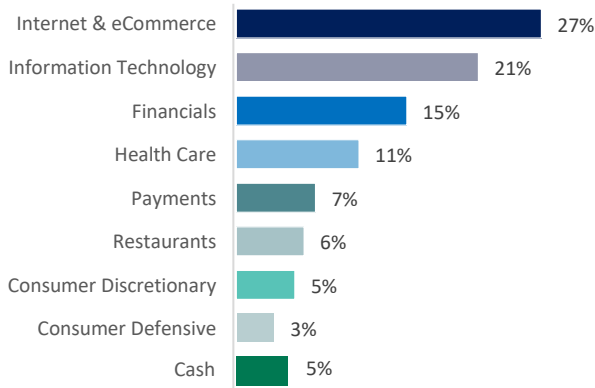
¹ Only applicable to investors applying for units and withdrawing units directly with the Responsible Entity.

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

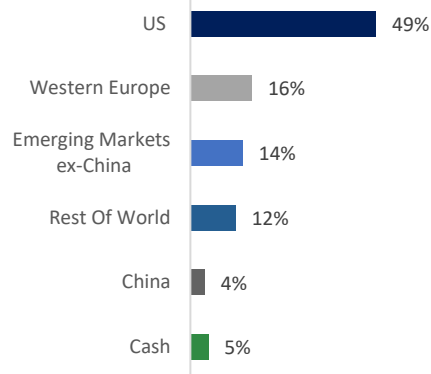
³ Calculations are based on exit price with distributions reinvested, after ongoing fees and expenses but excluding individual tax, member fees and entry fees (if applicable). Returns denoted in AUD.

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
Chipotle Mexican Grill Inc	Restaurants
Meta Platforms Inc	Internet & eCommerce
Microsoft Corporation	Information Technology
Visa Inc	Payments

TOP CONTRIBUTORS/DETRACTORS 1 YEAR⁶

TOP 3 CONTRIBUTORS	CONTRIBUTION TO RETURN (%)
Brookfield Corporation	2.9
Amazon.com Inc	2.6
Booking Holdings Inc	2.6
TOP 3 DETRACTORS	CONTRIBUTION TO RETURN (%)
Ulta Beauty Inc	-2.2
ASML Holding NV	-1.8
Novo Nordisk ADR	-1.2

MONTHLY SUMMARY

The new US administration and tech advancements related to AI are contributing to anticipated market volatility. While the MSCI World Index experienced only a slight decline in February, regional differences were pronounced; Europe's Euro Stoxx 600 rose 3.4% while the Nasdaq fell 3.9%.

Entering 2025, the US economy has shown robust growth, solid employment figures and inflation between 2% and 3%. Consumer confidence was high and businesses were optimistic about the pro-growth and anti-regulation agenda from the US government. However, the outlook is changing rapidly. Disruptive wildfires in California, President Trump's bold yet dynamic policy approach, Musk's vigorous efforts to curb Federal Government waste, dialogues aiming to resolve conflicts in Ukraine and Gaza, and the potential for a trade war create significant uncertainty about the future path of global growth and inflation. As a result, it seems rational for investors to seek safe havens, whether by company, sector, region, or asset class, until there is greater clarity.

Reporting season has brought the heightened one-day share price volatility that has become customary, driven largely by passive flows and basket trades. Large positive moves came in stocks previously out of favour or those presenting exceptionally strong outlooks and vice versa. While economic growth in Europe, China and Japan remains comparatively weak, there is pressure for fiscal stimulus, especially as the US considers reducing defence support for allies and increasing protectionist policies. This stance should benefit economic growth in these regions.

In February, the portfolio declined as stocks like Alphabet, Amazon, Salesforce and TSMC gave back some of their recent gains. The long-term opportunity is significant, but investors are seeking gains in other market areas as the large uplift in capital investments to support the supply side of AI is weighing on near-term returns on capital. The fund took profits on several exposures and reinvested in new or existing opportunities, with some to cash. Mercado Libre, Intercontinental Exchange, Novo Nordisk, Booking and Visa led February's gains with strong results and outlooks.

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

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