

15 August 2025

MAGELLAN HIGH CONVICTION FUND (“Fund”)

Class A Units

Class B Units

Change in Fund’s investment strategy to the Magellan Global Opportunities Strategy

Magellan Asset Management Limited (“**Magellan**”) advises that it intends to change the Fund’s investment strategy to the Magellan Global Opportunities Strategy effective on or about 15 September 2025 (“**Effective Date**”).

This decision follows a review of our investment products and is part of an ongoing commitment to evolve our product suite to match the needs of our client base.

Sophia Rahmani, CEO and Managing Director, said: “Magellan has undertaken a review of our global equity solutions to ensure we remain agile and responsive to the rapidly evolving funds management landscape.

“While the High Conviction Strategy has been well supported and played a meaningful role in client portfolios, we’ve identified the opportunity to simplify our global equity suite by transitioning this Fund to the Global Opportunities Strategy, a high-performing, lower-fee alternative. Led by Alan Pullen and supported by Magellan’s deeply experienced Global Equities Team, the Global Opportunities Strategy has consistently delivered benchmark-beating results and is gaining strong traction with a broad and diverse client base.”

Magellan’s Global Opportunities Strategy was launched in January 2022 and seeks to invest in outstanding companies at attractive prices through a portfolio of 20-40 stocks and a maximum cash holding of 5%. Its investment objective is to outperform the MSCI World Net Total Return Index (AUD) net of fees over periods of three years or longer. The strategy has consistently delivered top quartile returns and significantly outperformed its benchmark since inception, with net returns to 31 July 2025 of 22.3% over 1 year, 23.0% per annum over 3 years and 14.2% per annum since inception.¹

Fees for the Fund will be reduced such that:

- from today, the performance fee will be waived; and
- from the Effective Date, the Fund’s management fee will be reduced to 0.75% per annum (inclusive of the net effect of Goods and Services Tax).

In determining the change, the Board of Magellan had regard to the investment mandate, performance outcomes, fee structure and costs of the change and concluded it was in the best interests of the Fund’s unitholders. Magellan will waive its entitlement to management fees during the time the portfolio transition will be undertaken (“**Transition Period**”), which is expected to be 8 – 15 September 2025.

Nikki Thomas will continue to manage the High Conviction Strategy until the Transition Period and will be involved as required to achieve a seamless change up to the Effective Date, when she will step away from Magellan. Alan Pullen will become the portfolio manager of the Fund from the commencement of the Transition Period.

Ms Rahmani continued: “In light of this decision, Nikki and Magellan have mutually agreed to part ways and we thank her for her significant contribution to the business.

Nikki is a recognised and highly respected Portfolio Manager, has a deep passion for investing and has delivered strong outcomes for our clients across various strategies. We wish her every success in the future.”

¹ Past performance is not indicative of future performance.

Nikki Thomas added: “It is always a true privilege to serve clients in a fiduciary capacity and I have enjoyed working alongside talented colleagues. I remain a strong supporter of the business and wish Sophia and the team continued success on the path ahead.”

The table below compares the Magellan High Conviction Strategy, which will continue to apply until the Transition Period, with the Magellan Global Opportunities Strategy, which will apply to the Fund from the Effective Date:

	Prior to the Transition Period	From the Effective Date
Investment strategy	Magellan High Conviction Strategy	Magellan Global Opportunities Strategy
Investment 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.	To outperform the MSCI World Net Total Return Index (AUD) net of fees over periods of three years or longer.
Investment strategy	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.	A portfolio of 20-40 investments which we believe can achieve sufficient diversification to ensure the Fund is not overly correlated to a single company, or to industry specific or macroeconomic risks. The Fund aims to invest in companies that have sustainable competitive advantages which translate into returns on capital in excess of their cost of capital for a sustained period of time. Cash and cash equivalents exposure between 0 - 5%.
Asset allocation	Global Equities: 85-100% Cash: 0-15%	Global Equities: 95-100% Cash: 0-5%
Management fee	1.50% per annum (inclusive of the net effect of Goods and Services Tax)	0.75% per annum (inclusive of the net effect of Goods and Services Tax)
Performance fee	Up to the date of this announcement: 10% of the excess return above the absolute return hurdle of 10% per annum From today: Nil	Nil

Further information about the Magellan Global Opportunities Strategy is available [here](#).

An updated Product Disclosure Statement for the Fund will be made available at <https://magellaninvestmentpartners.com/funds/magellan-global-opportunities-fund/> from the Effective Date. The Fund will continue to be available by applying directly with Magellan.

Unitholders in the Fund are not required to take any action. However, please contact Magellan on +61 2 9235 4888 or at info@magellangroup.com.au if you have any questions, or please contact your stockbroker, financial adviser, accountant, lawyer or other professional adviser.