

10 April 2026

ASX Release: 2026 EGM Chairman's address

Please find attached the Chairman's address for the 2026 Extraordinary General Meeting of Magellan Financial Group Ltd.

This document was authorised to be given to the ASX by the Board of Directors.

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Magellan Financial Group Extraordinary General Meeting 10 April 2026

Chairman's address Andrew Formica

Today's EGM has a single, but highly significant purpose.

We are asking shareholders to approve the issue of new shares to enable the proposed merger between MFG and Barrenjoey Capital Partners.

This is an important decision for our company and for all shareholders. On behalf of the Board, I would like to take the opportunity to set out the rationale for the transaction, how it fits within MFG's broader strategy, and to address questions that have been raised by shareholders in recent weeks.

At the outset, I want to emphasise that the Board has approached this transaction with a high degree of discipline, rigour and care and I would like to thank my fellow directors for their time and deep insights throughout. After extensive consideration, your board unanimously believe that the proposed merger is in the best interests of MFG shareholders over the long term, and we recommend that you vote in favour of the resolution.

MFG has been on a deliberate and considered journey over recent years.

While we remain firmly committed to our core investment management business, we have also been focused on evolving MFG into a more diversified financial services group. This strategy has been guided by a clear objective: to build a business that is more resilient, less dependent on any single revenue stream, and better positioned to generate sustainable returns through market cycles.

Our partnership with Barrenjoey has been central to this evolution.

MFG was a founding investor in Barrenjoey back in 2020. Since then, we have supported its development and have had the opportunity to observe, at close quarters, the quality of its franchise. We have seen first-hand the calibre of its people, the strength of its culture, and the breadth and depth of its client relationships.

In a relatively short period, Barrenjoey has established itself as a leading Australian financial services business, with strong positions across advisory, capital markets, equities, fixed income and private capital.

We believe that the proposed merger represents the natural next step in this partnership. It enables MFG shareholders to move from partial economic participation in Barrenjoey to full ownership, allowing us to fully participate in any future growth and value creation.

MFG post-merger will see two highly complementary businesses combine to create a diversified, client-focused financial services group with significant scale.

The Board's support for the transaction is grounded in four key strategic benefits.

1. Improved diversification and resilience

The combined group will have a significantly broader earnings base across investment management, markets, advisory and capital markets activities. These revenue streams behave differently across market cycles, providing greater stability and resilience through varying market conditions.

2. Enhanced client proposition

Both MFG and Barrenjoey are deeply client-focused organisations. The merger will enable us to offer clients a broader range of products and services and deeper market insight, while maintaining the independence and integrity of our investment processes.

3. Talent and culture

Financial services is, fundamentally, a people business. This transaction brings together two strong and complementary cultures with MFG's disciplined investment approach and Barrenjoey's entrepreneurial partnership model. The combined platform enhances our ability to attract, retain and develop high-quality talent.

4. Balance sheet strength and growth capacity

The combined group will have a strong balance sheet, significant free cash flow, and the capacity to invest in growth opportunities. This supports both continued dividends and long-term strategic flexibility.

I want to address directly the recent market commentary around disclosure. The Board made a considered judgement at the time of the Merger announcement on what information was material for shareholders to assess the transaction and make an informed voting decision, with a focus on the earnings profile, valuation and strategic rationale of Barrenjoey, which we believe are the primary drivers of value.

Following the subsequent market interest in Barrenjoey's balance sheet position as at 31 December 2025 and the pre-completion dividend to be paid to Barrenjoey shareholders under the terms of the proposed merger, information was released regarding those matters. This information was taken into account by the Board at the time of entering into the transaction and is reflected in the recommendation made for shareholders for this EGM.

We remain committed to maintaining a high standard of disclosure and will continue to engage constructively with shareholders. We respect their perspectives and appreciate the constructive feedback they provided through the process.

Let me now step through what MFG looks like today, and what changes post-merger.

The MFG of today consists of our outward facing distribution brand, Magellan Investment Partners, which brings to the market investment solutions managed by MFG's teams: Magellan Global Equities, Magellan Global Listed Infrastructure and Airlie Funds Management, alongside that of our strategic partner Vinva Investment Management.

Our strategic partners, including Vinva and Finclear are complementary, high quality financial services businesses who are run and managed independently. Both Vinva and Finclear are supportive of the Merger and I would like to stress that their independence remains unchanged as a result of the transaction.

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Post-merger, MFG will own 100% of Barrenjoey. Our existing investment management business operations will remain stand alone and unchanged. There will be no change to our investment decision-making, philosophy and process as a result of the merger. Our commitment to our clients will also remain unchanged.

What will change is the opportunity for shareholders to participate fully in any economic upside and value creation of 100% ownership of Barrenjoey.

One of the most compelling features of the combined MFG and Barrenjoey group is the breadth and balance of its revenue base. The combined business will generate earnings across investment management, markets, advisory and capital markets activities, each of which is driven by different underlying factors and market conditions. This diversification is deliberate. It reduces reliance on any single revenue stream and provides greater resilience through economic and market cycles. Together, they create a more balanced and adaptable business model, better positioned to deliver consistent outcomes for shareholders over time.

Turning now to how the deal was structured.

The Board has approached valuation with a high degree of discipline. The implied valuation for Barrenjoey is approximately \$1.6 billion, representing a multiple of around 15 times last twelve months earnings on a pre-synergies basis, and approximately 14.5 times if you include the anticipated synergies.

In assessing this valuation, the Board considered a range of methodologies, including discounted cash flow analysis, relative contribution to the combined group, and comparisons with listed peers.

Importantly, the implied transaction multiple compares favourably to peer trading multiples, particularly when taking into account that peer multiples do not include a control premium whereas this transaction delivers full ownership, nor have many of the comparator firms achieved Barrenjoey's historic growth.

We believe the valuation is fair, supportable and attractive.

Since the announcement of the transaction, we have seen strong support from the market.

MFG's share price increased materially following the announcement and has performed positively relative to the broader market. Over the last ten years, no ASX listed company announcing a transaction of greater than A\$1.5 billion has experienced higher one week, three week or one month performance relative to the ASX 200 post announcement.

In addition, the institutional placement was strongly supported by high-quality, long-term investors. We view this as a clear endorsement of both the strategic rationale and the value of the transaction.

I would now like to take a moment to address the capital raising associated with the transaction, and in particular the Share Purchase Plan (SPP), which has been an area of understandable interest given the level of oversubscription of each raising.

In advance of the merger, MFG acquired an additional economic interest in Barrenjoey. This was funded through a \$130 million institutional placement and a Share Purchase Plan offered to eligible shareholders.

The placement was conducted at \$8.45 per share, effectively at the market price at the time of announcement, with only a minimal discount of 1 cent on the 5-day VWAP of MFG's shares. The Board considered this pricing to be fair and appropriate.

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The SPP was designed to provide retail shareholders with the opportunity to participate on the same terms as institutional investors. This is an important principle, and one the Board strongly supports.

In the end the SPP was significantly oversubscribed. Demand exceeded the target raise by a considerable margin, reflecting strong interest from shareholders in participating in the transaction. While this level of demand is encouraging, it also meant that scale-back was required.

We recognise that the scale-back has led to disappointment for some shareholders, specifically those who sought to participate more meaningfully in the SPP but received a reduced allocation.

I would like to make a few comments on this.

First, the strong demand for the SPP is itself a positive signal. It reflects confidence in MFG's strategy and support for the transaction.

Second, the scale-back was implemented in accordance with the terms outlined in the SPP documentation and consistent with market practice. The approach taken sought to balance fairness and proportional participation across a large number of applicants.

It is also important to distinguish between components of the broader capital raising. Any placements to institutional or cornerstone investors are conducted separately from the SPP and are subject to their own regulatory and commercial considerations. These investors do not participate in the SPP on preferential terms relative to retail shareholders and they received no preferential pricing in relation to the institutional placing over that offered in the SPP.

The value of this transaction for shareholders will ultimately be determined by the performance of the combined group, including by its ability to grow earnings, deliver strong client outcomes, and execute on its strategy over time.

We do thank those shareholders who participated in the SPP for their support and endorsement of our strategy.

In closing, I would emphasise three points.

First, this transaction is strategically coherent and compelling. It builds directly on the direction MFG has been pursuing and strengthens our long-term position.

Second, it has been approached with discipline. The valuation, structure and governance processes, including significant changes in Barrenjoey's remuneration policy and extended escrow of the key staff reflect careful consideration and a focus on shareholder outcomes.

Third, it is fundamentally about the long term. This is a transaction designed to position MFG for sustained growth and value creation over many years.

On behalf of the Board, I thank you for your continued support of MFG and for your engagement on this important transaction.