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29 October 2020

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MAGELLAN FINANCIAL GROUP LIMITED INVESTMENT IN FINCLEAR HOLDINGS LIMITED

Magellan Financial Group Limited ("Magellan") is pleased to announce that it has completed its investment in FinClear Holdings Limited ("FinClear"). FinClear is a leading provider of technology, trading infrastructure, and ASX market-access services to wealth, stockbroking, platform, and fintech customers.

Magellan's investment comprises \$20 million for a circa 16% shareholding (fully diluted) and will have a representative on the Board of FinClear. Magellan has also entered into a Relationship Agreement with FinClear to explore initiatives to improve access and reduce friction from the investment process for investors.

Please find the attached media release from FinClear.

Authorised by

Marcia Venegas | Company Secretary

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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 \$100 billion of funds under management at 30 September 2020 across its global equities, global listed infrastructure strategies and Australian equities strategies for retail, high net worth and institutional investors and employs over 120 staff globally. Magellan Financial Group Limited is listed on the Australian Securities Exchange (ASX Code: MFG) and has a market capitalisation of approximately \$10.5 billion. Further information can be obtained from www.magellangroup.com.au.

FinClear secures \$20 million in growth capital

October 28th (Sydney): FinClear, the financial services technology company, today announced that it had secured \$20 million in funding to support its future growth ambitions. This funding has been secured through the issue of new equity in FinClear to Magellan Financial Group.

FinClear CEO David Ferrall said the investment would help FinClear realise the next step in its growth journey, building on the FinClear Platform.

"When we founded this company, we set out to provide an alternative to clearing for Australian financial services firms, but it's grown into so much more than that," he said. "Today we offer a complete turnkey technology solution for any company involved in financial services, from financial advisers to fintechs. We touch one in every three listed securities trades done every day in Australia and we are growing faster all the time. We are delighted to welcome Magellan as an investor."

Magellan CEO Dr Brett Cairns said "We are very pleased to be able make this principal investment in FinClear as they share our vision and interest in providing choice for investors and removing friction from the investment process. We expect this to be a good financial investment over time and we also look forward to expanding our intellectual capital in partnership with FinClear as we continue our efforts to innovate to improve investor outcomes."

The FinClear Platform runs the complete suite of trading and administrative functions for any company providing financial advice or wealth management, whether that be an adviser, stockbroker, or fintech. FinClear already provides the technology that underpins one of Australia's largest retail trading venues. The FinClear Platform replaces what could until now only be achieved using multiple vendors and service providers, Mr Ferrall said.

"What we have today is an institutional-grade system that underpins everything a financial intermediary needs to do – from a front-end portal and trading through to settlement and



clearing, including middle office efficiency tools. For the very first time a broker or dealer group has the ability to use a single platform for all listed securities. It also facilitates brokers to return to a self-clearing model should they wish to do so. We believe it's a game changer for financial services in this country."

FinClear delivers its technology on the FinClear Platform. Unlike its competitors, all FinClear's technology is developed, built and maintained in Australia.

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For interviews with David Ferrall:

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About FinClear

FinClear is a technology and financial market infrastructure company. In addition to operating its own HIN platform, FinClear enables fintechs, wealth and stockbroking entities to innovate, through the provision of platform technology solutions and market access. FinClear either directly trades, clears and settles or provides technology that services more than 50% of all retail equity transactions every day in Australia and hosts over \$7 billion in direct HIN investments for end clients.

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