



MAGELLAN
FINANCIAL GROUP LIMITED

Level 36, 25 Martin Place
Sydney NSW 2000 AUSTRALIA

General: +61 2 9235 4888

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Website: www.magellangroup.com.au

ABN: 59 108 437 592

21 April 2022

ASX Limited
ASX Market Announcements Office
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

**Magellan Financial Group Ltd ("Magellan")
Bonus Issue - letters to shareholders**

Pursuant to ASX Listing Rule 3.17.1, attached are copies of the letters that will be sent today to eligible shareholders and ineligible shareholders in relation to the pro rata non-renounceable bonus issue of options announced by Magellan on 31 March 2022.

Authorised by

Marcia Venegas and Mariana Kolaroski | Company Secretaries

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 \$70.0 billion of funds under management at 31 March 2022 across its global equities, global listed infrastructure and Australian equities strategies for retail, high net worth and institutional investors and employs approximately 140 staff globally. Magellan is listed on the Australian Securities Exchange (ASX Code: MFG). Further information can be obtained from www.magellangroup.com.au.

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Dear Shareholder,

On 31 March 2022, the Board of Magellan Financial Group Ltd ("Magellan") announced a non-renounceable bonus issue of options ("Options") to eligible Magellan shareholders ("Bonus Issue") on the basis of one (1) Option issued for every eight (8) ordinary shares held in Magellan on the record date of 7 April 2022 ("Record Date").

Magellan is pleased to confirm that it has issued to you, as an eligible shareholder, one (1) bonus Option for every eight (8) Magellan shares held by you on the Record Date.

These Options were issued to you for nil consideration. Each Option provides you with the right, but not the obligation, to acquire one Magellan share for each Option exercised at an exercise price of \$35.00 per Option. The Options have a five-year term with an expiry date of 16 April 2027 and are exercisable at any time until the expiry date.

Magellan has undertaken the Bonus Issue as part of a number of capital management initiatives announced at its Interim Results on 18 February 2022. The Bonus Issue is intended to provide a potential source of value for shareholders as Magellan intensifies its focus on its core funds management businesses.

Features of the Options

- The Options will trade on the ASX under the ASX code "MFGO"
- Option holders can sell their Options or buy additional options on the ASX
- By exercising their Options, shareholders can increase their holding in Magellan without incurring any brokerage fees.

The Prospectus relating to the Bonus Issue, which was lodged with ASIC on 31 March 2022 ("Prospectus"), includes a summary in Section 6 of the risks associated with an investment in Magellan and the Options. We recommend that you read the Prospectus carefully and in its entirety before deciding to deal in the Options or in Magellan shares.

Access to Prospectus

To download a copy of the Prospectus, please visit the following website
<https://www.magellangroup.com.au/mfg-options/prospectus-mfgo/>.

Accompanying this letter is a personalised Option Exercise Form. If you would like to exercise some or all of your Options, you can do so by completing this form and paying \$35.00 per Option to Magellan via the payment methods set out in the form.

If you have any questions on how to exercise your options, please contact Magellan's Share Registry, Boardroom Pty Limited, on 1300 005 016 (from within Australia) or +61 2 9290 9600 (from outside Australia). Alternatively, please contact your legal, financial or other professional adviser.

Yours sincerely,



Hamish McLennan
Chairman
Magellan Financial Group Ltd

21 April 2022

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NOT FOR RELEASE TO US WIRE SERVICES OR DISTRIBUTION IN THE UNITED STATES

Dear Shareholder,

On 31 March 2022, Magellan Financial Group Ltd (ACN 108 437 592) (the "Company") announced a bonus issue of options ("Options") to Eligible Shareholders (defined below) on the basis of one (1) Option issued for every eight (8) fully paid ordinary shares held in the Company on the record date of 7 April 2022 ("Record Date") (the "Bonus Issue"). Each Option allows the holder to acquire one (1) ordinary share in the Company at an exercise price of A\$35.00 per Option. The Options are expected to be listed on the ASX under the code "MFGO".

Shareholders who are eligible to participate in the Bonus Issue ("Eligible Shareholders") are shareholders of the Company who as at the Record Date have a registered address in Australia, New Zealand, Canada (Ontario), Singapore, Hong Kong or any other jurisdiction in which the Company determines, in its sole discretion, it is reasonable to make the offer of Options having regard to applicable laws and ASX Listing Rule 7.7.1(a).

You are receiving this letter as, having regard to our records, the Company has determined that you did not satisfy the eligibility criteria to participate in the Bonus Issue.

Why am I not eligible to participate in the Bonus Issue?

The restrictions upon eligibility to participate in the Bonus Issue arise because of the legal and regulatory requirements in certain countries (including the requirements that apply to certain shareholders in certain countries), the relatively small number of shareholders or shares that are held by shareholders in certain countries, the relatively low value of Options to which shareholders would otherwise be entitled in certain countries and the potential cost of complying with regulatory requirements in certain countries.

The Company has determined, pursuant to ASX Listing Rule 7.7.1(a), that it would be unreasonable to issue Options under the Bonus Issue to shareholders of the Company other than Eligible Shareholders as described above, due to the legal limitations and potential cost of complying with regulatory requirements in those countries.

In compliance with ASX Listing Rule 7.7.1(b), the Company wishes to advise you that it will not be extending the Bonus Issue to you, and you will not be able to receive any Options under the Bonus Issue. You will not be sent the documents relating to the Bonus Issue.

No action required

This notice is to inform you about the Bonus Issue. This letter is not an offer to issue Options to you, nor an invitation for you to apply for Options. You are not required to do anything in response to this letter.

If you have any questions in relation to any of the above matters, please contact the Company's Share Registry, Boardroom Pty Limited, on +61 2 9290 9600 (from outside Australia).

Yours sincerely

A handwritten signature in black ink, appearing to read 'Hamish McLennan', followed by a horizontal line.

Hamish McLennan

Chairman
Magellan Financial Group Ltd

This notice does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States, or in any other jurisdiction in which such an offer or solicitation could be illegal. No action has been or will be taken to register, qualify or otherwise permit a public offering of the Options in any jurisdiction outside Australia. In particular, the Options and the underlying ordinary shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended ("Securities Act"), or under the securities laws of any state or other jurisdiction of the United States. Accordingly, except as the Company may determine in its sole discretion, the Options will be issued only to persons that are not in the United States and that are not acting for the account or benefit of a person in the United States (to the extent such persons hold Shares for the account or benefit of a person in the United States), in "offshore transactions" (as defined in Rule 902(h) under the Securities Act) in reliance on Regulation S under the Securities Act.

The provision of this document is not, and should not be considered as, a securities recommendation or financial product advice. The information in this document is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. Before acting on the information, you should consider the appropriateness of the information, having regard to your objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your stockbroker, accountant, taxation adviser, financial adviser or other professional adviser.