

8 March 2022

Dear Shareholder,

Please find enclosed details of your dividend from Magellan Financial Group Limited ('Magellan') for the half year ended 31 December 2021.

For the six months ended 31 December 2021, the Board of Directors declared an interim dividend of 110.1 cents per share (franked at 75%). This is an increase of 13% over the prior corresponding period.

In writing to you today, I want to acknowledge the challenges that Magellan has had in recent months which have included the conclusion of our relationship with UK-based wealth manager St. James's Place, changes in our leadership team and the recent decline in Magellan's share price. We understand that these events may have impacted the trust placed in our company. We are determined to return stability and simplicity to the business. The underlying qualities of our business and our team have not diminished, despite the current challenges and the financial health of the Magellan is very strong.

We have deeply experienced investment teams and our investment discipline has enabled us to achieve our long-term investment objectives since inception. There is no change in Magellan's focus on quality global investment portfolios, built at appropriate prices, with portfolio construction seeking to minimise the risk of permanent capital loss.

Magellan's balance sheet is robust with liquid assets (comprising cash and cash equivalents, financial assets and equity accounted investments) of A\$1,016.7 million at 31 December 2021. Net tangible assets at that date were A\$992.8 million. Further details about the financial results can be accessed from the "Shareholder Centre" section of Magellan's website at <https://www.magellangroup.com.au/shareholder-centre/interim-results>.

Our business has always put our clients and employees first. We wholeheartedly support Hamish Douglass taking the time he requires to prioritise his health and we look forward to his return. In the meantime, we are fortunate to welcome back Magellan's Co-Founder Chris Mackay who is working closely with Magellan's investment team to oversee the portfolio management of the global equity investment strategy and mandates. As many of you will know, Chris was Magellan's inaugural Chief Investment Officer from inception in 2006 to 2012 and was Chairman until 2013. Chris has worked from our offices and has been engaged with the investment team since that time. He is well known to our staff and is an experienced investor with a strong long-term track record.

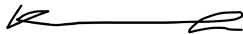
Importantly, I assure you we remain focused on our key objectives and purpose which is to deliver value for our clients who entrust us to manage their assets. The Magellan Global Fund has met its long-term objective of delivering returns of 9% per annum net of fees since inception. However, we continue to adjust to changing markets and recognise that a continued focus on sharpening our investment processes will assist in enhancing investment performance over the long-term.

Our global listed infrastructure business which manages approximately A\$20 billion of funds under management is market leading and has been led by Gerald Stack since 2007, along with Ofer Karliner, Ben McVicar and David Costello as portfolio managers. It, along with Airlie Funds Management, our Australian equities business led by industry stalwart John Sevier, along with Matt Williams and Emma Fisher, operate independently and both the global listed infrastructure and Australian equities businesses are unaffected by the personnel changes above.

On 18 February 2022, Magellan announced a number of significant capital management initiatives, including an intention to progress a bonus issue of options to Magellan shareholders. We are also considering the implementation of an on-market share buy-back over the next 12 months, subject to various factors including market conditions. We look forward to providing you with more information on these initiatives in the coming months.

Thank you for your ongoing interest and support of Magellan.

Your sincerely



Kirsten Morton  
**Chief Executive Officer (Interim)**