



# Magellan Financial Group Ltd

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## Interim Report

For the half year ended 31 December 2025

ABN 59 108 437 592

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The interim financial report has been prepared in accordance with Australian Accounting Standards and the *Corporations Act 2001* (Cth) and does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with Magellan Financial Group Ltd's ("MFG") most recent annual financial report available at [www.magellanfinancialgroup.com](http://www.magellanfinancialgroup.com). MFG has also released information to the Australian Securities Exchange ("ASX") in compliance with the continuous disclosure requirements of the ASX Listing Rules and these announcements are available at [www.asx.com.au](http://www.asx.com.au) (MFG's ASX code: MFG).

# CEO's Interim Letter

For the half year ended 31 December 2025

## Sophia Rahmani, Chief Executive Officer and Managing Director

I am pleased to present Magellan Financial Group's results for the half-year ended 31 December 2025. This period reflects continued execution against our strategy, disciplined capital management and the continued diversification of earnings across products, geographies and strategic partners.

MFG remains a cash-generative, capital-disciplined business with a strong balance sheet, stabilising flows and clear strategy. Our focus remains firmly on delivering for clients, strengthening our investment and distribution capabilities, and positioning the Group for sustainable long-term growth.

### Strategic progress and operating momentum

During the half, we continued to make progress across each pillar of our strategy.

In August, we launched our refreshed corporate brand, establishing MFG as the parent company and Magellan Investment Partners as our global, outward-facing investment management brand. This change reflects the evolution of our business and the strength of our distribution platform, which supports the investment capabilities of Magellan Global Equities, Magellan Global Listed Infrastructure, Airlie Funds Management and our strategic partner, Vinva. In November, we also unified our US operations under the Magellan Investment Partners brand, creating greater consistency and clarity across markets.

Client engagement is a priority for our business. Our national adviser roadshow in October reached more than 500 advisers across five cities and reinforced the importance of active management in increasingly disrupted markets. Institutional distribution momentum continued, with new client wins locally and offshore across Australian equities, global listed infrastructure and systematic strategies.

We also strengthened our leadership and governance framework. During the half, Peeyush Gupta AM joined the Board as an Independent Non-Executive Director, and we completed a governance review that has resulted in enhancements to Board processes, committee structures and risk management frameworks. These changes are designed to support MFG as it continues to evolve.

### Investment management and client outcomes

Across our investment teams, fund performance was mixed. Our newer solutions, which are increasingly aligned to current client demand and include the Magellan Global Opportunities Fund and the Vinva systematic funds, have delivered strong performance and remain top quartile since their respective inception dates. That said, we recognise that performance is not where we would like it to be elsewhere across our product set and this remains a key priority for our teams.

In Global Equities, we continued the transition toward a more focused and scalable product set designed to meet market needs. Our Global Listed Infrastructure team saw solid institutional outcomes, including client renewals and top ups and continued progress in the US market. Airlie also achieved strong institutional inflows, including mandate wins and continued support from existing clients, and we continued to build momentum in our global and Australian systematic equity funds.

Assets under management were broadly stable over the half, as favourable institutional flows in global listed infrastructure and Australian equities, together with retail systematic equity funds, offset continued pressure in retail global equity strategies.

### Financial performance and capital management

The Group's financial performance for the half reflects the benefits of earnings diversification and disciplined capital allocation. For the six months to 31 December 2025 MFG delivered earnings per share of 48.6 cents, an increase of 5% on 1H25. This result was supported by the ongoing share buyback program which returned \$38 million of capital over the half and positively contributed to earnings per share for the period.

While investment management revenue declined by 17% year-on-year, primarily due to product mix changes resulting in a lower average management fee and growth in systematic equities leading to higher sub-advisory fees, this was partially offset by a meaningful increase in income from strategic partners and fund investments, up 109% and 14% respectively year on year. Contributions from Vinva and Barrenjoey improved the quality and resilience of earnings and reinforced the value of our partnership model.

Operating expenses remained well controlled, and our balance sheet continues to provide flexibility. During the half, we returned significant capital to shareholders through dividends and our on-market share buy-back, consistent with the Board's revised capital management and dividend framework.

In August 2025 we announced that the revised dividend policy would target at least 80% of Group Operating Profit. The interim dividend of 39.5 cents per share, fully franked, reflects this update and is an increase of 50% on the same period last year.

### Looking ahead

As we enter the second half of FY26, our priorities remain clear: deepen client relationships, support our investment teams, and selectively invest for future growth. We will continue to assess opportunities that complement our core capabilities in investment management and specialist financial services, while maintaining a disciplined approach to risk management and capital allocation.

# CEO's Interim Letter

For the half year ended 31 December 2025

MFG today is a more diversified, resilient and focused organisation than it was a few years ago, and we believe this positions us well to deliver sustainable outcomes for our clients and shareholders over time.

I would like to thank our clients for their trust, our shareholders for their ongoing support, and our people for their commitment and professionalism.

Yours sincerely,

A handwritten signature in black ink that reads "Sophia Rahmani". The signature is written in a cursive, flowing style.

**Sophia Rahmani**  
CEO and Managing Director

# Operating and Financial Review

For the half year ended 31 December 2025

|   |  |  |
|---|--|--|
| <b>48.6c</b><br>Operating earnings per share<br>(up 5% on 1H25) | <b>\$40.2b</b><br>Average AUM<br>(up 5% on 1H25)                       | <b>\$39.9b</b><br>AUM at 31 December<br>(up 3% on 1H25)  |
| <b>\$83.0m</b><br>Operating profit<br>(no change on 1H25)       | <b>\$106.9m</b><br>Investment Management revenue<br>(down 17% on 1H25) | <b>\$25.7m</b><br>Income from strategic partners<br>(up 109% on 1H25)  |
| <b>\$68.9m</b><br>Statutory profit<br>(down 27% on 1H25)        | <b>39.5c</b><br>Interim dividend per share<br>(up 50% on 1H25)         | <b>\$105m</b><br>Returns to shareholders from<br>dividends and on-market buy-back <sup>1</sup><br>(up 27% on 1H25) |
| <b>No debt</b><br>\$504m liquid capital                         | <b>111 people</b><br>employed at 31 December 2025                      | <b>3</b><br>Strategic partners   |

1. Includes \$38m of 1H26 on-market share buy-back and \$66m 1H26 dividends

MFG is an innovative global financial services group headquartered in Australia and operating across select key markets. We are highly selective and focused, anchored by two core pillars: investment management and specialist financial services.

We partner with high-quality businesses with the objective of extending our capabilities, creating long-term value and strengthening our service offering.

The Group has strategic investments in three specialist financial services businesses which comprise Barrenjoey Capital Partners ("**Barrenjoey**"), Vinva Holdings Limited ("**Vinva**") and FinClear Holdings Limited ("**FinClear**").

## Overview of results

The Group's **operating earnings per share** for the half year ended 31 December 2025 was **48.6 cents per share (1H25: 46.4 cents per share)**. The Group's **operating profit after tax<sup>1</sup>** for the half year ended 31 December 2025 was \$83.1 million (1H25: \$83.4 million). The Group's **statutory net profit after tax** for the half year ended 31 December 2025 was \$68.9 million (1H25: \$94.0 million).

The Group's result for the half year was supported by increased earnings contributions from strategic partnerships and fund investment income, however continued pressure on average management fees resulted in lower net client revenue.

Earnings per share benefited from the on-market share buy-back during the half, with underlying stable operating profit enhanced on a per-share basis.

## Dividends

During the half year ended 31 December 2025 the Board implemented MFG's revised dividend policy, under which the Group intends to pay dividends of at least 80% of Group operating profit.

In line with this policy, the Directors have determined an interim dividend of 39.5 cents per share in respect of the half year ended 31 December 2025, 100% franked, to be paid on 10 March 2026 (1H25: 26.4 cents per share). This reflects MFG's updated dividend policy, increased contribution from strategic partnerships and fund investments, a strong capital position and continued capital discipline.

<sup>1</sup> On 4 July 2025, the Group announced changes in the segment reporting structure, effective from FY25 onwards. The Group updated its operating profit disclosure (previously referred to as 'adjusted NPAT') and the segment presentation. The updated operating profit provides meaningful information about earnings from our core business activities, and excludes all strategic, non-recurring or non-cash items, the fair value movements on fund investments, whether those are realised or not, and deferred tax on undistributed associate profits.

# Operating and Financial Review

For the half year ended 31 December 2025

Fund investment income for the half included elevated distributions, which may not recur in future periods.

The Board continues to manage franking balances prudently and intends to distribute franking credits to the maximum extent possible over time, subject to corporate, legal and regulatory considerations.

## Group financial results

The table below summarises the Group's profitability over the 2024 and 2025 December half year periods<sup>2</sup>. The Group has updated its segment reporting format as announced to the ASX on 4 July 2025.

|  | 31 Dec 2025<br>\$'000 | 31 Dec 2024<br>\$'000 | Change<br>% |
|--|-----------------------|-----------------------|-------------|
| Management fees                                | 110,982               | 121,048               | (8%)        |
| Performance fees                               | 31                    | 6,109                 | (99%)       |
| Services and advisory fees                     | 655                   | 1,011                 | (35%)       |
| <b>Client revenue</b>                          | <b>111,668</b>        | <b>128,168</b>        | (13%)       |
| Less: sub-advisory and distribution fees       | (4,790)               | (1)                   | nm          |
| <b>Net client revenue</b>                      | <b>106,878</b>        | <b>128,167</b>        | (17%)       |
| Share of associate profit                      | 25,733                | 12,313                | 109%        |
| Dividends and distributions                    | 26,432                | 23,171                | 14%         |
| Interest and other income                      | 2,869                 | 6,418                 | (55%)       |
| Operating expenses                             | (54,106)              | (53,373)              | 1%          |
| <b>Operating profit before tax</b>             | <b>107,806</b>        | <b>116,696</b>        | (8%)        |
| Income tax expense                             | (24,743)              | (33,308)              | (26%)       |
| <b>Operating profit after tax</b>              | <b>83,063</b>         | <b>83,388</b>         | 0%          |
| Net change in fair value of financial assets   | (20,506)              | 20,368                | (201%)      |
| Other non-cash and non-recurring items         | 1,097                 | (4,393)               | 125%        |
| Income tax on above items                      | 5,286                 | (5,357)               | 199%        |
| <b>Total non-IFRS adjustments</b>              | <b>(14,123)</b>       | <b>10,618</b>         | (233%)      |
| <b>Statutory net profit after tax</b>          | <b>68,940</b>         | <b>94,006</b>         | (27%)       |
| <b>Key statistics</b>                          |                       |                       |             |
| Statutory earnings per share (cents per share) | 40.3                  | 52.3                  | (23%)       |
| Operating earnings per share (cents per share) | 48.6                  | 46.4                  | 5%          |
| <b>Interim dividend (cents per share)</b>      | <b>39.5</b>           | 26.4                  | 50%         |

## Investment Management

MFG's Investment Management business leverages the collective power of specialisation to deliver high quality, innovative solutions to clients.

As at 31 December 2025, MFG had AUM of \$39.9 billion across a carefully selected portfolio of investment strategies.

The table below summarises the revenue of our Investment Management business for the six months ended 31 December 2025 compared with the prior corresponding period:

<sup>2</sup> Operating profit is the Group's statutory net profit adjusted for strategic, non-recurring, non-cash or unrealised items to provide additional meaningful information. Non-International Financial Reporting Standards ("non-IFRS") measures are not defined or specified under IFRS and should be viewed in addition to, not as a substitute for, the Group's statutory results. These measures may also differ from non-IFRS measures used by other companies. Non-IFRS financial measures are not subject to audit or review.

# Operating and Financial Review

For the half year ended 31 December 2025

|  | 31 Dec 2025<br>\$'000 | 31 Dec 2024<br>\$'000 | Change<br>% |
|--|-----------------------|-----------------------|-------------|
| Management fees  | 110,982               | 121,048               | (8%)        |
| Performance fees   | 31                    | 6,109                 | (99%)       |
| Services and advisory fees                               | 655                   | 1,011                 | (35%)       |
| <b>Client revenue</b>                                    | <b>111,668</b>        | 128,168               | (13%)       |
| Less: sub-advisory and distribution fees                 | (4,790)               | (1)                   | nm          |
| <b>Net client revenue</b>                                | <b>106,878</b>        | 128,167               | (17%)       |
| <b>Key statistics</b>                                    |                       |                       |             |
| Average assets under management (\$ million)             | 40,158                | 38,081                | 5%          |
| Average AUD/USD exchange rate                            | 0.6555                | 0.6612                | (1%)        |
| Average base management fee (bps) per annum <sup>1</sup> | 55                    | 63                    | (13%)       |

<sup>1</sup> Calculated as management fees (excluding performance and services fees) for the relevant period divided by the average of month end AUM over the same period.

## Revenues

Net client revenue declined in the half, primarily reflecting a lower average management fee driven by changes in AUM composition and pricing adjustments.

Management fee revenue declined due to a 13% reduction in the average base management fee to 55 basis points, with approximately three-quarters of the decline attributable to compositional shifts and the balance to pricing adjustments.

Performance fees were not materially recognised during the half as performance hurdles were not met across eligible strategies. Performance fee income can and does vary significantly between periods.

## Assets under management

The following table sets out the composition of our AUM:

|  | 31 Dec 2025 |            | 30 Jun 2025 |                         |
|--|-------------|------------|-------------|-------------------------|
|  | \$ billion  | %          | \$ billion  | %                       |
| <b>Retail</b>                              |             |            |             |                         |
| Global Equities                            | 9.0         | 23%        | 10.5        | 26%                     |
| Global Listed Infrastructure               | 3.4         | 9%         | 3.5         | 9%                      |
| Australian Equities                        | 1.2         | 3%         | 1.1         | 3%                      |
| Systematic Equities                        | 2.2         | 6%         | 1.7         | 4%                      |
| <b>Retail AUM</b>                          | <b>15.8</b> | <b>40%</b> | <b>16.8</b> | <b>42%</b>              |
| <b>Institutional</b>                       |             |            |             |                         |
| Global Equities                            | 3.0         | 8%         | 3.0         | 8%                      |
| Global Listed Infrastructure               | 13.5        | 34%        | 12.9        | 33%                     |
| Australian Equities                        | 7.6         | 19%        | 6.9         | 17%                     |
| <b>Institutional AUM</b>                   | <b>24.1</b> | <b>60%</b> | <b>22.8</b> | <b>58%</b>              |
| <b>Total AUM</b>                           | <b>39.9</b> |            | <b>39.6</b> |                         |
| <b>AUM subject to performance fees (%)</b> |             | <b>27%</b> |             | <b>32%</b> <sup>1</sup> |

<sup>1</sup> Restated to reflect changes following a mandate that had been renegotiated during the period.

**Average AUM** for the half year was up 5% to \$40.2 billion (1H25: \$38.1 billion).

AUM was broadly stable during the half. Institutional inflows into Australian equities and global listed infrastructure, together with growth in systematic strategies, offset continued net outflows in global equities, particularly within retail channels.

# Operating and Financial Review

For the half year ended 31 December 2025

The table below sets out the drivers of AUM changes for each asset class.

| AUM by strategy (\$ billions)  | 31 Dec 2025 | Net flows  | Other <sup>1</sup> | 30 Jun 2025 <sup>2</sup> |
|--------------------------------|-------------|------------|--------------------|--------------------------|
| <b>Fundamental Equities</b>    |             |            |                    |                          |
| Global Equities                | 12.0        | -1.3       | -0.2               | 13.5                     |
| Global Listed Infrastructure   | 16.9        | -          | 0.5                | 16.4                     |
| Australian Equities            | 8.8         | 1.1        | -0.3               | 8.0                      |
| <b>Systematic Equities</b>     |             |            |                    |                          |
| Australian and Global Equities | 2.2         | 0.4        | 0.1                | 1.7                      |
| <b>Total<sup>2</sup></b>       | <b>39.9</b> | <b>0.2</b> | <b>0.1</b>         | <b>39.6</b>              |

<sup>1</sup> May include market movements, distributions and payments of management and performance fees.

<sup>2</sup> May not add due to rounding

## Investment performance

| Investment performance for the period to 31 December 2025 <sup>1</sup> | 1 year      | 3 years     | 5 years     | Since inception     |
|--|-------------|-------------|-------------|---------------------|
|  | %           | % p.a.      | % p.a.      | % p.a. <sup>2</sup> |
| <b>Magellan Global Opportunities Fund<sup>3</sup></b>                  | <b>13.0</b> | <b>25.9</b> | -           | <b>13.4</b>         |
| MSCI World NTR Index (\$A)   | 12.4        | 21.9        | -           | 12.3                |
| <b>Magellan Global Fund<sup>4</sup></b>                                | <b>3.0</b>  | <b>17.7</b> | <b>10.4</b> | <b>11.2</b>         |
| Investment objective <sup>5</sup>                                      | 9.0         | 9.0         | 9.0         | 9.0                 |
| MSCI World NTR Index (\$A)   | 12.4        | 21.9        | 15.5        | 9.1                 |
| <b>Magellan Core Infrastructure Fund</b>                               | <b>16.3</b> | <b>8.5</b>  | <b>7.1</b>  | <b>10.7</b>         |
| Infrastructure Benchmark (\$A) <sup>6</sup>                            | 17.2        | 12.5        | 10.4        | 8.5                 |
| <b>Magellan Infrastructure Fund</b>                                    | <b>16.2</b> | <b>8.6</b>  | <b>6.8</b>  | <b>7.3</b>          |
| Infrastructure Benchmark (\$A) <sup>6</sup>                            | 17.2        | 12.5        | 10.4        | 6.3                 |
| <b>Airlie Australian Share Fund</b>                                    | <b>3.2</b>  | <b>8.5</b>  | <b>9.3</b>  | <b>9.3</b>          |
| S&P/ASX 200 Accum. Index (\$A)   | 10.3        | 11.4        | 9.9         | 9.1                 |
| <b>Vinva Global Equity Fund</b>  | <b>19.4</b> | -           | -           | <b>23.4</b>         |
| MSCI ACWI ex Aus / Tobacco / Weapons NTR Index (\$A)                   | 13.6        | -           | -           | 5.5                 |
| <b>Vinva Global Alpha Extension Fund</b>                               | <b>21.8</b> | -           | -           | <b>25.8</b>         |
| MSCI ACWI ex Aus / Tobacco / Weapons Index (\$A)                       | 12.5        | -           | -           | 17.9                |
| <b>Vinva Australian Equity Fund</b>                                    | <b>13.5</b> | -           | -           | <b>12.0</b>         |
| S&P/ASX 300 Accumulation Index (\$A)                                   | 10.7        | -           | -           | 3.2                 |
| <b>Vinva Australian Alpha Extension Fund</b>                           | <b>12.3</b> | -           | -           | <b>9.5</b>          |
| S&P/ASX 300 Accumulation Index (\$A)                                   | 10.7        | -           | -           | 2.9                 |

<sup>1</sup> Calculations are based on exit price with distributions reinvested, after ongoing fees and expenses but excluding individual tax, member fees and entry fees (if applicable). Annualised performance is denoted with "p.a." for the relevant period.

<sup>2</sup> The inception date for the Magellan Global Fund and the Magellan Infrastructure Fund is 1 July 2007; the inception date for the Magellan Core Infrastructure Fund is 17 December 2009; the inception date for the Airlie Australian Share Fund is 1 June 2018; the inception date for the Magellan Global Opportunities Fund is 1 January 2022; the inception date for the Vinva Global Alpha Extension Fund is 19 February 2024; the inception date for the Vinva Australian Equity Fund and the Vinva Global Equity Fund is 23 October 2024; and the inception date for the Vinva Australian Alpha Extension Fund is 3 December 2024.

<sup>3</sup> Performance for the Magellan Global Opportunities Fund No. 1.

<sup>4</sup> Performance for the Magellan Global Fund Open Class.

<sup>5</sup> The fund aims to deliver 9% per annum net of fees over the economic cycle.

<sup>6</sup> The Infrastructure benchmark is comprised of the following: from inception to 31 December 2014 the benchmark is UBS Developed Infrastructure and Utilities NTR Index (AUD Hedged) and from 1 January 2015 onwards, the benchmark is the S&P Global Infrastructure NTR Index (AUD Hedged).

Investment performance across the Group's strategies was mixed during the half. Newer and more recently launched strategies, including the Magellan Global Opportunities Fund and Vinva systematic funds, delivered strong relative performance over their respective track records and continue to rank favourably against peers.

Performance in some legacy strategies remained below benchmark over shorter time horizons, and improving investment outcomes across the broader product set remains a key priority for management and investment teams. The Group continues to invest in talent, research capability and disciplined investment processes to support long-term client outcomes.

# Operating and Financial Review

For the half year ended 31 December 2025

## Strategic Partners

Strategic investments in high quality businesses are fundamental to how we add capabilities for our clients and deliver diversified earnings potential for our shareholders. As at 31 December 2025, MFG held three investments in associates on balance sheet:

- Barrenjoey – 36% ownership
- FinClear – 16% ownership
- Vinva – 28% ownership

Strategic partnership income increased materially during the half, reflecting underlying earnings growth at Vinva and Barrenjoey, with income from associates more than doubling compared to the prior corresponding period.

The Group's share of the **after-tax associate profits** for the six months to 31 December 2025 was \$25.7 million (1H25: after-tax profits of \$12.3 million). During the period we received dividends of \$8 million from Barrenjoey and \$9.75 million from Vinva in respect of the financial year ended 30 June 2025.

The Group remains a supportive shareholder and will maintain close engagement with these investments to ensure alignment with strategic direction and long-term shareholder value creation.

## Group expenses

|   | 31 Dec 2025<br>\$'000 | 31 Dec 2024<br>\$'000 | Change<br>% |
|---|-----------------------|-----------------------|-------------|
| Employee expenses                         | 35,494                | 34,543                | 3%          |
| Fund administration and operational costs | 6,160                 | 6,625                 | (7%)        |
| Information technology and data           | 4,987                 | 4,776                 | 4%          |
| Marketing                                 | 979                   | 796                   | 23%         |
| Other expenses                            | 6,486                 | 6,633                 | (2%)        |
| <b>Operating expenses</b>                 | <b>54,106</b>         | <b>53,373</b>         | <b>1%</b>   |
| <b>Key statistics</b>                     |                       |                       |             |
| Average number of employees               | 111                   | 103                   | 8%          |
| Employee expenses / total expenses        | 65.6%                 | 64.7%                 |             |
| Operating expenses / income               | 33.4%                 | 31.4%                 |             |

Operating expenses remained well controlled during the half, with increases largely attributable to employee-related costs, reflecting investment in key roles and share-based payment expense.

Overall expense outcomes benefited from disciplined cost management and timing-related savings across consulting and travel, while continued investment was made in systems, technology and risk management to support the Group's evolving operating model.

The table below sets out total employee numbers:

|  | 31 Dec 2025 | 31 Dec 2024 <sup>1</sup> |
|--|-------------|--------------------------|
| <b>Investments</b>   |             |                          |
| Portfolio Managers/Analysts                                    | 32          | 31                       |
| Dealers  | 3           | 3                        |
|  | <b>35</b>   | <b>34</b>                |
| <b>Distribution &amp; Marketing</b>                            | <b>25</b>   | <b>22</b>                |
| <b>Other (including Finance, Risk &amp; Compliance, Admin)</b> | <b>51</b>   | <b>44</b>                |
| <b>Total employees</b>   | <b>111</b>  | <b>100</b>               |
| Average number of employees                                    | 111         | 103                      |

<sup>1</sup> Restated to reflect changes in the classification of roles.

# Operating and Financial Review

For the half year ended 31 December 2025

## Capital management

As at 31 December 2025, the Group's financial position included:

- investment assets (cash and cash equivalents, financial assets and investments in associates) of \$851.5 million (June 2025: \$914.1 million);
- net tangible assets of \$847.0 million (June 2025: \$896.4 million) equating to \$5.05 per share (June 2025: \$5.21);
- total liabilities of \$64.7 million (June 2025: \$90.5 million);
- no debt; and
- shareholders' funds of \$953.2 million (June 2025: \$1,003.3 million).

During the half, MFG continued its on-market share buy-back, returning \$38.4 million of capital to shareholders at an average price of \$9.70 per share. The Board intends to continue to actively manage capital deployment, balancing shareholder returns with investment opportunities aligned to strategic priorities.

## Fund Investments

Fund Investments includes investments in MFG funds and seed portfolios for new strategies and initiatives.

As at 31 December 2025 the Group had net fund investments of \$389.3 million, compared with \$394.7 million at 30 June 2025. On a per share basis, net fund investments were \$2.32 per share.

Fund investment income for the half benefited from elevated levels of capital gains distributions.

The share of after-tax profits of MFG's strategic partners continued to increase, up 109% to \$25.7 million (1H25: \$12.3 million).

Barrenjoey and Vinva saw strong growth in their respective contributions, reflecting ongoing momentum in each business, with FinClear broadly break-even.

| \$million   | 31 Dec 2025        | 30 Jun 2025        |
|---|--------------------|--------------------|
| <b>Net Fund Investments<sup>1</sup></b>                           | <b>389.3</b>       | <b>394.7</b>       |
| Net Fund Investments per share (\$)²                              | 2.32               | 2.30               |
| <b>Carrying value of investments in strategic partners</b>        | <b>329.2</b>       | <b>324.5</b>       |
|   | <b>31 Dec 2025</b> | <b>31 Dec 2024</b> |
| <b>Share of strategic partners' after-tax profits<sup>3</sup></b> | <b>25.7</b>        | <b>12.3</b>        |

<sup>1</sup> Net of deferred tax, which arises from changes in the fair value of financial assets.

<sup>2</sup> Based on 167,757,504 ordinary shares on issue at 31 December 2025 (30 June 2025: 171,905,721 ordinary shares).

<sup>3</sup> Share of associate net profit after tax and any adjustments made to align with MFG accounting policies.

The Group aims to earn appropriate positive absolute returns on its Fund Investments portfolio over time while maintaining capital strength to underpin the Group's business.

The Group's Fund Investments portfolio has returned pre-tax 10.8% per annum after fees since inception to 31 December 2025.

## Outlook

The Group's focus for the second half of FY26 remains on improving investment performance, growing and deepening client relationships and selectively investing for future growth. Future earnings outcomes are expected to reflect disciplined execution against strategy and performance across the Group's investment strategies, with continued revenue contribution from strategic partnerships.

# Directors' Report

For the half year ended 31 December 2025

The Directors present their report together with the financial statements of Magellan Financial Group Ltd (the "Company" or "MFG") and its controlled entities, which together form the Group, for the half year ended 31 December 2025.

## 1. Directors

|                  |   | Appointed        | Resigned |
|------------------|---|------------------|----------|
| Andrew Formica   | Chairman, Non-Executive Director              | 26 July 2023     | -        |
| Sophia Rahmani   | Chief Executive Officer and Managing Director | 3 March 2025     | -        |
| Deborah Page AM  | Lead Independent Non-Executive Director       | 3 October 2023   | -        |
| David Dixon      | Independent Non-Executive Director            | 15 December 2022 | -        |
| John Eales AM    | Independent Non-Executive Director            | 1 July 2017      | -        |
| Peeyush Gupta AM | Independent Non-Executive Director            | 1 November 2025  | -        |
| Cathy Kovacs     | Independent Non-Executive Director            | 6 November 2023  | -        |

## 2. Dividends

The Directors have declared an interim dividend of 39.5 cents per ordinary share (100% franked) in respect of the half year ended 31 December 2025 (December 2024: 26.4 cents per ordinary share, 85% franked). The amount of the interim dividend (which is not recognised as a liability as at 31 December 2025) is approximately \$66,367,000 (December 2024: \$47,286,000) and is expected to be paid on 10 March 2026.

The Company's policy is to pay interim and final dividends of at least 80% of the operating profit after tax of the Group. Operating profit after tax excludes strategic, non-recurring or non-cash items, fair value movements on fund investments, whether those are realised or not, and deferred tax on undistributed associate profits. The payment of dividends by the Group will be subject to corporate, legal and regulatory considerations.

## 3. Operating and financial review

Information relating to the Group's operations, the results of those operations and the Group's financial position is included in the Operating and Financial Review on pages 5 to 10 of this report. The Operating and Financial Review is incorporated into and forms part of this report.

Information relating to the Group's business strategies, prospects for future financial years and likely developments in its operations is included in the CEO's Interim Letter (on pages 3 to 4 of this report).

Other than the information included in the sections of this report referred to above, information on other business strategies, prospects for future financial years and likely developments has not been included as it would likely result in unreasonable prejudice to the Group.

## 4. Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the half year ended 31 December 2025.

## 5. Events subsequent to the end of the half year

Other than the Board determining a fully franked interim dividend (details of which are set out in section 2 above), there have been no material events subsequent to the end of the financial reporting period.

## 6. Auditor

The Board appointment of KPMG as the Company's new external auditor was approved by shareholders on 22 October 2025. KPMG continues in the office and a copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* (Cth) is set out on page 13.

## 7. Rounding of amounts

The Company is an entity to which the *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* applies and, in accordance with that Legislative Instrument, amounts in the Directors' Report and the financial statements have been rounded to the nearest thousand dollars unless stated otherwise.

# Directors' Report

For the half year ended 31 December 2025

This report is made in accordance with a resolution of the Directors.

A handwritten signature in blue ink, appearing to read 'A. Formica', with a long horizontal flourish extending to the right.

**Andrew Formica**  
Chairman

Sydney  
18 February 2026



# Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Magellan Financial Group Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Magellan Financial Group Limited for the half-year ended 31 December 2025 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

*K Hopkins*

Karen Hopkins

*Partner*

Sydney

18 February 2026

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# Consolidated Statement of Profit or Loss and Comprehensive Income

for the half year ended 31 December

|  | Note | 2025<br>\$'000 | 2024<br>\$'000 |
|--|------|----------------|----------------|
| <b>Revenue</b>   |      |                |                |
| Management fees  | 5    | 110,982        | 121,048        |
| Performance fees   | 5    | 31             | 6,109          |
| Services fees  |      | 600            | 600            |
| Advisory fees  |      | 55             | 411            |
| Dividend and distribution income                             |      | 26,432         | 23,171         |
| Interest income  |      | 3,782          | 5,701          |
| Net change in the fair value of financial assets             |      | (20,506)       | 20,368         |
| Net foreign exchange gain/(loss)                             |      | (330)          | 1,205          |
| <b>Total revenue and other income</b>                        |      | <b>121,046</b> | <b>178,613</b> |
| <b>Expenses</b>  |      |                |                |
| Employee expenses  |      | 35,992         | 35,538         |
| Non-Executive Director fees                                  |      | 788            | 671            |
| Fund administration and operational costs                    |      | 10,950         | 6,626          |
| Information, technology and data                             |      | 4,987          | 4,776          |
| Marketing  |      | 979            | 796            |
| Professional services fees                                   |      | 2,325          | 2,556          |
| Travel and entertainment                                     |      | 686            | 572            |
| Depreciation and amortisation                                |      | 1,306          | 1,870          |
| Transaction costs related to strategic initiatives           | 2    | -              | 428            |
| Finance costs  |      | 94             | 147            |
| Other expenses   |      | 1,313          | 1,621          |
| <b>Total expenses</b>  |      | <b>59,420</b>  | <b>55,601</b>  |
| Share of after tax profit/(loss) of associates               |      | 25,733         | 12,313         |
| Net gain/(loss) on dilution of interests in associates       |      | (3,244)        | (1,706)        |
| Net gain on disposal of interests in associates              | 8    | 6,104          | -              |
| <b>Net profit before tax</b>                                 |      | <b>90,219</b>  | <b>133,619</b> |
| Income tax expense   | 4    | (21,279)       | (39,613)       |
| <b>Net profit after tax</b>                                  |      | <b>68,940</b>  | <b>94,006</b>  |
| <b>Other comprehensive income for the period</b>             |      |                |                |
| Exchange differences on translation of foreign operations    |      | (598)          | 2,653          |
| <b>Other comprehensive income for the period, net of tax</b> |      | <b>(598)</b>   | <b>2,653</b>   |
| <b>Total comprehensive income for the period</b>             |      | <b>68,342</b>  | <b>96,659</b>  |
| Basic earnings per share (cents per share)                   | 3    | 40.3           | 52.3           |
| Diluted earnings per share (cents per share)                 | 3    | 40.3           | 52.3           |

The Consolidated Statement of Profit or Loss and Comprehensive Income should be read in conjunction with the Notes to the Financial Statements.

# Consolidated Statement of Financial Position

As at

|                                      | Note | 31 Dec 2025<br>\$'000 | 30 Jun 2025<br>\$'000 |
|--------------------------------------|------|-----------------------|-----------------------|
| <b>Current assets</b>                |      |                       |                       |
| Cash and cash equivalents            |      | 115,139               | 168,529               |
| Loans and receivables                |      | 36,266                | 46,811                |
| Financial assets                     | 6    | 4,114                 | 1,625                 |
| Prepayments                          |      | 1,154                 | 1,190                 |
| Other assets                         |      | 372                   | 611                   |
| <b>Total current assets</b>          |      | <b>157,045</b>        | <b>218,766</b>        |
| <b>Non-current assets</b>            |      |                       |                       |
| Loans and receivables                |      | 17,225                | 17,590                |
| Financial assets                     | 6    | 403,099               | 419,534               |
| Associates                           | 8    | 329,189               | 324,450               |
| Intangible assets                    |      | 106,197               | 106,819               |
| Right-of-use assets                  |      | 2,507                 | 3,521                 |
| Property, plant and equipment        |      | 516                   | 525                   |
| Other assets                         |      | 2,154                 | 2,551                 |
| <b>Total non-current assets</b>      |      | <b>860,887</b>        | <b>874,990</b>        |
| <b>Total assets</b>                  |      | <b>1,017,932</b>      | <b>1,093,756</b>      |
| <b>Current liabilities</b>           |      |                       |                       |
| Payables                             |      | 15,002                | 12,288                |
| Employee benefits                    |      | 20,549                | 30,451                |
| Income tax payable                   |      | 17,833                | 27,551                |
| Lease liabilities                    |      | 3,162                 | 3,088                 |
| <b>Total current liabilities</b>     |      | <b>56,546</b>         | <b>73,378</b>         |
| <b>Non-current liabilities</b>       |      |                       |                       |
| Employee benefits                    |      | 1,602                 | 2,147                 |
| Provisions                           |      | 690                   | 654                   |
| Net deferred tax liability           |      | 5,413                 | 12,301                |
| Lease liabilities                    |      | 450                   | 2,022                 |
| <b>Total non-current liabilities</b> |      | <b>8,155</b>          | <b>17,124</b>         |
| <b>Total liabilities</b>             |      | <b>64,701</b>         | <b>90,502</b>         |
| <b>Net assets</b>                    |      | <b>953,231</b>        | <b>1,003,254</b>      |
| <b>Equity</b>                        |      |                       |                       |
| Contributed equity                   | 9    | 515,586               | 552,594               |
| Reserves                             |      | 423,237               | 450,660               |
| Retained earnings                    |      | 14,408                | -                     |
| <b>Total equity</b>                  |      | <b>953,231</b>        | <b>1,003,254</b>      |

The Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements.

# Consolidated Statement of Changes in Equity

for the half year ended 31 December

|   | Contributed equity | Profits reserve | Share-based payments reserve | Foreign currency translation reserve | Retained earnings | Total equity     |
|---|--------------------|-----------------|------------------------------|--------------------------------------|-------------------|------------------|
| Note  | \$'000             | \$'000          | \$'000                       | \$'000                               | \$'000            | \$'000           |
| <b>Opening balance at 1 July 2025</b>                             | <b>552,594</b>     | <b>432,624</b>  | <b>12,854</b>                | <b>5,182</b>                         | <b>-</b>          | <b>1,003,254</b> |
| Net profit after tax for the period                               | -                  | -               | -                            | -                                    | <b>68,940</b>     | <b>68,940</b>    |
| Other comprehensive income for the period                         | -                  | -               | -                            | <b>(598)</b>                         | -                 | <b>(598)</b>     |
| <b>Total comprehensive income for the period</b>                  | <b>-</b>           | <b>-</b>        | <b>-</b>                     | <b>(598)</b>                         | <b>68,940</b>     | <b>68,342</b>    |
| Issue of shares:  |                    |                 |                              |                                      |                   |                  |
| On exercise of MFG 2027 Options                                   | 9                  | <b>4</b>        | -                            | -                                    | -                 | <b>4</b>         |
| Shares bought back on-market and cancelled                        | 9                  | <b>(38,405)</b> | -                            | -                                    | -                 | <b>(38,405)</b>  |
| Treasury shares acquired  | 9                  | <b>(1,948)</b>  | -                            | -                                    | -                 | <b>(1,948)</b>   |
| Transaction costs, net of tax                                     | 9                  | <b>(27)</b>     | -                            | -                                    | -                 | <b>(27)</b>      |
| Dividends paid  | 10                 | -               | <b>(80,658)</b>              | -                                    | -                 | <b>(80,658)</b>  |
| Share purchase agreements ("SPA") expense                         | 9                  | <b>18</b>       | -                            | -                                    | -                 | <b>18</b>        |
| Share-based payment expense                                       |                    | -               | -                            | <b>2,621</b>                         | -                 | <b>2,621</b>     |
| Share-based awards vested and transferred to employees            |                    | <b>3,350</b>    | -                            | <b>(3,350)</b>                       | -                 | -                |
| Share-based awards unvested and lapsed                            |                    | -               | -                            | <b>(2,572)</b>                       | <b>2,572</b>      | -                |
| Share-based payments related tax adjustments recognised in equity |                    | -               | -                            | <b>30</b>                            | -                 | <b>30</b>        |
| Transfer (from retained earnings)/to profits reserve              |                    | -               | <b>57,104</b>                | -                                    | <b>(57,104)</b>   | -                |
| <b>Closing balance at 31 December 2025</b>                        | <b>515,586</b>     | <b>409,070</b>  | <b>9,583</b>                 | <b>4,584</b>                         | <b>14,408</b>     | <b>953,231</b>   |
| <b>Opening balance at 1 July 2024</b>                             | <b>627,188</b>     | <b>379,283</b>  | <b>8,461</b>                 | <b>4,466</b>                         | <b>131</b>        | <b>1,019,529</b> |
| Net profit after tax for the period                               | -                  | -               | -                            | -                                    | <b>94,006</b>     | <b>94,006</b>    |
| Other comprehensive income for the period                         | -                  | -               | -                            | <b>2,653</b>                         | -                 | <b>2,653</b>     |
| <b>Total comprehensive income for the period</b>                  | <b>-</b>           | <b>-</b>        | <b>-</b>                     | <b>2,653</b>                         | <b>94,006</b>     | <b>96,659</b>    |
| Issue of shares:  |                    |                 |                              |                                      |                   |                  |
| Under employee equity matching program                            |                    | <b>298</b>      | -                            | -                                    | -                 | <b>298</b>       |
| Shares bought back on-market and cancelled                        |                    | <b>(18,118)</b> | -                            | -                                    | -                 | <b>(18,118)</b>  |
| Transaction costs, net of tax                                     |                    | <b>(13)</b>     | -                            | -                                    | -                 | <b>(13)</b>      |
| Dividends paid  | 10                 | -               | <b>(64,526)</b>              | -                                    | -                 | <b>(64,526)</b>  |
| SPA expense   |                    | <b>7</b>        | -                            | -                                    | -                 | <b>7</b>         |
| Share-based payment expense                                       |                    | -               | -                            | <b>1,912</b>                         | -                 | <b>1,912</b>     |
| Transfer (from retained earnings)/to profits reserve              |                    | -               | <b>94,137</b>                | -                                    | <b>(94,137)</b>   | -                |
| <b>Closing balance at 31 December 2024</b>                        | <b>609,362</b>     | <b>408,894</b>  | <b>10,373</b>                | <b>7,119</b>                         | <b>-</b>          | <b>1,035,748</b> |

The Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Financial Statements.

# Consolidated Statement of Cash Flows

for the half year ended 31 December

|  | Note | 2025<br>\$'000   | 2024<br>\$'000   |
|--|------|------------------|------------------|
| <b>Cash flows from operating activities</b>                    |      |                  |                  |
| Management and services fees received                          |      | 123,525          | 130,283          |
| Performance fees received                                      |      | 5,546            | 20,759           |
| Advisory fees received   |      | 1,254            | 819              |
| Dividends and distributions received from financial assets     |      | 21,139           | 7,226            |
| Dividends received from associates                             | 8    | 17,750           | 4,000            |
| Interest received  |      | 3,177            | 5,130            |
| Finance cost payments  |      | (94)             | (147)            |
| Tax payments   |      | (37,722)         | (23,749)         |
| Payments to suppliers and employees                            |      | (75,740)         | (76,849)         |
| Payments of transaction costs related to strategic initiatives |      | -                | (62)             |
| <b>Net cash from/(used in) operating activities</b>            |      | <b>58,835</b>    | <b>67,410</b>    |
| <b>Cash flows from investing activities</b>                    |      |                  |                  |
| Proceeds from the sale of financial assets                     |      | 2,434            | 39,911           |
| Purchases of financial assets                                  |      | (2,348)          | (22,766)         |
| Purchases of associates  | 8    | -                | (138,943)        |
| Proceeds from the sale of associates                           | 8    | 6,104            | -                |
| Purchases of property, plant and equipment                     |      | (152)            | (99)             |
| Net placements of cash on term deposits                        |      | (2,489)          | (41)             |
| <b>Net cash from/(used in) investing activities</b>            |      | <b>3,549</b>     | <b>(121,938)</b> |
| <b>Cash flows from financing activities</b>                    |      |                  |                  |
| Proceeds from share issuances, net of transaction costs        |      | 4                | 298              |
| Proceeds from repayment of share purchase plan loans           |      | 5,682            | 2,530            |
| Dividend payments  | 10   | (80,284)         | (64,221)         |
| Lease payments   |      | (1,496)          | (1,360)          |
| Purchases of shares on-market (buy back)                       | 9    | (37,344)         | -                |
| Purchases of shares on-market (treasury shares)                | 9    | (1,942)          | (18,118)         |
| <b>Net cash from/(used in) financing activities</b>            |      | <b>(115,380)</b> | <b>(80,871)</b>  |
| <b>Net increase/(decrease) in cash and cash equivalents</b>    |      | <b>(52,996)</b>  | <b>(135,399)</b> |
| Effects of exchange rate changes on cash and cash equivalents  |      | (394)            | 1,374            |
| Cash and cash equivalents at the beginning of the period       |      | 168,529          | 322,567          |
| <b>Cash and cash equivalents at the end of the period</b>      |      | <b>115,139</b>   | <b>188,542</b>   |

The Consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Financial Statements.

# Notes to the Financial Statements

For the half year ended 31 December 2025

## Overview

Magellan Financial Group Ltd (the “Company” or “MFG”) is a for-profit entity that is incorporated and domiciled in Australia. The Company is listed on the Australian Securities Exchange (ticker code: MFG).

This condensed interim financial report comprises the consolidated financial report of MFG and its subsidiaries (“the Group”). This financial report was authorised for issue in accordance with a resolution of the Directors on 18 February 2026 and the Directors have the power to amend and reissue this financial report.

### 1. Basis of preparation

This condensed interim financial report for the six month period ended 31 December 2025 is a general purpose financial report and has been prepared in accordance with AASB 134 *Interim Financial Reporting*, the *Corporations Act 2001* (Cth) and other mandatory professional reporting requirements. It also complies with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board.

All amounts in this financial report are presented in Australian dollars (\$) and rounded to the nearest thousand dollars (\$'000) in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, unless stated otherwise.

This condensed interim financial report does not include all the information and disclosures normally included in the Group's annual financial report. Accordingly, this report should be read in conjunction with the 30 June 2025 Annual Report and any public announcements made in respect of the Group during the half year ended 31 December 2025 in accordance with the continuous disclosure requirements of the *Corporations Act 2001* (Cth).

#### 1.1. Accounting policies

The accounting policies adopted in the preparation of this financial report are consistent with those of the previous financial year and corresponding interim reporting period.

The Group has not early adopted any accounting standard, interpretation or amendment that has been issued but is not yet effective at reporting date.

AASB 18 *Presentation and Disclosure in Financial Statements* will first apply to the Group in the financial year ending 30 June 2028. The Directors are currently assessing the impact of this new standard on the Group's financial statements. No other accounting standards, interpretations or amendments that have been issued are expected to have a material impact on the Group's financial statements.

#### 1.2. Critical accounting estimates and judgements

In applying the Group's accounting policies, a number of estimates and assumptions have been made concerning the future. The Directors base their judgements and estimates on historical experience and various other factors they believe to be reasonable under the circumstances, but which are inherently uncertain and unpredictable. As a result, actual results could differ from those estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those described in the 30 June 2025 Annual Report.

# Notes to the Financial Statements

For the half year ended 31 December 2025

## 2. Segment information

For internal reporting, performance measurement and risk management purposes, the Group is organised into operating segments and a Corporate segment (reportable segments).

During the prior year, the Group revised its segment reporting structure and operating profit basis to better reflect the financial performance of its core business activities. This change aligns with the way the Chief Executive Officer, as the Group's Chief Operating Decision Maker, now reviews and manages the business. Comparative segment information has been restated to reflect the updated structure.

### Investment Management

The Investment Management operating segment provides investment management services to wholesale and retail investors in Australia and New Zealand, and to institutional investors globally. Investment Management activities include:

- Providing investment research and administrative services to certain clients;
- Providing investment management and sub-advisory services under client mandates; and
- Acting as Responsible Entity/Trustee ("RE") and/or Investment Manager ("IM") for the following funds (collectively the "Magellan Funds"):

| <b>Australian funds</b>                            | <b>RE</b> | <b>IM</b> | <b>International funds</b>                  | <b>IM</b> |
|--|-----------|-----------|---|-----------|
| Magellan Global Fund                               | ✓         | ✓         | MFG Global Fund <sup>1</sup>                | ✓         |
| Magellan Global Fund (Hedged)                      | ✓         | ✓         | MFG Select Infrastructure Fund <sup>1</sup> | ✓         |
| Magellan Global Equities Fund (Currency Hedged)    | ✓         | ✓         | MFG Core Infrastructure Fund                | ✓         |
| Magellan Infrastructure Fund                       | ✓         | ✓         | MFG Global Sustainable Fund                 | ✓         |
| Magellan Infrastructure Fund (Unhedged)            | ✓         | ✓         |   |           |
| Magellan Infrastructure Fund (Currency Hedged)     | ✓         | ✓         |   |           |
| Magellan Core Infrastructure Fund                  | ✓         | ✓         |   |           |
| Magellan Global Opportunities Fund                 | ✓         | ✓         |   |           |
| Magellan Global Opportunities Fund No. 1           | ✓         | ✓         |   |           |
| Magellan Global Opportunities Fund No. 2           | ✓         | ✓         |   |           |
| Magellan Global Wholesale Fund                     | ✓         | ✓         |   |           |
| Airlie Australian Share Fund <sup>2</sup>          | ✓         | ✓         |   |           |
| Airlie Small Companies Fund <sup>2</sup>           | ✓         | ✓         |   |           |
| Vinva Australian Alpha Extension Fund <sup>3</sup> | ✓         | ✓         |   |           |
| Vinva Australian Equity Fund <sup>3</sup>          | ✓         | ✓         |   |           |
| Vinva Global Alpha Extension Fund <sup>3</sup>     | ✓         | ✓         |   |           |
| Vinva Global Equity Fund <sup>3</sup>              | ✓         | ✓         |   |           |

<sup>1</sup> Sub-funds of MFG Investment Fund plc, an open-ended umbrella investment company authorised under the European Communities (Undertakings for Collective Investment in Transferable Securities ("UCITS") Regulations).

<sup>2</sup> Collectively, the Airlie Funds.

<sup>3</sup> Collectively, the Vinva Funds.

### Partnerships & Investments

The Partnerships & Investments operating segment comprises the Group's direct investment in certain Magellan Funds, a portfolio of listed Australian and international equities and selective investments in unlisted businesses in which the Group has a strategic interest.

### Corporate

The Corporate segment principally comprises the Group's treasury management and corporate development activities and the costs associated with governance and corporate management. The combined tax assets and liabilities of the Group are reported in the Corporate segment, with the exception of deferred income tax arising from changes in the value of financial assets and associates, which are reported in the Partnerships & Investments segment.

No operating segments have been aggregated to form the above reportable segments and inter-segment revenues and expenses (where applicable) have been eliminated on consolidation.

# Notes to the Financial Statements

For the half year ended 31 December 2025

## Segment financial results

| 31 December 2025                         | Investment Management<br>\$'000 <sup>1</sup> | Partnerships & Investments<br>\$'000 | Corporate<br>\$'000 | Total<br>\$'000 |
|--|--|--------------------------------------|---------------------|-----------------|
| Management fees                          | 110,982                                      | -                                    | -                   | 110,982         |
| Performance fees                         | 31   | -                                    | -                   | 31              |
| Services and advisory fees               | 655  | -                                    | -                   | 655             |
| <b>Client revenue</b>                    | <b>111,668</b>                               | -                                    | -                   | <b>111,668</b>  |
| Less: sub-advisory and distribution fees | (4,790)                                      | -                                    | -                   | (4,790)         |
| <b>Net client revenue</b>                | <b>106,878</b>                               | -                                    | -                   | <b>106,878</b>  |
| Share of associate profit                | -  | 25,733                               | -                   | 25,733          |
| Dividends and distributions              | 18   | 26,414                               | -                   | 26,432          |
| Interest income                          | 299  | 131                                  | 2,769               | 3,199           |
| FX gain/(loss)                           | (326)  | (4)                                  | -                   | (330)           |
| Employee expenses                        | (35,454)                                     | -                                    | (40)                | (35,494)        |
| Other operating expenses                 | (16,939)                                     | (36)                                 | (1,637)             | (18,612)        |
| <b>Operating profit before tax</b>       | <b>54,476</b>                                | <b>52,238</b>                        | <b>1,092</b>        | <b>107,806</b>  |
| Income tax expense                       | (16,908)                                     | (7,477)                              | (358)               | (24,743)        |
| <b>Operating profit after tax</b>        | <b>37,568</b>                                | <b>44,761</b>                        | <b>734</b>          | <b>83,063</b>   |

<sup>1</sup> Includes elimination of income and expense under the transfer pricing agreements between MFG's wholly-owned subsidiary, Magellan Asset Management Limited ("MAM"), and US controlled entities, within the Investment Management segment.

## Reconciliation of segment operating profit to statutory net profit after tax

|   | 31 Dec 2025<br>\$'000 | 31 Dec 2024<br>\$'000 <sup>1</sup> |
|---|-----------------------|------------------------------------|
| <b>Segment operating profit after tax</b>   | <b>83,063</b>         | 83,388                             |
| <i>Add back:</i>  |                       |                                    |
| Net change in fair value of financial assets                                      | (20,506)              | 20,368                             |
| Net change in the fair value of deferred bonuses delivered in notional fund units | (5)                   | -                                  |
| Amortisation of intangible assets <sup>2</sup>                                    | (95)                  | (698)                              |
| Net non-cash remeasurement of SPA loans   | 160                   | (43)                               |
| Non-cash employee share option expense  | -                     | (570)                              |
| Deferred tax on undistributed associate profit                                    | (1,823)               | (948)                              |
| Net gain/(loss) on dilutions and disposals of associates                          | 2,860                 | (1,706)                            |
| Transaction costs related to strategic initiatives: <sup>3</sup>                  | -                     | (428)                              |
| Income tax on above items   | 5,286                 | (5,357)                            |
| <b>Statutory net profit after tax for the period</b>                              | <b>68,940</b>         | 94,006                             |

<sup>1</sup> Amounts have been restated to align with the revised operating profit basis.

<sup>2</sup> Amortisation expense relates to intangible assets recorded on acquisition of Airlie Funds Management ("Airlie") and US controlled entities.

<sup>3</sup> Legal and other professional services fees incurred to establish the Vinva distribution partnership.

# Notes to the Financial Statements

For the half year ended 31 December 2025

## Segment financial results (continued)

| 31 December 2024 <sup>1</sup>            | Investment<br>Management<br>\$'000 <sup>2</sup> | Partnerships &<br>Investments<br>\$'000 | Corporate<br>\$'000 | Total<br>\$'000 |
|--|---|---|---------------------|-----------------|
| Management fees                          | 121,048   | -                                       | -                   | 121,048         |
| Performance fees                         | 6,109   | -                                       | -                   | 6,109           |
| Services and advisory fees               | 1,011   | -                                       | -                   | 1,011           |
| <b>Client revenue</b>                    | <b>128,168</b>                                  | -                                       | -                   | <b>128,168</b>  |
| Less: sub-advisory and distribution fees | (1)   | -                                       | -                   | (1)             |
| <b>Net client revenue</b>                | <b>128,167</b>                                  | -                                       | -                   | <b>128,167</b>  |
| Share of associate profit                | -   | 12,313                                  | -                   | 12,313          |
| Dividends and distributions              | -   | 23,171                                  | -                   | 23,171          |
| Interest income                          | 402   | 75                                      | 4,736               | 5,213           |
| FX gain/(loss)                           | 1,258   | (54)                                    | 1                   | 1,205           |
| Employee expenses                        | (34,510)  | -                                       | (33)                | (34,543)        |
| Other operating expenses                 | (17,070)  | (34)                                    | (1,726)             | (18,830)        |
| <b>Operating profit before tax</b>       | <b>78,247</b>                                   | <b>35,471</b>                           | <b>2,978</b>        | <b>116,696</b>  |
| Income tax expense                       | (24,289)  | (8,164)                                 | (855)               | (33,308)        |
| <b>Operating profit after tax</b>        | <b>53,958</b>                                   | <b>27,307</b>                           | <b>2,123</b>        | <b>83,388</b>   |

<sup>1</sup> Amounts have been restated to align with the revised segment reporting structure and operating profit basis.

<sup>2</sup> Includes elimination of income and expense under the transfer pricing agreements between MFG's wholly-owned subsidiary, MAM, and US controlled entities, within the Investment Management segment.

## Segment assets and liabilities

| 31 December 2025    | Investment<br>Management<br>\$'000 | Partnerships &<br>Investments<br>\$'000 | Corporate<br>\$'000 | Total<br>\$'000  |
|---------------------|------------------------------------|---|---------------------|------------------|
| Financial assets    | 4,841                              | 402,282                                 | 90                  | 407,213          |
| Associates          | -                                  | 329,189                                 | -                   | 329,189          |
| Other assets        | 169,264                            | 2,075                                   | 110,191             | 281,530          |
| Total liabilities   | (39,586)                           | (18,849)                                | (6,266)             | (64,701)         |
| <b>Net assets</b>   | <b>134,519</b>                     | <b>714,697</b>                          | <b>104,015</b>      | <b>953,231</b>   |
| <b>30 June 2025</b> |                                    |   |                     |                  |
| Financial assets    | 1,625                              | 419,534                                 | -                   | 421,159          |
| Associates          | -                                  | 324,450                                 | -                   | 324,450          |
| Other assets        | 187,612                            | 1,812                                   | 158,723             | 348,147          |
| Total liabilities   | (49,881)                           | (28,823)                                | (11,798)            | (90,502)         |
| <b>Net assets</b>   | <b>139,356</b>                     | <b>716,973</b>                          | <b>146,925</b>      | <b>1,003,254</b> |

# Notes to the Financial Statements

For the half year ended 31 December 2025

## 3. Earnings per share

|   | 31 Dec 2025    | 31 Dec 2024 |
|---|----------------|-------------|
| Net profit attributable to shareholders (\$'000)                      | <b>68,940</b>  | 94,006      |
| Weighted average number of shares for basic EPS ('000) <sup>1</sup>   | <b>170,970</b> | 179,619     |
| <b>Basic EPS (cents)</b>  | <b>40.3</b>    | 52.3        |
| Net profit attributable to shareholders (\$'000)                      | <b>68,940</b>  | 94,006      |
| Weighted average number of shares for diluted EPS ('000) <sup>2</sup> | <b>171,142</b> | 179,759     |
| <b>Diluted EPS (cents)</b>  | <b>40.3</b>    | 52.3        |

<sup>1</sup> The basic EPS calculation uses the weighted average number of shares on issue during the year excluding treasury shares held.

<sup>2</sup> For purposes of calculating diluted EPS, the weighted average number of ordinary shares used for basic EPS is adjusted to reflect the number of shares that would be issued upon the exercise of outstanding share rights (2025: 172,721; 2024: 29,102). It is also adjusted to include the number of shares that would be issued if outstanding performance rights were to vest, but for the passage of time, if tested at reporting date (2025: nil; 2024: 111,079).

The outstanding MFG 2027 Options and the outstanding options issued to certain employees under the MFG Employee Share Option Plan are not included in the calculation of diluted earnings per share because they are antidilutive for the half year ended 31 December 2025. However, these options could potentially dilute basic earnings per share in the future.

## 4. Taxation

For the half year ended 31 December 2025, the Group's estimated effective tax rate was 23.6% (December 2024: 29.6%), which includes tax paid (net of tax credits in relation to dividends, distributions and income from foreign jurisdictions). This rate is below the Australian company tax rate of 30% primarily due to the tax treatment applied by the Group in respect of its share of profit from associates. Profit from associates recognised during the period does not give rise to a current tax liability until it is distributed to the Group. However, the Group recognises a deferred tax obligation on undistributed associate profit when cumulative profit exceeds the Group's investment. To the extent that associate profit is subsequently distributed with franking credits, the deferred tax obligation reverses, reducing the Group's total tax expense.

# Notes to the Financial Statements

For the half year ended 31 December 2025

## 5. Revenue

### Management fees

|                              | 31 Dec 2025<br>\$'000 | 31 Dec 2024<br>\$'000 |
|------------------------------|-----------------------|-----------------------|
| Global equities              | 62,647                | 77,614                |
| Infrastructure equities      | 30,162                | 33,041                |
| Australian equities          | 12,488                | 10,391                |
| Systematic equities          | 5,685                 | 2                     |
| <b>Total management fees</b> | <b>110,982</b>        | <b>121,048</b>        |

### Performance fees

|  | High watermark<br>unit price<br>(\$) <sup>1</sup> | 31 Dec 2025<br>\$'000 | 31 Dec 2024<br>\$'000 |
|--|---|-----------------------|-----------------------|
| <b>Based on performance relative to both market index and absolute return hurdle</b> |   |                       |                       |
| Magellan Infrastructure Fund   | 1.3629  | 23                    | 121                   |
| Magellan Infrastructure Fund (Unhedged)  | 2.1578  | 2                     | 94                    |
| Magellan Infrastructure Fund (Currency Hedged)                                       | 3.0091  | 5                     | 45                    |
| Magellan Global Fund (Open/Closed Class)   | 2.5000  | -                     | 61                    |
| Magellan Global Fund (Hedged)  | 1.6882  | -                     | 4                     |
| <b>Based on performance relative to absolute return hurdle</b>                       |   |                       |                       |
| Magellan Global Opportunities Fund No. 2   | N/A <sup>2</sup>                                  | -                     | 1,868                 |
| Magellan Global Opportunities Fund   | N/A <sup>3</sup>                                  | -                     | 3,863                 |
| <b>Based on performance relative to a market index and/or absolute return hurdle</b> |   |                       |                       |
| Other funds and mandates   | various   | 1                     | 53                    |
| <b>Total performance fees</b>  |   | <b>31</b>             | <b>6,109</b>          |

<sup>1</sup> The high watermark as at 31 December 2025 and adjusted for distributions. The high watermark is the Net Asset Value ("NAV") per unit at the end of the most recent calculation period for which the Group was entitled to a performance fee, less any intervening income (including capital distributions).

<sup>2</sup> From 15 September 2025, the Group is no longer entitled to a performance fee from Magellan Global Opportunities Fund No. 2 (previously, Magellan High Conviction Fund).

<sup>3</sup> From 15 September 2025, the Group is no longer entitled to a performance fee from Magellan Global Opportunities Fund (previously, Magellan High Conviction Trust).

### Management, services and performance fees by investor type

|  | 31 Dec 2025<br>\$'000 | 31 Dec 2024<br>\$'000 |
|--|-----------------------|-----------------------|
| <b>Management and services fees</b>                    |                       |                       |
| Retail   | 82,180                | 91,880                |
| Institutional  | 29,402                | 29,768                |
| <b>Performance fees</b>                                |                       |                       |
| Retail   | 31                    | 6,109                 |
| Institutional  | -                     | -                     |
| <b>Total management, services and performance fees</b> | <b>111,613</b>        | <b>127,757</b>        |

### Management, services and performance fees by geographic location

|  | 31 Dec 2025<br>\$'000 | 31 Dec 2024<br>\$'000 |
|--|-----------------------|-----------------------|
| Australia & New Zealand                                | 93,739                | 108,222               |
| United Kingdom & Europe                                | 2,713                 | 2,985                 |
| North America  | 5,950                 | 6,318                 |
| Asia   | 9,211                 | 10,232                |
| <b>Total management, services and performance fees</b> | <b>111,613</b>        | <b>127,757</b>        |

# Notes to the Financial Statements

For the half year ended 31 December 2025

## 6. Financial assets

|  | 31 Dec 2025<br>\$'000 | 30 Jun 2025<br>\$'000 |
|--|-----------------------|-----------------------|
| <b>Term deposits - at amortised cost<sup>1</sup></b>   | <b>4,114</b>          | 1,625                 |
| <b>Total current financial assets</b>  | <b>4,114</b>          | 1,625                 |
| <b>Investments - fair value through profit or loss</b>   |                       |                       |
| <b>Magellan Funds<sup>2</sup></b>  |                       |                       |
| Magellan Global Equities Fund (Currency Hedged)  | 26,276                | 26,085                |
| Magellan Global Fund - Open Class  | 195,871               | 204,665               |
| Magellan Global Fund (Hedged)  | 1,057                 | 1,083                 |
| Magellan Global Wholesale Fund   | 1,385                 | 1,374                 |
| Magellan Global Opportunities Fund (previously, Magellan High Conviction Trust)                        | 46,803                | 52,873                |
| Magellan Global Opportunities Fund No. 1 (previously, Magellan Global Opportunities Fund) <sup>3</sup> | 1,499                 | -                     |
| Magellan Global Opportunities Fund No. 2 (previously, Magellan High Conviction Fund)                   | 11,852                | 12,839                |
| Magellan Infrastructure Fund   | 378                   | -                     |
| Magellan Infrastructure Fund (Currency Hedged)   | 13,543                | 13,039                |
| Magellan Wholesale Plus Global Fund  | 6,711                 | 8,954                 |
| Magellan Wholesale Plus Infrastructure Fund  | 7,277                 | 7,301                 |
| MFG Global Fund, plc   | 3,934                 | 3,913                 |
| Airlie Small Companies Fund  | 23,150                | 24,023                |
| MFG Core Infrastructure Fund (previously, Frontier MFG Core Infrastructure Fund)                       | 26,646                | 25,938                |
| MFG Global Sustainable Fund (previously, Frontier MFG Global Sustainable Fund)                         | 29,640                | 28,239                |
| Vinva Australian Alpha Extension Fund  | 547                   | 524                   |
| Vinva Australian Equity Fund   | 570                   | 540                   |
| Vinva Global Equity Fund   | 639                   | 570                   |
| Total investments in Magellan Funds  | 397,778               | 411,960               |
| <b>Seed investments</b>  |                       |                       |
| Magellan Global Opportunities Fund No. 1 (previously, Magellan Global Opportunities Fund) <sup>3</sup> | -                     | 1,525                 |
| Portfolios - securities by domicile of primary stock exchange:   |                       |                       |
| United States  | 5,321                 | 5,255                 |
| Total seed investments   | 5,321                 | 6,780                 |
| <b>Unlisted entities</b>   |                       |                       |
|  | -                     | 794                   |
| <b>Total non-current financial assets</b>  | <b>403,099</b>        | 419,534               |

<sup>1</sup> Held with major Australian banks and pledged against bank guarantees in respect of the Group's lease obligations. Should the Group fail to make its lease payments, the bank can apply the deposits in settlement of the amount paid to the lessor under the guarantees.

<sup>2</sup> At 31 December 2025, MFG's ownership interest exceeded 20% of the following investments: Magellan Global Equities Fund (Currency Hedged) 25.3% (June 2025: 23.9%), Magellan Global Wholesale Fund 24.8% (June 2025: 99.9%), Magellan Global Opportunities Fund No.1 75.8% (June 2025: 83.3%), Airlie Small Companies Fund 77.4% (June 2025: 89.7%) and MFG Global Sustainable Fund 61.1% (June 2025: 58.2%).

<sup>3</sup> Investment reclassified from seed investments to Magellan Funds.

# Notes to the Financial Statements

For the half year ended 31 December 2025

## Reconciliation of financial assets carrying value

|   | 31 Dec 2025<br>\$'000 | 30 Jun 2025<br>\$'000 |
|---|-----------------------|-----------------------|
| <b>Current</b>                            |                       |                       |
| Opening balance at 1 July                 | 1,625                 | 1,666                 |
| Cash placed on term deposit               | 4,114                 | 1,625                 |
| Matured term deposits                     | (1,625)               | (1,666)               |
| <b>Closing balance</b>                    | <b>4,114</b>          | <b>1,625</b>          |
| <b>Non-current</b>                        |                       |                       |
| Opening balance at 1 July                 | 419,534               | 404,825               |
| Acquisitions                              | 13,876                | 46,888                |
| Disposals                                 | (4,425)               | (60,201)              |
| Changes in value of accrued distributions | (5,380)               | 9,464                 |
| Net change in fair value                  | (20,506)              | 18,558                |
| <b>Closing balance</b>                    | <b>403,099</b>        | <b>419,534</b>        |

## 7. Fair value disclosures

The Group classifies financial assets that are measured at fair value into the following three levels, as prescribed under the accounting standards, to provide an indication about the reliability of the inputs used in determining fair value:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities. Fair value is based on the closing price of the security as quoted on the relevant exchange.
- Level 2: valuation techniques using market observable inputs either directly or indirectly. The Group invests in unlisted funds which in turn invest in liquid securities quoted on major stock exchanges. Fair value is estimated using the redemption price provided by the unlisted fund.
- Level 3: valuation techniques using unobservable inputs such as is required where the Group invests in unlisted entities or unlisted funds which in turn invest in unlisted entities.

The table below presents the Group's financial assets measured at fair value according to the fair value hierarchy:

|   | Level 1<br>\$'000 | Level 2<br>\$'000    | Level 3<br>\$'000 | Total<br>\$'000 |
|---|-------------------|----------------------|-------------------|-----------------|
| <b>31 December 2025</b>                     |                   |                      |                   |                 |
| Magellan Fund investments                   | 282,493           | 115,285 <sup>1</sup> | -                 | 397,778         |
| Seed portfolios                             | 5,321             | -                    | -                 | 5,321           |
| Unlisted entities                           | -                 | -                    | -                 | -               |
| <b>Total financial assets at fair value</b> | <b>287,814</b>    | <b>115,285</b>       | <b>-</b>          | <b>403,099</b>  |
| <b>30 June 2025</b>                         |                   |                      |                   |                 |
| Magellan Fund investments                   | 296,662           | 115,298 <sup>1</sup> | -                 | 411,960         |
| Seed portfolios                             | 5,255             | 1,525                | -                 | 6,780           |
| Unlisted entities                           | -                 | -                    | 794 <sup>2</sup>  | 794             |
| <b>Total financial assets at fair value</b> | <b>301,917</b>    | <b>116,823</b>       | <b>794</b>        | <b>419,534</b>  |

<sup>1</sup> Fair value is determined by reference to the fund's redemption unit price at reporting date and is categorised in level 2 given inputs into the redemption unit price are directly observable from published price quotations.

<sup>2</sup> Comprises a shareholding in an unlisted company that was divested shortly after period end. The fair value at 30 June 2025 reflected the consideration subsequently received by the Group.

There were no transfers between any fair value hierarchy levels during the periods ended 31 December 2025 and 30 June 2025. The Group's policy is to recognise transfers into and out of hierarchy levels as at the end of the reporting period. The fair values of all other financial assets approximate their carrying values in the Consolidated Statement of Financial Position.

# Notes to the Financial Statements

For the half year ended 31 December 2025

## 8. Associates

| Associate  | Industry           | Ownership interest |             | Investment carrying value |                |
|--|--------------------|--------------------|-------------|---------------------------|----------------|
|  |                    | 31 Dec 2024        | 30 Jun 2025 | 31 Dec 2025               | 30 Jun 2025    |
|  |                    | %                  | %           | \$'000                    | \$'000         |
| Barrenjoey Capital Partners Group Holdings Pty Ltd ("Barrenjoey") <sup>1</sup> | Financial services | 36                 | 36          | 165,585                   | 153,946        |
| FinClear Holdings Ltd ("FinClear") <sup>2</sup>                                | Financial services | 16                 | 16          | 21,678                    | 22,042         |
| Vinva Holdings Ltd ("Vinva") <sup>3</sup>                                      | Financial services | 28                 | 29          | 141,926                   | 148,462        |
|  |                    |                    |             | <b>329,189</b>            | <b>324,450</b> |

<sup>1</sup> Barrenjoey is an Australian-based financial services firm providing corporate and strategic advisory, capital market underwriting, research, prime brokerage and fixed income services. The Group's voting interest in Barrenjoey is 4.99%.

<sup>2</sup> FinClear is an Australian-based provider of technology, trading infrastructure and exchange market-access services to wealth, stockbroking, platform and fintech customers. The Group's voting interest in FinClear is equal to its ownership interest, being the Group's current entitlement excluding the impact of any potential dilution arising from unexercised options and convertible notes issued by FinClear.

<sup>3</sup> Vinva is an Australian-based global investment management firm specialising in managing active systematic equity strategies. The Group is able to exercise its voting rights proportionally within a subset of shareholders. At reporting date, the Group's proportional voting interest in Vinva was 18%. The Shareholders' Agreement permits Vinva to issue a limited amount of additional shares under the Vinva Employee Incentive Plan.

During the half year ended 31 December 2025, the Group received fully franked dividends of \$8,000,000 from Barrenjoey and \$9,750,000 from Vinva (December 2024: \$4,000,000 unfranked dividend from Barrenjoey).

### Transactions with associates

#### Barrenjoey

The Group provides Barrenjoey with up to \$25,000,000 of unsecured working capital finance. During the half year ended 31 December 2025, no amounts were drawn under the facility (December 2024: nil drawings). During the period, the Group earned \$126,000 in commitment fees from the facility (December 2024: \$70,000) of which \$63,000 was recognised as receivable at reporting date. The facility was undrawn at 31 December 2025.

During the half year ended 31 December 2025, the Group received brokering services from Barrenjoey in respect of the Company's on-market MFG share buy-back programme. The Group paid Barrenjoey \$10,000 in brokerage fees during the period ended 31 December 2025 (December 2024: \$18,000).

During the 2022 financial year, the Group sold its shares in Guzman y Gomez (Holdings) Limited ("GYG") to an investment trust managed by Barrenjoey. Under the terms of the sale agreement, the Group was entitled to receive additional consideration contingent on GYG's performance and the trust's eventual realisation of its investment. During the half-year ended 31 December 2025, the managed trust completed the realisation of its investment, and the Group received additional proceeds of \$6,104,000, net of \$138,000 in related arranging fees.

Barrenjoey also provides brokerage services in respect of equity and foreign exchange trades entered into on behalf of the Magellan Funds and mandates. The fees for such services are not included in these financial statements as they are not incurred by the Group.

#### Vinva

The Group receives sub-advisory services from Vinva in respect of the Vinva funds. During the half year ended 31 December 2025, these sub-advisory fees amounted to \$4,369,000, of which \$2,353,000 was recognised as payable at reporting date.

Under the distribution partnership with Vinva both parties have agreed to share certain costs related to the establishment and operational administration of the Group's Vinva funds. During the half year ended 31 December 2025, Vinva's portion of these costs amounted to \$100,000 all of which is recognised as receivable at reporting date.

# Notes to the Financial Statements

For the half year ended 31 December 2025

## 9. Contributed equity

|  | 31 December 2025          |                           | 30 June 2025              |                           |
|--|---------------------------|---------------------------|---------------------------|---------------------------|
|  | Number of securities '000 | Contributed equity \$'000 | Number of securities '000 | Contributed equity \$'000 |
| <b>Ordinary shares</b>                                 |                           |                           |                           |                           |
| Opening balance  | 171,979                   | 553,759                   | 180,746                   | 627,733                   |
| Shares issued:   |                           |                           |                           |                           |
| Under the Magellan Financial Group Matching Plan       | -                         | -                         | 33                        | 298                       |
| Under the Magellan Financial Group Equity Plan         | -                         | -                         | 305                       | -                         |
| On exercise of MFG 2027 Options                        | -                         | 4                         | -                         | -                         |
| Shares bought back on-market and cancelled             | (3,960)                   | (38,405)                  | (9,105)                   | (74,234)                  |
| Transaction costs, net of tax                          | -                         | (27)                      | -                         | (53)                      |
| Share-based awards vested and transferred to employees | -                         | 3,350                     | -                         | -                         |
| SPA expense  | -                         | 18                        | -                         | 15                        |
| <b>Total ordinary shares<sup>1,2</sup></b>             | <b>168,019</b>            | <b>518,699</b>            | <b>171,979</b>            | <b>553,759</b>            |
| <b>Treasury shares</b>                                 |                           |                           |                           |                           |
| Opening balance  | (73)                      | (620)                     | -                         | -                         |
| Shares purchased on-market                             | (188)                     | (1,948)                   | (73)                      | (620)                     |
| <b>Total treasury shares</b>                           | <b>(261)</b>              | <b>(2,568)</b>            | <b>(73)</b>               | <b>(620)</b>              |
| <b>Options</b>   |                           |                           |                           |                           |
| Opening balance  | 23,216                    | (545)                     | 23,216                    | (545)                     |
| Shares issued from exercise of options during period   | -                         | -                         | -                         | -                         |
| <b>Total options</b>                                   | <b>23,216</b>             | <b>(545)</b>              | <b>23,216</b>             | <b>(545)</b>              |
| <b>Total contributed equity</b>                        | <b>190,974</b>            | <b>515,586</b>            | <b>195,122</b>            | <b>552,594</b>            |

<sup>1</sup> Includes 707,112 ordinary shares held by SPA participants (June 2025: 804,140).

<sup>2</sup> Includes 430,662 ordinary shares subject to voluntary escrow which expires on 23 November 2031 (or such other date determined under the terms governing the issuance of those shares).

### Ordinary shares

Ordinary shares in the capital of the Company are fully paid and entitle the holder to receive declared dividends and proceeds on winding up of the Company in proportion to the number of shares held. An ordinary share entitles the holder to one vote on a show of hands, and to one vote for each share held on a poll, either in person, or by proxy, at a meeting of the Company shareholders.

### Treasury shares

Where the Group or other members of the Group purchase shares in the Company, the consideration paid is deducted from the total shareholders' equity and the shares are treated as treasury shares until they are subsequently sold, reissued or cancelled. Treasury shares are purchased primarily for use on vesting of employee share schemes. Shares are accounted for at a weighted average cost.

### MFG 2027 Options

Each MFG 2027 Option (ASX code: MGFO) entitles the holder to acquire one ordinary share in the Company at an exercise price of \$35.00 at any time prior to 5pm (Sydney time) on 16 April 2027. The MFG 2027 Options do not confer a right to dividends. Ordinary shares issued on exercise of the options rank equally with all other ordinary shares from the date of issue and are only entitled to a dividend if such shares have been issued on or prior to the applicable record date for determining entitlements.

### Share buy-back

The Company has an active on-market share buy-back program to purchase up to 20 million ordinary shares. During the six months to 31 December 2025, the Group bought back and cancelled 3,960,313 shares at a cost of \$38,405,000 (December 2024: 1,963,916 shares at a cost of \$18,118,000). The shares were acquired at an average price (inclusive of transaction costs) of \$9.70 per share, with prices ranging from \$9.15 to \$10.50. The total acquisition cost, inclusive of after-tax transaction costs, was deducted from contributed equity.

# Notes to the Financial Statements

For the half year ended 31 December 2025

## 10. Dividends

|   | Cents per share | Franking % <sup>1</sup> | Total \$'000  | Date Paid        |
|---|-----------------|-------------------------|---------------|------------------|
| <b>During the half year ended 31 December 2025</b>                        |                 |                         |               |                  |
| Prior year final dividend paid  | 21.6            | 100%                    | 37,147        | 9 September 2025 |
| Prior year performance fee dividend paid                                  | 4.3             | 100%                    | 7,395         | 9 September 2025 |
| Prior year special dividend paid  | 21.0            | 100%                    | 36,116        | 9 September 2025 |
| <b>Total dividends declared and paid during the half year<sup>2</sup></b> | <b>46.9</b>     |                         | <b>80,658</b> |                  |
| <b>During the half year ended 31 December 2024</b>                        |                 |                         |               |                  |
| Prior year final dividend paid  | 28.6            | 50%                     | 51,693        | 4 September 2024 |
| Prior year performance fee dividend paid                                  | 7.1             | 50%                     | 12,833        | 4 September 2024 |
| <b>Total dividends declared and paid during the half year<sup>2</sup></b> | <b>35.7</b>     |                         | <b>64,526</b> |                  |

<sup>1</sup> At the corporate tax rate of 30%.

<sup>2</sup> Includes dividends of \$373,000 which were not paid in cash but rather applied directly against the balances of SPA loans (December 2024: \$305,000).

### Dividend declared

On 18 February 2026, the Directors declared an interim dividend of 39.5 cents per ordinary share (100% franked at the corporate tax rate of 30%) in respect of the six months to 31 December 2025 (December 2024: 26.4 cents per ordinary share 85% franked).

A dividend payable to shareholders of the Company is only recognised for the amount of any dividend declared by the Directors on or before the end of the half year, but not paid at reporting date. Accordingly, the interim dividend totalling approximately \$66,367,000 is not recognised as a liability as at 31 December 2025. The interim dividend is expected to be paid on 10 March 2026.

### Imputation credits

The Group has a total of \$33,657,000 imputation credits available for subsequent reporting periods based on a tax rate of 30% (June 2025: \$23,934,000 at a 30% tax rate). The amount comprises the balance of the imputation account at the end of the reporting period, adjusted for franking credits that will arise from the payment of income tax liabilities after the end of the half year. The dividend declared by the Directors on 18 February 2026 will be franked out of existing franking credits.

## 11. Commitments and contingent assets and liabilities

### Commitments

The Group has extended loan commitments to certain related parties which remain undrawn at reporting date (refer to note 8). All other commitments relate to non-cancellable payments under short-term and low-value lease agreements.

### Contingent assets and liabilities

The Group has contingent assets and liabilities in respect of the following items:

- Deferred conditional bonuses:* The unrecognised portion of annual bonuses payable to employees by the Group in the future is a contingent liability. At 31 December 2025, the contingent liability is \$3,303,000 (June 2025: \$3,999,000). Of this amount, \$2,941,000 is payable during the year ending 30 June 2026 and \$362,000 is payable during the years ending 30 June 2027 and 30 June 2028, subject to the vesting conditions being met.
- Cash retention incentives:* The unrecognised portion of retention incentives payable in cash for services provided by employees in future periods is a contingent liability. At 31 December 2025, the contingent liability is \$743,000 (June 2025: \$1,510,000). Of this amount, \$154,000 is payable during the year ending 30 June 2026 and \$589,000 is payable during the years ending 30 June 2027 through 30 June 2029, subject to the vesting conditions being met.

## 12. Subsequent events

Other than the items noted below, there have been no material events subsequent to the end of the financial reporting period.

### Interim dividend

Refer to note 10 for details of the dividend declared in respect of the six months ended 31 December 2025.

# Directors' Declaration

For the half year ended 31 December 2025

In the Directors' opinion,

- a. the financial statements and notes set out on pages 14 to 28 are in accordance with the *Corporations Act 2001* (Cth), including:
  - i. giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance, as represented by the results of its operations and its cash flows, for the half year ended on that date; and
  - ii. complying with Australian Accounting Standards, the *Corporations Regulations 2001* (Cth) and other mandatory professional reporting requirements; and
- b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving declarations from the Chief Executive Officer and Chief Financial Officer which mirror section 295A of the *Corporations Act 2001* (Cth) and are recommended by the ASX Corporate Governance Principles and Recommendations.

This declaration is made in accordance with a resolution of the Directors.



**Andrew Formica**  
Chairman

Sydney  
18 February 2026



# Independent Auditor's Review Report

To the shareholders of Magellan Financial Group Limited

## Conclusion

We have reviewed the accompanying **Interim Financial Report** of Magellan Financial Group Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Magellan Financial Group Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Consolidated statement of financial position as at 31 December 2025;
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity and Consolidated statement of cash flows for the half-year ended on that date;
- Notes 1 to 12 comprising material accounting policies and other explanatory information; and
- The Directors' Declaration.

The **Group** comprises Magellan Financial Group Limited (the Company) and the entities it controlled at the half year's end or from time to time during the half-year.

## Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Interim Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of annual financial reports of public interest entities in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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## Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*; and
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

## Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

Karen Hopkins

*Partner*

Sydney

18 February 2026

# Corporate information

As at 18 February 2026

## Directors

Andrew Formica – Chairman  
Sophia Rahmani – Chief Executive Officer and Managing Director  
David Dixon  
John Eales AM  
Peeyush Gupta AM  
Cathy Kovacs  
Deborah Page AM

## Company secretary

Sam Mosse

## Registered office

Level 36, 25 Martin Place, Sydney NSW 2000  
Telephone: +61 2 9235 4888  
Email: [info@magellanfinancialgroup.com](mailto:info@magellanfinancialgroup.com)

## Website

[www.magellanfinancialgroup.com](http://www.magellanfinancialgroup.com)

## Securities exchange listing

Magellan Financial Group Ltd shares and the MFG 2027 Options are listed on the Australian Securities Exchange (ASX codes: MFG and MFGO, respectively)

## Corporate Governance Statement

The Corporate Governance Statement for MFG can be found at the Shareholder Centre at [www.magellanfinancialgroup.com](http://www.magellanfinancialgroup.com)

## Auditor

KPMG  
Level 38 Tower Three, 300 Barangaroo Avenue, Sydney NSW 2000

## Share registry

Boardroom Pty Limited  
Level 8, 210 George Street, Sydney NSW 2000  
Telephone: +61 2 9290 9600  
Email: [enquiries@boardroomlimited.com.au](mailto:enquiries@boardroomlimited.com.au)

InvestorServe is Boardroom's free, self-service website where shareholders can manage their interests online. The website enables shareholders to:

- view share balances
- change address details
- view payment and tax information
- update payment instructions
- update communication instructions.

Shareholders and option holders can register their email address at [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au) to receive shareholder communications electronically.

## Electronic delivery of CHES holding statements and notifications

The ASX has now launched the ASX CHES Statements Portal, giving share and option holders the ability to receive electronic notifications about their holdings. This shift away from paper-based communications may make it easier for investors to manage their holdings, and benefit the environment by reducing waste.

To access the portal and electronic notifications, investors will need their broker to opt them in. Investors should contact their broker to see if they have this service enabled. If an investor has not opted in, they will continue to receive CHES holding statements and notifications by mail. Once an investor has opted in, investor statements and notifications will be available through the ASX CHES Statements Portal and they will no longer receive paper statements.