

Unitholder Booklet

Magellan Global Fund (ARSN 126 366 961)

This Unitholder Booklet is issued by Magellan Asset Management Limited ABN 31 120 593 946 (**Magellan**) as responsible entity of the Magellan Global Fund (**Fund**) to the members of the Fund (**Unitholders**) in relation to the proposed conversion (the **Conversion**) of the closed-ended units on issue in the Fund which are admitted to the Official List of ASX (**Closed Class Units**) to open-ended units in the Fund quoted on the ASX under the AQUA Rules (**Open Class Units**).

VOTE IN FAVOUR

The Directors of Magellan, the responsible entity of the Fund, unanimously RECOMMEND that Unitholders vote IN FAVOUR OF the Conversion Resolutions.

The Independent Expert has determined that the Conversion is in the best interests of Unitholders (in each respective unit class and as a whole) in the absence of a superior proposal (which the Independent Expert considers is unlikely).

An Explanatory Memorandum and Notices of Meeting are included in Parts 1 and 2, respectively of this Unitholder Booklet.

Details of Meetings

Time: Commencing at 9:30am (AEST)

Date: Wednesday, 26 June 2024

Venue: Level 36, 25 Martin Place, Sydney NSW 2000

You should read this Unitholder Booklet in its entirety before deciding how to vote. If you are in any doubt about how to deal with this Unitholder Booklet, you should consult your legal, investment or other professional adviser.

Important Notices & Disclaimer

General

This Unitholder Booklet is important and requires your immediate attention. You should read this Unitholder Booklet in full before making any decision as to how to vote at the relevant Meeting. If you have sold all of your Units, please ignore this Unitholder Booklet.

If you are in doubt as to what you should do, you should consult your legal, investment or other professional adviser.

Purpose of this document

This Unitholder Booklet has been prepared for Unitholders in connection with the Conversion. It contains an Explanatory Memorandum, Notices of Meeting and a Product Disclosure Statement for the Open Class Units in the Fund to be issued upon the implementation of the Conversion.

The purpose of the Unitholder Booklet is to provide you with information about the Conversion and about the resolutions contained in the Notices of Meeting which are required to be approved by the requisite majorities in order to implement the Conversion (the **Conversion Resolutions**).

The Notices of Meeting relate to the Meetings to be held from 9:30am (AEST), on Wednesday, 26 June 2024 to approve each of the relevant Conversion Resolutions.

ASIC and ASX

Neither ASIC, ASX nor their officers take any responsibility for the contents of this Unitholder Booklet. Admission to trading status on the ASX under the AQUA Rules of the Open Class Units to be issued upon the implementation of the Conversion is in no way an indication of the merits of the Fund.

Court involvement

The Supreme Court of NSW (**Court**) provided the First Judicial Advice on Monday, 20 May 2024. The Court's provision of the First Judicial Advice is not and should not be treated as an endorsement by the Court of, or any other expression of opinion by the Court on, the Conversion. In particular, the Court's provision of the First Judicial Advice does not mean that the Court:

- has formed any view as to the merits of the Conversion or as to how Unitholders should vote (on these matters Unitholders must reach their own decision); or
- has prepared, or is responsible for, the content of this Unitholder Booklet.
- Further details regarding the First Judicial Advice and Second Judicial Advice are set out in Section 7.3

Notice of Second Judicial Advice hearing

On the Second Judicial Advice Date, the Court will consider whether to give the Second Judicial Advice.

Any Unitholder may appear at the Second Judicial Advice hearing, expected to be held on Wednesday, 10 July 2024 at the Court located at 184 Phillip Street, Sydney.

Any Unitholder who wishes to oppose the Second Judicial Advice at the Second Judicial Advice hearing may do so by filing with the Court and serving on Magellan a notice of appearance in the prescribed form together with any affidavit that the Unitholder proposes to rely on.

The address for service is: Attention Legal Department, Magellan Asset Management Limited, Level 36, 25 Martin Place, Sydney NSW 2000.

No investment advice

This Unitholder Booklet contains general information only and has been prepared without taking account of the investment objectives, financial situation, tax position or particular needs of any Unitholder or any other person. The information and recommendations contained in this Unitholder Booklet do not constitute, and should not be taken as, financial product advice.

Before acting on any of the matters described in this Unitholder Booklet, you should have regard to your investment objectives, financial situation, tax position and your particular needs and obtain your own advice by contacting your legal, investment or other professional adviser.

PDS

A product disclosure statement for the Open Class Units to be issued in connection with the Conversion (**PDS**) has been prepared and lodged with ASIC on 20 May 2024, a copy of which is included in Part 4 of this Unitholder Booklet. New Open Class Units issued under the PDS attached to this Unitholder Booklet will be issued by Magellan on the terms and conditions set out in the PDS. The offer of Open Class Units under the PDS is subject to the Conversion being implemented and there will be no issue of Open Class Units under the PDS except as part of the implementation of the Conversion. Closed Class Unitholders should read the PDS before deciding whether to vote in favour of the Conversion Resolutions.

An investment in the Fund is subject to investment and other risks, including possible loss of income and principal invested. Magellan gives no guarantee or assurance as to the performance of the Fund, the Units or the repayment of capital.

Forward-looking statements

Some of the statements appearing in this Unitholder Booklet may be in the nature of forward-looking statements. Forward-looking statements or statements of intent in relation to future events contained in this Unitholder Booklet (including in the Independent Expert's Report) should not be taken to be a forecast or prediction that those events will occur. Forward-looking statements generally may be identified by the use of forward-looking words such as 'believe', 'aim', 'expect', 'anticipate', 'intending', 'foreseeing', 'likely', 'should', 'planned', 'may', 'estimate', 'potential', or other similar words.

Similarly, statements that describe the objectives, plans, goals or expectations of the Fund are or may be forward-looking statements. You should be aware that such statements are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the circumstances in which the Fund operates, as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement and deviations are both normal and to be expected.

Neither Magellan, its related bodies corporate nor their respective officers, agents or advisers, nor any person named in this Unitholder Booklet or involved in the preparation of this Unitholder Booklet make any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward-looking statement, or any events or results expressed or implied in any forward-looking statement. Accordingly, you are cautioned not to place undue reliance on those statements.

Factors which may affect future financial performance and financial position include the assumptions underlying any forecast or forward-looking statement, financial information not proving correct and other matters not currently known to, or considered by, Magellan. Unitholders should note that the historical financial performance of the Fund is no assurance or indicator of future financial performance of the Fund (whether or not the Conversion proceeds). Magellan does not guarantee any particular rate of return or the performance of the Fund nor does it guarantee the repayment of capital or any particular tax treatment in respect of any investment in the Fund.

The forward-looking statements in this Unitholder Booklet reflect facts, circumstances and views held only at the date of this Unitholder Booklet. Subject to any continuing obligations under the Corporations Act, Magellan, its related bodies corporate and their respective officers, employees, agents and advisers disclaim any obligation or undertaking to distribute after the date of this Unitholder Booklet any updates or revisions to any forward-looking statements to reflect any change in expectations in relation to them or any change in events, conditions or circumstances on which any such statement is based.

Responsibility statement

Except as outlined below, the information contained in this Unitholder Booklet other than the Taxation Report (as set out in Section 6 of the Explanatory Memorandum) and the Independent Expert's Report (as set out in Part 3 of this Unitholder Booklet) has been prepared by Magellan and is its responsibility alone. Except as outlined below, neither Magellan nor any of its related entities, directors, officers, employees or advisers assumes any responsibility for the accuracy or completeness of such information.

Allens has prepared the Taxation Report and takes responsibility for that report. Allens has not withdrawn its consent to be named before the date of this Unitholder Booklet.

Loneragan Edwards & Associates Limited has prepared the Independent Expert's Report and takes responsibility for that report.

Foreign jurisdictions

No action has been taken to register or qualify the Open Class Units or otherwise permit a public offer of such securities in any jurisdiction outside Australia and New Zealand. This Unitholder Booklet does not constitute an offer of Open Class Units in any jurisdiction in which it would be unlawful. In particular, this Unitholder Booklet may not be distributed to any person, and the Open Class Units may not be offered or issued, in any country outside Australia or New Zealand except to the extent set out in section 2.7 of the Explanatory Memorandum in Part 1 of this Unitholder Booklet.

The release, publication or distribution of this Unitholder Booklet in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions and persons outside Australia who come into possession of this Unitholder Booklet should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations.

Unitholders who are nominees, trustees or custodians should seek independent advice as to how they should proceed.

This Unitholder Booklet has been prepared in accordance with laws of the Commonwealth of Australia and the information contained in this Unitholder Booklet may not be the same as that which would have been disclosed if this Unitholder Booklet had been prepared in accordance with the laws and regulations of jurisdictions outside Australia.

This Unitholder Booklet does not constitute an offer to sell, or the solicitation of an offer to buy, the Units in the United States or in any jurisdiction in which such an offer would be illegal. None of the Units have been, or will be, registered under the U.S. Securities Act of 1933, as amended, or under the securities laws of any state or other jurisdiction of the United States, and none of such Units may be offered or sold, directly or indirectly, in the United States.

Privacy

Magellan may collect personal information in the process of convening the Meetings and implementing the Conversion. The type of information that it may collect about you includes your name, contact details and information on your unitholding in the Fund and the names of persons appointed by you to act as a proxy, attorney or corporate representative at the Meetings, as relevant to you. The collection of some of this information is required or authorised by the Corporations Act.

The primary purpose of the collection of personal information is to assist Magellan to conduct the Meetings and to implement the Conversion. Without this information, Magellan may be hindered in its ability to issue this Unitholder Booklet and to implement the Conversion. Personal information of the type described above may be disclosed to Apex Fund Services Pty Ltd, Boardroom Pty Limited, third party service providers (including print and mail service providers and parties otherwise involved in the conduct of the Meetings), authorised securities brokers, professional advisers, related bodies corporate of Magellan, government or regulatory bodies, and also where disclosure is otherwise required or allowed by law.

Unitholders who are individuals and the other individuals in respect of whom personal information is collected (such as individuals appointed to act as a proxy, attorney or corporate representative at the Meetings) have certain rights to access the personal information collected in relation to them. If you would like to obtain details of your information held by Magellan, please contact the Fund's unit registry on 1300 127 780 (Australia) or +61 2 8259 8566 (International) or 0800 787 621 (New Zealand).

Unitholders who appoint an individual as their proxy, corporate representative or attorney to vote at the Meetings should ensure that they inform that person of the matters relating to the collection and use of personal information outlined above.

Timetable and dates

All times and dates referred to in this Unitholder Booklet are times and dates in Sydney, Australia, unless otherwise indicated. Any times and dates referred to in this Unitholder Booklet may change and, among other things, are subject to all necessary approvals from government or regulatory bodies.

Additional information

If, after reading this Unitholder Booklet, you have any questions regarding the Meetings, please contact Boardroom Pty Ltd on 1300 005 016 (within Australia) or +61 2 9290 9600 (outside Australia). If you have any questions regarding the Conversion or would like to speak to a Magellan representative, please call +61 2 9235 4888, or consult your legal, investment or other professional adviser.

Date of Unitholder Booklet

This Unitholder Booklet is dated 20 May 2024 and the information in this Unitholder Booklet is current as at this date, unless otherwise stated.

This Unitholder Booklet may be updated. Any updates will be available for inspection on the website at www.magellangroup.com.au. If you access an electronic version of this Unitholder Booklet you should ensure you download and read the entire Unitholder Booklet.

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Letter from the Chairman

Dear Unitholder,

On behalf of the Directors of Magellan, I am pleased to provide you with this Unitholder Booklet which contains details about the proposed conversion of the Closed Class Units in the Magellan Global Fund (**Fund**) to Open Class Units in the Fund (**Conversion**).

Prior to Magellan's announcement on 7 December 2023 of its intention to convert the Closed Class Units to Open Class Units, the Closed Class Units had, for some time, been trading at a material discount to the net asset value per Closed Class Unit. As part of Magellan's ongoing focus on ways to improve the experience of investors in our funds, the Board of Magellan determined to proceed with the Conversion as it was considered that the Conversion would provide an improved ability for Closed Class Unitholders to realise value closer to the net asset value per Closed Class Unit as well as allowing many of the existing benefits of an investment in the Fund to be retained by Closed Class Unitholders.

If the Conversion is implemented, Closed Class Unitholders will have their Closed Class Units redeemed and they will be issued with new Open Class Units, at a Conversion Ratio that is based on the respective net asset value of each unit class on the Conversion Calculation Date, expected to be the Business Day immediately before the Implementation Date.

For Closed Class Unitholders, the Open Class Units issued on implementation of the Conversion will, in many respects, resemble the Closed Class Units you hold today. For instance, you will continue to be able to trade Open Class Units on the ASX, at what is generally expected to be a tight spread to net asset value, however you will also gain the ability to apply for additional units and redeem your investment, directly with Magellan. This feature is not currently available to Closed Class Unitholders.

The Conversion is not expected to have any significant impact on the Open Class Units or the Fund, as the number of new Open Class Units to be issued will be based on the respective net asset value of Closed Class Units and Open Class Units on the Conversion Calculation Date. As implementation of the Conversion requires amendments to the Fund's Constitution which must be approved by all Unitholders in the Fund, Open Class Unitholders are also being asked to approve the relevant changes to the Constitution.

The distribution that Magellan determines to be paid for the period ending 30 June 2024 is expected to be paid to Closed Class Unitholders and Open Class Unitholders in July before implementation of the Conversion.

Unitholder Approvals and Magellan Directors' Recommendation

The Explanatory Memorandum in Part 1 of this Unitholder Booklet provides further information on each Unitholder approval being sought and the Notices of Meeting contained in Part 2 detail how to vote and the arrangements for participating in the relevant Meeting.

The Conversion is subject to a number of inter-conditional approvals, including, as noted above, approvals by Unitholders of the Fund as a whole and, where relevant, separately by Closed Class Unitholders. Specifically in relation to the Unitholder approvals being sought:

- all Unitholders are being asked to approve changes to the Constitution to give effect to the Conversion; and
- Closed Class Unitholders are being asked to approve, as a class, changes to the Constitution and to approve the delisting of the Fund from the Official List of the ASX.

The Directors recommend that Unitholders vote in favour of the Conversion Resolutions.

Each Director intends to vote all Units in the Fund held or controlled by them in favour of the Conversion and the Conversion Resolutions.

The Directors believe that the expected benefits of permanently addressing the trading discount to net asset value of the Closed Class Units and providing more flexibility in relation to how Closed Class Unitholders can enter and exit the Fund by undertaking the Conversion outweigh the benefits of remaining invested in the Fund through a closed-ended unit class.

Section 3.1 (for Closed Class Unitholders) and 4.1 (for Open Class Unitholders) of the Explanatory Memorandum in Part 1 of this Unitholder Booklet provides a further explanation of the key benefits, disadvantages and risks of the Conversion.

A Product Disclosure Statement (**PDS**) has also been prepared as new Open Class Units will be issued to Closed Class Unitholders if the Conversion is implemented. The PDS is contained in Part 4 of this Unitholder Booklet.

Independent Expert's Opinion

The Directors have appointed Lonergan Edwards & Associates Limited as the Independent Expert to provide an opinion on the Conversion.

The Independent Expert has concluded that the Conversion is in the best interest of Unitholders (in each respective unit class and as a whole) in the absence of a superior proposal (which in the Independent Expert's view is unlikely).

The Independent Expert's Report is contained in Part 3 of this Unitholder Booklet.

Conclusion

If, after reading this Unitholder Booklet, you have any questions regarding the Meetings, please contact Boardroom Pty Ltd on 1300 005 016 (within Australia) or +61 2 9290 9600 (outside Australia). If you have any questions regarding the Conversion or would like to speak to a Magellan representative, please call +61 2 9235 4888 or consult your legal, investment or other professional adviser.

I look forward to your participation at the Meetings on 26 June 2024 and encourage you to vote in favour of the Conversion Resolutions.

Yours sincerely,



Robert Fraser

Chairman

Magellan Asset Management Limited as responsible entity of the Magellan Global Fund

Important Dates

Key Dates	
Date of this Unitholder Booklet	Monday, 20 May 2024
Time and date by which Proxy Forms relating to the Meeting of all Unitholders must be received	9:30am (AEST), Monday, 24 June 2024
Time and date by which Proxy Forms relating to the Meeting of Closed Class Unitholders must be received	10:00am (AEST), Monday, 24 June 2024
Voting Record Date	7.00pm (AEST), Monday, 24 June 2024
Time and date of the Meetings	Commencing at 9:30am (AEST), Wednesday, 26 June 2024
Second Judicial Advice	Wednesday, 10 July 2024

If the Conversion Resolutions are approved by Unitholders, the following key dates apply:

Key Dates	
Effective Date	Thursday, 11 July 2024
Suspension of Closed Class Units from trading on the Official List of ASX	Close of business on Thursday, 11 July 2024
Conversion Record Date	7.00pm (AEST), Monday, 15 July 2024
Implementation Date	Monday, 22 July 2024
Removal of the Fund from the Official List of ASX	Monday, 22 July 2024
New Open Class Units commence trading on ASX under the AQUA Rules	Tuesday, 23 July 2024

All times and dates shown above are indicative only and are subject to change and all necessary approvals from government or regulatory bodies. Any changes to the timetable will be made available on Magellan's website at www.magellangroup.com.au.



PART 1: Explanatory Memorandum

1. Overview of the Conversion

1.1 Purpose

The purpose of this Explanatory Memorandum is to explain the proposed conversion of Closed Class Units of the Fund to Open Class Units of the Fund (**Conversion**) and, if approved, how the Conversion will be implemented, and to provide information to Unitholders to assist them in considering whether or not to approve the Conversion Resolutions.

1.2 Background

Magellan Asset Management Limited (**Magellan**) is the responsible entity of the Magellan Global Fund (**Fund**).

The Fund currently has two unit classes on issue, being, a closed-ended class of Units (**Closed Class Units**) and an open-ended class of Units (**Open Class Units**).

On 30 November 2020:

- the Fund was admitted to the Official List of ASX and the Closed Class Units commenced trading on the Official List of the ASX; and
- Open Class Units in the Fund were admitted to trading status, and commenced trading, on the ASX under the AQUA Rules.

Before Magellan announced its intention to pursue the Conversion on 7 December 2023, the Closed Class Units had been trading at a persistent and material discount to the net asset value (**NAV**) per Closed Class Unit.

Magellan is proposing to amend the Fund's Constitution to permit the conversion of all Closed Class Units into Open Class Units, the effect of which will be that the Fund will, following implementation of the Conversion, only have a single class of Units on issue, being the Open Class Units, and will operate as an open-ended Active ETF quoted on ASX under the AQUA Rules.

The Directors consider that the expected benefits of the Conversion for Closed Class Unitholders of permanently addressing the trading discount to NAV per Closed Class Unit and providing more flexibility in relation to how Unitholders can enter and exit the Fund, outweigh the benefits of remaining invested in the Fund through a closed-ended unit class and the disadvantages associated with the Conversion. More information on the relative benefits and disadvantages of the Conversion for Closed Class Unitholders and Open Class Unitholders are set out in Sections 3.1 and 4.1, respectively.

1.3 Overview of the Conversion

If the Conversion is approved by Unitholders and implemented, Closed Class Unitholders will have their Closed Class Units redeemed and will be issued Open Class Units of an equivalent NAV.

Following implementation of the Conversion, all Unitholders will be able to transact in Open Class Units on the ASX under the ticker 'MGOC'.

Magellan, as responsible entity of the Fund, will continue to operate a daily application and redemption facility in relation to Open Class Units and Magellan, on behalf of the Fund, may provide on-market liquidity to investors on the ASX by acting as a buyer and seller of Open Class Units. There will be no change to the investment objectives, investment strategy or to the fees charged by the Fund as a result of the Conversion.

1.4 Required approvals

The implementation of the Conversion is conditional on a number of interdependent approvals (**Approvals**), which are set out below:

1. Unitholders approving the relevant Conversion Resolutions, which are set out in Section 5 of this Explanatory Memorandum, by the requisite majorities at the relevant Meetings; and
2. ASX formally approving the removal of the Fund from the Official List of ASX. Magellan has received advice from ASX stating it will agree to remove the Fund from the Official List of ASX, subject to certain conditions.

1.5 Implementation steps

If the Approvals are obtained, the following steps will be taken to effect the Conversion:

1. On the Effective Date:
 - Magellan will sign and lodge with ASIC the Supplemental Deed Poll setting out the amendments to the Constitution to bring them into effect;

- At the close of business, Magellan will request that the Closed Class Units be suspended from trading;
2. On the Implementation Date:
 - All Closed Class Units will be redeemed by Magellan;
 - Open Class Units will be issued to eligible¹ Closed Class Unitholders at the Conversion Ratio; and
 - ASX is expected to delist the Fund from the Official List of ASX after close of trading;
 3. On the Business Day immediately after the Implementation Date, the new Open Class Units issued as a result of the Conversion are expected to commence trading on the ASX.

See Section 2 of this Explanatory Memorandum for further details regarding the implementation of the Conversion.

1.6 Implications if the Conversion is not approved

If the Approvals are not obtained and the Conversion does not proceed:

- the Constitution will not be amended and the current provisions of the Constitution will continue to apply;
- Magellan will not delist the Closed Class Units from the Official List of ASX and the Closed Class Units will continue trading on the Official List of ASX;
- the Closed Class Units will not convert into Open Class Units – i.e. Closed Class Unitholders will continue to hold their Closed Class Units and will not receive Open Class Units in exchange for their Closed Class Units; and
- Closed Class Unitholders may not obtain the anticipated benefits of the Conversion.

1.7 What do Unitholders need to do?

Participating in the Meetings

The Notices of Meeting are contained in Part 2 of this Unitholder Booklet.

Unitholders should lodge a directed proxy as soon as possible in advance of the Meetings even if they are planning on attending the Meetings in person.

Unitholders should monitor Magellan's website and the Fund's ASX announcements platform for any updates in relation to the arrangements for the Meetings. If it becomes necessary or appropriate to make alternative arrangements for the holding of the Meetings, including as a result of governmental public health orders or guidance, Magellan will promptly advise Unitholders by way of an ASX announcement and via its website at www.magellangroup.com.au.

The record date for voting is 7:00pm (AEST), Monday, 24 June 2024. If Unitholders do not wish to attend the Meetings or vote during the Meetings, they may cast their vote by completing and returning the completed Proxy Form for the relevant Meeting by 9:30am (AEST) on Monday, 24 June 2024 (in relation to the Meeting of all Unitholders) and 10:00am (AEST) on Monday, 24 June 2024 (in relation to the Meeting of Closed Class Unitholders). All votes and Proxy Forms must be received by these times in order to be cast at the relevant Meeting. The Meetings are scheduled to commence at 9:30am (AEST), on Wednesday, 26 June 2024 at Magellan's offices located at Level 36, 25 Martin Place, Sydney, NSW.

Please refer to the relevant Notice of Meeting for information on how to vote and attend the Meetings.

After the Meetings

If the Conversion Resolutions are approved by the requisite majorities, Magellan will proceed with the Conversion, subject to ASX formally approving the removal of the Fund from the Official List of ASX and receipt of the Second Judicial Advice.

The Fund's unit registry will send holding statements to Closed Class Unitholders who are issued Open Class Units under the Conversion.

To the extent permitted by law, all binding instructions, notifications, consents or elections made by Closed Class Unitholders in relation to their Closed Class Units will be taken to apply in respect of their holding of Open Class Units. This includes disclosure of personal information, receipt of notices and communications (including electronically) and

¹ Ineligible Foreign Closed Class Unitholders will not be issued Open Class Units and will instead receive cash consideration pursuant to the Sale Facility.

elections to participate in the distribution reinvestment plan (*DRP*) for Closed Class Units, which will be applied to the *DRP* for Open Class Units.²

All Unitholders can view and update their details online via the Fund's unit registry investor portal, which can be accessed via the Magellan website at www.magellangroup.com.au or by contacting the Fund's unit registry.

1.8 What are the tax implications of the Conversion?

Magellan has applied (on behalf of the Unitholders) for a class ruling from the Commissioner of Taxation to confirm certain Australian income tax implications of the Conversion, including whether certain Australian resident Closed Class Unitholders, who would otherwise make a capital gain or capital loss on redemption of their Closed Class Units, are eligible to obtain unit exchange CGT roll-over relief which would allow any capital gain or capital loss from the redemption of Closed Class Units under the Conversion to be disregarded and deferred until a subsequent taxable event occurs in respect of the Open Class Units. It is expected that the Commissioner of Taxation will issue a Class Ruling which is consistent with the outcomes outlined in Section 6 of this Unitholder Booklet. The Class Ruling is not expected to be issued by the Commissioner of Taxation until after the Implementation Date.

For further information, refer to Section 6 of this Unitholder Booklet.

2. Implementation of the Conversion

2.1 Steps to implement the Conversion

The Conversion will only be implemented if each of the following steps are completed. The steps are:

- (a) Subject to the Conversion Resolutions being approved, Magellan will amend the Constitution to enable it to redeem all Closed Class Units and to issue Open Class Units as consideration for the redemption at the Conversion Ratio;
- (b) On the Implementation Date, Magellan will redeem all Closed Class Units on issue and issue a number of new Open Class Units that is equal to the Conversion Ratio multiplied by the number of Closed Class Units that Closed Class Unitholders hold at 7:00pm (AEST) on the Conversion Record Date; and
- (c) Open Class Units issued upon implementation of the Conversion will be quoted on ASX under the AQUA Rules and are expected to commence trading on and from the Business Day following the Implementation Date.

Ineligible Foreign Closed Class Unitholders will not be eligible to receive Open Class Units under the Conversion. Please refer to section 2.7 below for more information.

2.2 Effective Date

Subject to the Conversion Resolutions being passed at the Meetings, the ASX formally approving the removal of the Fund from the Official List of ASX and receipt of the Second Judicial Advice, the Conversion will become effective on the Effective Date. Following the Second Judicial Advice hearing, the Supplemental Deed Poll will be lodged with ASIC.

If the Conversion proceeds, Closed Class Units will be suspended from quotation on the ASX at the close of trading on the Effective Date and this will be the last day that Closed Class Units will trade on ASX.

2.3 Determination of persons entitled to Open Class Units

(a) Conversion Record Date

Persons who are recorded as Closed Class Unitholders (other than Ineligible Foreign Closed Class Unitholders) on the Closed Class Register on the Conversion Record Date (expected to be 7.00pm on Monday, 15 July 2024) will become entitled to Open Class Units in respect of the Closed Class Units they hold at that time.

² A Closed Class Unitholder who has previously elected to participate in the *DRP* with respect to the Closed Class Units but who does not wish to participate in the *DRP* with respect to the Open Class Units following the Conversion may change their election prior to the election date for the next distribution – see Section 3.6.

Ineligible Foreign Closed Class Unitholders on the Closed Class Register on the Conversion Record Date (expected to be 7.00pm on Monday, 15 July 2024) will not be able to receive Open Class Units and will instead participate in the Sale Facility as described in Section 2.8.

(b) **Dealings on or prior to the Conversion Record Date**

For the purposes of calculating entitlements under the Conversion, any dealing in Closed Class Units will only be recognised if the transferee is registered in the Closed Class Register as the holder of the relevant Closed Class Units by the Conversion Record Date.

Subject to the Corporations Act and the Constitution, Magellan must register registrable transmission applications or transfers which are effected by 7.00pm on the Conversion Record Date.

Magellan will not accept for registration or recognise for any purpose any transfer or transmission application in respect of Closed Class Units received after 7.00pm on the Conversion Record Date or received prior to that time but not in registrable form.

(c) **Dealings after the Conversion Record Date**

For the purposes of determining the entitlements to Open Class Units, Magellan will maintain the Closed Class Register in its form as at the Conversion Record Date until Open Class Units have been issued to the Closed Class Unitholders (other than Ineligible Closed Class Unitholders) and the Sale Agent. The Closed Class Register in this form will solely determine entitlements to Open Class Units under the Conversion.

From the Conversion Record Date, all statements of holding in respect of Closed Class Units cease to have effect as documents of title in respect of such Closed Class Units and such entry on the Closed Class Register will cease to be of any effect except as evidence of entitlement to Open Class Units in respect of the Open Class Units relating to that entry.

2.4 Conversion Ratio and number of Open Class Units to be issued

Pursuant to the Conversion, Closed Class Unitholders (other than Ineligible Foreign Closed Class Unitholders) will receive a number of Open Class Units based on the Conversion Ratio, being the NAV per Closed Class Unit divided by the NAV per Open Class Unit as at the Conversion Calculation Date.

The number of new Open Class Units that Closed Class Unitholders (other than Ineligible Foreign Closed Class Unitholders) will receive pursuant to the Conversion will be determined based on the following formula:

Open Class Units = Conversion Ratio × Closed Class Units held on the Conversion Record Date

Fractional entitlements will be rounded to the nearest whole number of Open Class Units, with any such fractional entitlement of less than 0.5 being rounded down to the nearest whole number, and any such fractional entitlement of 0.5 or more being rounded up to the nearest whole number.

The number of new Open Class Units to be issued for each Closed Class Unit will not be known until the Conversion Calculation Date has passed.

The final Conversion Ratio will be announced on the Implementation Date.

By way of example, based on the NAV per Closed Class Unit of \$2.1964 and a NAV per Open Class Unit of \$2.9830 on 30 April 2024, each Closed Class Unitholder would be issued with approximately 0.7363 Open Class Units for each Closed Class Unit they hold (rounded to the nearest whole unit). The actual number of Open Class Units that will be issued may be more or less than this depending on the NAV per Closed Class Unit and NAV per Open Class Unit at the Conversion Calculation Date, subject to rounding to the nearest whole unit.

2.5 Issue of Open Class Units

If the Conversion becomes effective and is implemented:

- (a) all of the Closed Class Units will be redeemed by Magellan;
- (b) Closed Class Unitholders (other than Ineligible Foreign Closed Class Unitholders) will receive Open Class Units based on the Conversion Ratio; and
- (c) Ineligible Foreign Closed Class Unitholders will be entitled to receive the proceeds from the sale by the Sale Agent of the new Open Class Units issued to the Sale Agent which would otherwise have been issued to the Ineligible Foreign Closed Class Unitholders if they have been entitled to participate in the Conversion (see Section 2.8).

2.6 Deemed warranty on redemption of Closed Class Units

Under the changes to the Constitution to be effected under the Supplemental Deed Poll, Closed Class Unitholders will be taken to have warranted to Magellan that all of their Closed Class Units (including any rights and entitlements attaching to those Units) will, at the date of redemption, be free from all encumbrances.

2.7 Overseas Unitholders

Based on the information available to Magellan, Closed Class Unitholders whose addresses are shown in the Closed Class Register on the Conversion Record Date as being in the following jurisdictions will be entitled to have Open Class Units issued to them under the Conversion subject to any qualifications set out below in respect of that jurisdiction:

- New Zealand;
- Hong Kong;
- Singapore; and
- any other person or jurisdiction in respect of which Magellan reasonably believes that it is not prohibited and not unduly onerous or impractical to issue Open Class Units to a Closed Class Unitholder with a registered address in such jurisdiction.

Nominees, custodians and other Unitholders who hold Closed Class Units on behalf of a beneficial owner resident outside Australia, New Zealand, Hong Kong or Singapore may not forward this Unitholder Booklet (or any accompanying document) to anyone outside these countries without the consent of Magellan.

(a) New Zealand

IMPORTANT NOTICE FOR NEW ZEALAND INVESTORS.

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act and the Corporations Regulations set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of a financial advice provider.

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in

New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

The dispute resolution process described in this offer document is available only in Australia and is not available in New Zealand.

(b) Hong Kong

WARNING: The contents of this Unitholder Booklet have not been reviewed or approved by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the Conversion. If you are in any doubt about any of the contents of this Unitholder Booklet, you should obtain independent professional advice.

This Unitholder Booklet does not constitute an offer or invitation to the public in Hong Kong to acquire an interest in or participate in (or offer to acquire an interest in or participate in) a collective investment scheme. This Unitholder Booklet also does not constitute a prospectus (as defined in section 2(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong)) or notice, circular, brochure or advertisement offering any securities to the public for subscription or purchase or calculated to invite such offers by the public to subscribe for or purchase any securities, nor is it an advertisement, invitation or document containing an advertisement or invitation falling within the meaning of section 103 of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong).

Accordingly, unless permitted by the securities laws of Hong Kong, no person may issue or cause to be issued this Unitholder Booklet in Hong Kong, other than to persons who are “professional investors” (as defined in the Securities and Futures Ordinance (**SFO**) and any rules made thereunder) or in other circumstances that do not result in this Unitholder Booklet constituting an invitation to the public of Hong Kong for the purpose of the SFO.

No person may issue or have in its possession for the purposes of issue, this Unitholder Booklet or any advertisement, invitation or document relating to the Open Class Units, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than any such advertisement, invitation or document relating to the Open Class Units that are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made thereunder.

Copies of this Unitholder Booklet may be issued to a limited number of persons in Hong Kong in a manner which does not constitute any issue, circulation or distribution of this Unitholder Booklet, or any offer or an invitation in respect of the Open Class Units, to the public in Hong Kong. This Unitholder Booklet is for the exclusive use of unitholders of the Fund in connection with the Conversion. No steps have been taken to register or seek authorisation for the issue of this Unitholder Booklet in Hong Kong.

This Unitholder Booklet is confidential to the person to whom it is addressed and no person to whom a copy of this Unitholder Booklet is issued may circulate, distribute, publish, reproduce or disclose (in whole or in part) this Unitholder Booklet to any other person in Hong Kong or use for any purpose in Hong Kong other than in connection with consideration of the Conversion by the person to whom this Unitholder Booklet is addressed.

(c) Singapore

This Unitholder Booklet and any other document relating to the Conversion or the Open Class Units have not been, and will not be, registered as a prospectus with the Monetary Authority of Singapore and the Conversion is not regulated by any financial supervisory authority under any legislation in Singapore. Accordingly, statutory liabilities in connection with the contents of prospectuses under the Securities and Futures Act 2001 (the **SFA**) will not apply.

This Unitholder Booklet and any other document in connection with the offer, sale or distribution, or invitation for subscription, purchase or receipt of Open Class Units may not be offered, sold or distributed, or be made the subject of an invitation for subscription, purchase or receipt, whether directly or indirectly, to persons in Singapore except pursuant to exemptions in Subdivision (4) Division 1, Part 13 of the SFA or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Any offer is not made to you with a view to Open Class Units being subsequently offered for sale to any other party in Singapore. You are advised to acquaint yourself with the SFA provisions relating to on-sale restrictions in Singapore and comply accordingly.

This Unitholder Booklet is being furnished to you on a confidential basis and solely for your information and may not be reproduced, disclosed, or distributed to any other person.

The investment referred to in this Unitholder Booklet may not be suitable for you and it is recommended that you consult an independent investment advisor if you are in doubt about such investment. Nothing in this Unitholder Booklet constitutes investment, legal, accounting or tax advice or a representation that any investment or strategy is suitable or appropriate to your individual circumstances or otherwise constitutes a personal recommendation to you.

Magellan is not in the business of dealing in securities or holds itself out or purport to hold itself out to be doing so in Singapore. As such, Magellan is neither licensed nor exempted from dealing in securities or carrying out any other regulated activities under the SFA or any other applicable legislation in Singapore.

2.8 Treatment of Ineligible Foreign Closed Class Unitholders – Sale Facility

- (a) If you are an Ineligible Foreign Closed Class Unitholder you will not be eligible to receive Open Class Units in connection with the Conversion.
- (b) Restrictions in certain foreign countries make it impractical or unlawful for Magellan to offer, or for Closed Class Unitholders to receive, Open Class Units in those countries. Accordingly, Magellan will not issue Open Class Units to Ineligible Foreign Closed Class Unitholders.
- (c) If you are an Ineligible Foreign Closed Class Unitholder, you must participate in the Sale Facility which operates as follows:
 - (i) On the Implementation Date, Magellan will redeem the Closed Class Units of the Ineligible Foreign Closed Class Unitholders.
 - (ii) Magellan will issue the aggregate number of Open Class Units to which Ineligible Foreign Closed Class Unitholders would otherwise have been entitled under the Conversion to the Sale Agent to be disposed of on behalf of the Ineligible Foreign Closed Class Unitholders. The proceeds of the sale of these Open Class Units will be paid to the Ineligible Foreign Closed Class Unitholders. The sale proceeds will depend upon the market price of the Open Class Units after deduction of any applicable brokerage, stamp duty, taxes or other costs and charges.
 - (iii) The Sale Agent will be the legal owner of the Open Class Units issued to it and will sell the Open Class Units within 20 Business Days after the Implementation Date (the ***Ineligible Foreign Closed Class Unitholder Sale Period***).
 - (iv) All Open Class Units to be sold by the Sale Agent will be sold on the ASX.
 - (v) The Sale Agent will sell the Open Class Units in the ordinary course of trading on the ASX. Neither Magellan nor the Sale Agent gives any assurance as to the price that will be achieved for the sale of Open Class Units and the sale of the Open Class Units will be at the risk of the Ineligible Foreign Closed Class Unitholders.
 - (vi) The prices at which Open Class Units are sold by the Sale Agent may be adversely affected by the requirement that the sales be conducted within the Ineligible Foreign Closed Class Unitholder Sale Period.
 - (vii) Each Ineligible Foreign Closed Class Unitholder will be entitled to receive a cash amount which is equivalent to an amount equal to the proceeds of sale (net of costs) of all Open Class Units issued to the Sale Agent divided by the total number of Open Class Units that are sold by the Sale Agent multiplied by the number of Open Class Units to which that Ineligible Foreign Closed Class Unitholder would otherwise have been entitled under the Conversion.
 - (viii) Cash proceeds from the sale of the Open Class Units by the Sale Agent will be paid to Ineligible Foreign Closed Class Unitholders within 5 Business Days after the proceeds from sale are received by the Fund's unit registry. Cash proceeds will be paid to the bank account nominated to the Fund's unit registry for the payment of distributions by the relevant Ineligible Foreign Closed Class Unitholder.

- (d) Ineligible Foreign Closed Class Unitholders who are required to participate in the Sale Facility should note that the sale proceeds resulting from the Sale Facility is not fixed and is dependent on fluctuations in the trading price of Open Class Units. The cash amount Ineligible Foreign Closed Class Unitholders will ultimately receive under the Sale Facility may be lower than the issue price of the Open Class Units on the Implementation Date.

2.9 Trading in Open Class Units

Closed Class Unitholders (other than Ineligible Foreign Closed Class Unitholders) should note that their Open Class Units will be issued to them on the Implementation Date. Closed Class Unitholders will not be able to sell Open Class Units issued to them under the Conversion prior to their issue on the Implementation Date.

2.10 Delisting the Fund

Subject to the Conversion Resolutions being approved, Magellan will apply for the removal of Closed Class Units from trading on the ASX and for the removal of the Fund from the Official List of ASX, with effect from the Business Day immediately following the Implementation Date.

3. Information for Closed Class Unitholders

3.1 Key benefits, risks and disadvantages of the Conversion for Closed Class Unitholders

The table below provides a summary of the anticipated benefits of the Conversion specific to the Closed Class Unitholders, as well as the potential risks and disadvantages.

Refer to sections 6 and 7 of the PDS for general risks and benefits of investing in Open Class Units and the Fund (some of which already apply to existing Closed Class Unitholders).

Summary of key benefits of the Conversion

Expected to permanently address the trading discount to NAV per Unit

Despite many similarities between the Closed Class Units and the Open Class Units, the Closed Class Units have historically traded on the ASX at a discount to the NAV per Closed Class Unit. This discount was as high as 20-25% in Q4 2022 and, prior to Magellan's ASX announcement relating to the Conversion on 16 October 2023, was above 12% for a prolonged period. Subsequently, as at 30 April 2024, the discount to NAV has closed to around 3.9% which Magellan believes is primarily attributed to announcements by Magellan regarding the Conversion.

The Open Class Units that will be issued to Closed Class Unitholders upon implementation of the Conversion, generally trades at prices close to the prevailing NAV per Open Class Unit. Since 1 January 2024, the difference between ASX close prices and the last published NAV per Open Class Unit has been approximately 0.3% on average.

This is a direct result of the market making activity undertaken in relation to the Open Class Units. Magellan, on behalf of the Fund, may provide liquidity to investors on the ASX by acting as a buyer and seller of Open Class Units. At the end of each trading day, Magellan will create or cancel units by applying for or withdrawing its net position in Open Class Units bought or sold on the ASX. An appointed agent will act on behalf of Magellan to transact and facilitate settlement on its behalf. The price at which the Responsible Entity may buy or sell Open Class Units will reflect Magellan's view of the NAV per Open Class Unit (as referenced by the iNAV), market conditions, an allowance to cover transaction costs and supply and demand for Open Class Units during the trading day. As such, prices on the ASX may not always reflect the prevailing NAV per Open Class Unit.

For further information, refer to Section 4 of the PDS and "Fund provision of liquidity on the Securities Exchange risk" in Section 7 of the PDS.

Greater choice in how to enter and exit the Fund

The Open Class Units in the Fund bring together the key characteristics of both an unlisted managed investment scheme which provides Unitholders with the ability to apply for and redeem units directly with Magellan on a daily basis and also gives Unitholders the ability to buy and sell units in the secondary market on the ASX. This not only provides Unitholders with greater flexibility in how they enter and exit their investment but also how and where they hold or administer their unitholding.

Closed Class Unitholders whose Units will be converted to Open Class Units as part of the Conversion will gain the ability to redeem Open Class Units directly with Magellan at close to the NAV per Open Class Unit. This is not currently available to Closed Class Unitholders.

For further information, refer to Section 3 of the PDS.

Conversion effected at NAV

Under the Conversion, the number of Open Class Units issued to Closed Class Unitholders will be based on the respective NAV per Closed Class Unit and NAV per Open Class Unit. As such, Closed Class Unitholders who receive Open Class Units will not experience any diminution in the value of their investment (subject to rounding), as assessed immediately before and immediately after the Conversion. The Conversion Ratio, which is based on NAV rather than the prevailing share price (which has typically traded at a discount to NAV), should also mean that Closed Class Unitholders receive greater value through the Conversion Process than if they sold their Closed Class Units at market prices on ASX.

Magellan has applied (on behalf of the Unitholders) for a class ruling from the Commissioner of Taxation to confirm certain Australian income tax implications of the Conversion, including whether certain Australian resident Closed Class Unitholders, who would otherwise make a capital gain or capital loss on redemption of their Closed Class Units, are eligible to obtain unit exchange CGT roll-over relief which would allow any capital gain or capital loss from the redemption of Closed Class Units under the Conversion to be disregarded and deferred until a subsequent taxable event occurs in respect of the Open Class Units. For further information, refer to Section 6 of this Unitholder Booklet.

Summary of key disadvantages and risks of the Conversion

Redemption of Open Class Units may increase attribution of tax amounts to Unitholders of the Fund

If the Conversion is implemented, the Closed Class Unitholders will receive Open Class Units in the Fund which can be redeemed directly with the Responsible Entity. Redemptions of Open Class Units may result in the Fund having to sell the underlying assets in the Portfolio to fund redemption proceeds. This may result in increased realised capital gains which are attributed to Unitholders.

Magellan's policy is to attribute net capital gains (or an estimate of net capital gains) generated as a result of redemptions of Open Class Units to the Unitholders who redeem a significant number of units where this is practicable. This reduces the realised capital gains that would otherwise be attributed to continuing Unitholders at the next distribution date.

For further information, refer to section 11 of the PDS.

A Closed Class Unitholder's relative voting power and how it votes on certain matters may be impacted

Following implementation of the Conversion, the combined group of Open Class Unitholders (which will comprise existing Closed Class Unitholders and existing Open Class Unitholders) will be larger compared to the Closed Class on a standalone basis. As a result, a Closed Class Unitholder's relative voting power (as a percentage of the total) will be lower. Magellan observes that this change in voting power is a feature of the Closed Class whenever units are issued, for example on the exercise of options or under a capital raising such as a unit purchase plan or distribution reinvestment plan. In addition, the Closed Class Units are widely held as at the date of this Unitholder Booklet with no particular unitholder determining voting outcomes in respect of the Closed Class Units.

Currently, in some cases, holders of Open Class Units and Closed Class Units are required to vote separately to approve a matter or proposal before it can be implemented. Following implementation of the Conversion, there will only be one class of units, the Open Class Units, and a separate vote of Closed Class Unitholders will no longer be applicable.

Conversion will result in a period during which Closed Class Unitholders will not be able to transact their investment

It is expected that Closed Class Units will be suspended from trading on the ASX at the close of business on the Effective Date (being 11 July 2024). The Open Class Units issued on the Implementation Date (expected to be 22 July 2024) are expected to be able to be transacted from the following business day (being 23 July 2024). During the period of suspension, Closed Class Unitholders will not be able to transact their investment in Closed Class Units. As the Fund invests in global listed securities, an investment in the Fund remains subject to market risk during this period. Ineligible Foreign Closed Class Unitholders will continue to be exposed to market risk up until the Sale Agent has disposed of all Open Class Units issued under the Sale Facility (for more information see Section 2.8).

The key differences between the Closed Class Units and the Open Class Units are summarised in Section 3.2 below. One key difference is that the Closed Class Units trade on the ASX under the ASX Listing Rules, while Open Class Units trade on the ASX under the AQUA Rules. The key differences between the ASX Listing Rules and the AQUA Rules are summarised in Section 3.3. Closed Class Unitholders should consider these differences and the relative advantages of each in light of their individual circumstances and preferences.

3.2 Summary of key differences between Closed Class Units and Open Class Units

If the Conversion proceeds, Closed Class Unitholders will have their Closed Class Units converted into Open Class Units.

A summary of the key differences between the Closed Class Units and Open Class Units are summarised below:

	Open Class Units (ASX: MGOC)	Closed Class Units (ASX: MGF)
Responsible entity	Magellan Asset Management Limited	
Investment manager	Magellan Asset Management Limited	
Investment strategy	Global Equities Strategy	
Capital structure	<p>An 'open-ended' unit class.</p> <p>Magellan has the power to issue or redeem Units on a daily basis.</p> <p>For further information, refer to section 3 of the PDS.</p>	<p>A 'closed-ended' unit class.</p> <p>Units can only be issued or bought-back in accordance with the ASX Listing Rules.</p>
ASX Quotation	<p>Admitted to Trading Status under the AQUA Rules.</p> <p>Further information on the ASX AQUA Rules framework is set out in Section 3.3.</p>	<p>Admitted to the Official List of ASX under the ASX Listing Rules.</p> <p>Further information on the ASX Listing Rules framework is set out in Section 3.3.</p>
Buying and selling on ASX	<p>Investors can buy and sell Open Class Units on the ASX.</p> <p>The responsible entity may provide liquidity to investors on the ASX by acting as a buyer and seller of Open Class Units. A market participant has been appointed by the responsible entity to act as its agent to buy and sell Open Class Units on the ASX.</p> <p>The secondary market price of Open Class Units is expected to generally trade at a tight spread to the prevailing NAV per Open Class Unit.</p> <p>For further information, refer to section 4 of the PDS.</p>	<p>Investors can buy and sell Closed Class Units on the ASX.</p> <p>Secondary market demand and supply dictate the trading price of Closed Class Units relative to the prevailing NAV per Unit on any given trading day.</p> <p>As a result, the secondary market price of Closed Class Units may be at a premium or discount to the NAV per Closed Class Unit.</p>
Applying and redeeming directly with the responsible entity	<p>Unitholders can apply for or redeem Open Class Units daily directly with Magellan.</p> <p>Further details are set out in Section 5 of the PDS.</p>	<p>No ability for Closed Class Unitholders to apply for or redeem Closed Class Units directly with Magellan.</p>
Distribution policy	Target Cash Distribution yield of 4% per annum paid semi annually	
Distribution Reinvestment Plan	<p>DRP available to reinvest distributions in Open Class Units at a price equal to the prevailing NAV per Open Class Unit.</p>	<p>DRP currently suspended. Historically, Closed Class Units issued under the Closed Class DRP were issued at a price equal to 92.5% of the prevailing NAV per Closed Class Unit.</p>

	Open Class Units (ASX: MGOC)	Closed Class Units (ASX: MGF)
Fees	1.35% per annum management fee (inclusive of the estimated net effect of GST) 10% performance fee of the excess return above the higher of the Index Relative Hurdle and the Absolute Return Hurdle.	
Reports to Unitholders	The following disclosures are available: <ul style="list-style-type: none"> • Daily estimated NAV per unit prior to the commencement of the ASX trading day on Magellan’s website at www.magellangroup.com.au; • Monthly NAV per unit on ASX; • Intraday indicative NAV per Unit (<i>iNAV</i>) on Magellan’s website; • Monthly fund factsheets with top 10 holdings; • Full portfolio disclosed quarterly with a one-month delay; and • Half Year and Annual Reports. 	
Material voting rights specific to a Unit Class	Voting rights in accordance with Corporations Act, the Constitution and AQUA Rules. Certain matters require specific approval of Open Class Unitholders and are specified in the Constitution.	Voting rights in accordance with the Corporations Act and ASX Listing Rules. Certain matters require specific approval of Closed Class Unitholders and are specified in the Constitution.

3.3 Differences between the AQUA Rules and ASX Listing Rules

If the Conversion is implemented, Closed Class Unitholders will no longer hold Closed Class Units which trade on ASX under the ASX Listing Rules. Instead, Closed Class Unitholders will receive Open Class Units which trade on ASX under the AQUA Rules.

The following table sets out the key differences between the AQUA Rules and the ASX Listing Rules. Further information relating to investment products quoted under the AQUA Rules can be found at <https://www2.asx.com.au/issuers/investment-products>.

Requirement	ASX Listing Rules	AQUA Rules
Continuous disclosure	Listed entities are subject to continuous disclosure requirements under ASX Listing Rule 3.1 and section 674 of the Corporations Act.	The continuous disclosure requirements under ASX Listing Rule 3.1 and section 674 of the Corporations Act do not apply to products quoted under the AQUA Rules. Magellan will comply with the continuous disclosure requirements in section 675 of the Corporations Act as if the Fund were an unlisted disclosing entity. This means that Magellan will disclose to ASIC information which is not generally available and that a reasonable person would expect, if the information were generally available, to have a material effect on the price or value of the Open Class Units, provided that such information has not already been included in the PDS (as supplemented or amended). Magellan will publish such information on the Fund’s announcements platform of ASX and the Fund’s website www.magellangroup.com.au .

		<p>Under the AQUA Rules, Magellan must disclose:</p> <ul style="list-style-type: none"> • information about the NAV of the Fund's underlying investments daily and immediately if • Magellan's management activities cause the last reported NAV to move by more than 10%; • information about redemptions from the Fund and the number of Open Class Units on issue; • information about distributions paid in relation to the Fund; • any other information which is required to be disclosed to ASIC under section 675 of the Corporations Act; and • any other information that would be required to be disclosed to the ASX under section 323DA of the Corporations Act if the Open Class Units were admitted under the ASX Listing Rules. <p>In addition, Magellan must immediately notify the ASX of any information the non-disclosure of which may lead to a false market in the Open Class Units or which would be likely to materially affect the price of the Open Class Units.</p>
Periodic disclosure	Listed entities are required to disclose half-yearly and annual financial information and reports to the announcements platform of the ASX.	Under the AQUA Rules, Magellan is required to disclose half yearly and annual financial information and reports in respect of the Fund to the announcements platform of the ASX at the same time as they are lodged with ASIC under Chapter 2M of the Corporations Act.
Corporate governance	Listed companies and listed managed investment schemes are subject to notification requirements under the Corporations Act and the ASX Listing Rules relating to takeover bids, buy-backs, change of capital, new issues, restricted securities, disclosure of directors' interests and substantial holdings.	<p>Although the Open Class Units are quoted under the AQUA Rules, if the Conversion is implemented, the Fund will no longer be listed on the Official List of the ASX and therefore it will not be subject to the notification requirements that apply to listed managed investment schemes.</p> <p>The Fund will however be subject to the notification requirements under the AQUA Rules and other corporate governance requirements that apply to registered managed investment schemes under the Corporations Act.</p>
Related party transactions	Chapter 10 of the ASX Listing Rules relates to transactions between a listed entity and a person in a position to influence the entity and sets out controls over related party transactions.	<p>Chapter 10 of the ASX Listing Rules does not apply to products quoted under the AQUA Rules.</p> <p>Magellan will still however, be required to comply with the related party provisions in Chapter 2E of the Corporations Act as modified by Part 5C.7 of the Corporations Act.</p>
Auditor rotation obligations	Division 5 of Part 2M.4 of the Corporations Act imposes specific rotation obligations on auditors of listed companies and listed managed investment schemes.	Issuers of products quoted under the AQUA Rules are not subject to the auditor rotation requirements in Division 5 of Part 2M.4 of the Corporations Act.

3.4 PDS

As new Open Class Units will be issued to Closed Class Unitholders upon redemption of their Closed Class Units as part of the Conversion, a PDS for the issue of these Open Class Units has been prepared by Magellan. A copy of the PDS is set out in Part 4 of this Unitholder Booklet. The offer of Open Class Units under the PDS is subject to the Conversion being implemented and there will be no issue of Open Class Units to Closed Class Unitholders under the PDS until the Conversion is implemented.

Closed Class Unitholders should read the PDS prior to making any decision with regards to the Conversion Resolutions.

3.5 Fees

The Closed Class Units and Open Class Units have the same fee level and calculation methodology for management fees and performance fees. Please refer to Section 9 of the PDS for a detailed explanation of fees and costs of Open Class Units.

The performance fee Calculation Period for the Closed Class Units will end on the Conversion Calculation Date. Any accrued performance fees relating to the Closed Class Units will be crystallised and become payable to Magellan at that time. The crystallisation of fees will not impact the value of your Closed Class Units or the value of the Open Class Units you receive since any accrued performance fee is already included in the NAV per Closed Class Unit.

The methodology for determining the performance fee, High Water Mark and Calculation Periods for the Open Class Units will not change, with the Calculation Periods for Open Class generally ending on 30 June and 31 December of each year. The issuance of new Open Class Units on implementation of the Conversion will not increase the overall amount of performance fees (if any) accrued in the Fund.

3.6 Distributions and Open Class Units Distribution Reinvestment Plan

The distribution that Magellan determines to be paid for the period ending 30 June 2024 is expected to be paid to Closed Class Unitholders in July before implementation of the Conversion.

Magellan has established a distribution reinvestment plan (**DRP**) in respect of distributions made to Open Class Unitholders. Magellan offers Open Class Unitholders the ability to elect to participate in the DRP.

The DRP offers Open Class Unitholders who elect to participate in the DRP the ability to reinvest all or part of their Target Cash Distribution in additional Open Class Units issued at a price equal to the NAV per Open Class Unit, as provided in the Fund DRP Rules.

The DRP Rules provide further details on the methodology for determining the price at which the Open Class Units are issued to Open Class Unitholders under the DRP and can be found at www.magellangroup.com.au.

Closed Class Unitholders who have previously made an election to participate in the distribution reinvestment plan in respect of the Closed Class Units will be treated as having made an election to participate in the distribution reinvestment plan in respect of Open Class Units following implementation of the Conversion. Closed Class Unitholders who have previously elected to participate in the DRP with respect to the Closed Class Units but who do not wish to participate in the DRP following the Conversion must change their election prior to the election date for the next distribution.

4. Information for Open Class Unitholders

4.1 Key benefits, risks and disadvantages for Open Class Unitholders

It is not expected that the Conversion will materially impact existing Open Class Unitholders, with the number of new Open Class Units to be issued to be based on the respective NAV of Closed Class Units and Open Class Units on the Conversion Calculation Date.

The table below provides a summary of the anticipated benefits of the Conversion specific to the Open Class Unitholders, as well as the potential risks and disadvantages.

Refer also to sections 6 and 7 of the PDS for general risks and benefits of investing in Open Class Units and the Fund.

Summary of key benefits of the Conversion

Additional Open Class Unitholders may improve trading activity of Open Class Units

Following the Conversion, the only Units on issue for the Fund will be Open Class Units and existing Closed Class Unitholders will become Open Class Unitholders. An increase in the number of Open Class Unitholders may increase the liquidity in the market of Open Class Units.

Diversity of Unitholders

The increased scale in the Fund following the Conversion may lead to a more diverse Open Class Unitholder register. A more diverse register mitigates the potential impact on the Fund from withdrawals, including by any concentrated holdings.

Summary of key disadvantages and risks of the Conversion

Redemption of Open Class Units by former Closed Class Unitholders and attribution of tax amounts to Unitholders of the Fund

If the Conversion is implemented, as an open-ended unit trust only, redemptions of Open Class Units (by former Closed Class Unitholders) may result in the Fund having to sell the underlying assets in the Portfolio to fund redemption proceeds. This may result in increased realised capital gains which are attributed to Unitholders.

Magellan's policy is to attribute net capital gains (or an estimate of net capital gains) generated as a result of redemptions of Open Class Units to the Unitholders who redeem a significant number of their units where this is practicable. This reduces the realised capital gains that would otherwise be attributed to continuing Unitholders at the next distribution date.

For further information, refer to section 11 of the PDS.

4.2 Distributions

The distribution that Magellan determines to be paid for the period ending 30 June 2024 is expected to be paid to Open Class Unitholders in July before implementation of the Conversion.

5. Conversion Resolutions

In order to implement the Conversion, the following Conversion Resolutions must be passed by Unitholders, by the requisite majorities:

1. Fund Resolution

- A **special resolution** that approval is given by all Unitholders in the Fund for the Constitution to be amended to facilitate the Conversion.

2. Closed Class Unitholder Resolutions:

- **Closed Class Unitholder Resolution 1** - A **special resolution** that approval is given by the Closed Class Unitholders in respect of the variation or cancellation of class rights arising from the proposed amendments to the Constitution to facilitate the Conversion.
- **Closed Class Unitholder Resolution 2** - A **special resolution** that approval is given by the Closed Class Unitholders for the Fund to be removed from the Official List of ASX under ASX Listing Rule 17.11.

All of the Conversion Resolutions are inter-conditional, so that if any Conversion Resolution is not passed by the requisite majority of relevant Unitholders, the Conversion will not proceed. If the Conversion does not proceed, the Fund will remain listed on the Official List of ASX and Closed Class Units will remain on issue.

If all of the Conversion Resolutions are passed by the requisite majorities of relevant Unitholders, subject to the ASX formally approving the removal of the Fund from the Official List of the ASX and receipt of the Second Judicial Advice, the Conversion will proceed even if some Unitholders have not voted in favour of the Conversion Resolutions.

5.1 Fund Resolution – Amendments to the Constitution

Certain amendments to the Constitution of the Fund are required to facilitate the Conversion. Section 601GC(1)(a) of the Corporations Act permits the constitution of a registered scheme to be modified by special resolution of the members of a scheme. The Fund Resolution is a special resolution, and it will be validly passed if at least 75% of the

total votes cast on the Fund Resolution are cast in favour of the resolution by Unitholders. The proposed modification will only take effect when a copy of the modification or the new constitution is lodged with ASIC.

Magellan is proposing to amend the Constitution to effect the Conversion, in particular to facilitate the redemption of Closed Class Units and the issue of new Open Class Units to Closed Class Unitholders.

It is proposed that the amendments to the Constitution will be effected under the terms of the supplemental deed poll set out in Annexure A of the Notice of Meeting for all Unitholders (**Supplemental Deed Poll**) which will be tabled by the Chairperson at the Meeting. The Supplemental Deed Poll sets out the proposed amendments to the Constitution in full.

A summary of the proposed amendments to the Constitution is set out below.

Topic	Summary
Parties	Magellan will execute the document as a deed poll.
Implementation of the Conversion	Provides for the implementation of the Conversion (defined as the Scheme in the Supplemental Deed Poll), including: <ul style="list-style-type: none"> a) requiring all Closed Class Unitholders and Magellan to do all things necessary to give full effect to the Conversion (and binding them to do so); and b) giving Magellan power to do all things necessary or desirable to give effect to the Conversion
Entitlement to Scheme Consideration	Closed Class Unitholders are entitled to consideration for the redemption of their Closed Class Units.
Amount of Scheme Consideration	The consideration to be given in exchange for Closed Class Units will be either: <ul style="list-style-type: none"> a) for all Closed Class Unitholders (except for Ineligible Foreign Closed Class Unitholders), the issue of Open Class Units calculated in accordance with the following formula: $N = \text{Conversion Ratio} \times \text{Number of Closed Class Units held by the Unitholder on the Conversion Record Date}$ b) for Ineligible Foreign Closed Class Unitholders, a proportion of the proceeds of sale (net of costs) under the Sale Facility, derived from the sale of Open Class Units issued to the Sale Agent (instead of to the Ineligible Foreign Closed Class Unitholder) in accordance with the formula in paragraph (a). <p>Fractional entitlements will be rounded to the nearest whole number of Units.</p>
Instructions and elections to be applied to Open Class Units	To the extent permitted by law, all binding instructions, notifications, consents or elections made by each Closed Class Unitholder in relation to the Closed Class Units will be deemed to be made by the Closed Class Unitholder in relation to any Open Class Units held.
	This includes, disclosure of personal information, receipt of notices and communications (including electronically) and any election to participate in a distribution reinvestment plan.
Transfers to be free of encumbrances	All Closed Class Units, as at the date of redemption, must be free from all encumbrances.
Irrevocable agreements by the Closed Class Unitholders	Under the Conversion, the Closed Class Unitholders irrevocably: <ul style="list-style-type: none"> • acknowledge that they and Magellan are bound by the Constitution clauses as inserted by the Supplemental Deed Poll (regardless of whether they attend the Meeting or vote in favour); • agree to the redemption of their Closed Class Units, and to any variation, cancellation or modification of rights attached to their Closed Class Units resulting from the Conversion; • agree to provide information reasonably required for Magellan to comply with law (including AML); and • consent to Magellan doing all things necessary (including execution of transfers and other documents) to give full effect to the Conversion.
Appointment of Responsible Entity as sole proxy	Each Closed Class Unitholder appoints Magellan as attorney and agent and its directors from time to time as its sole proxy or corporate representative (where applicable) in respect of attending and voting at Unitholders' meetings, and, if they remain registered holders of Closed Class Units, they must act as Magellan directs. This applies on and from the Implementation Date until the Closed Class Units are redeemed.

Topic	Summary
Treatment of separate parcels held by custodians	For the purposes of implementing the Conversion, each separate parcel of Closed Class Units held in a capacity as trustee, custodian or nominee for another person will be treated as though it were held by a separate Unitholder.
Sale Facility for Ineligible Foreign Closed Class Unitholders	Provisions are inserted to govern and facilitate a sale facility in respect of Closed Class Units held by Ineligible Foreign Closed Class Unitholders. Magellan must not issue any Open Class Units to Ineligible Foreign Closed Class Unitholders and must instead issue them to the Sale Agent. The Sale Agent must sell the Open Class Units it receives in the ordinary course of trading on the ASX, and pay the proceeds (net of all costs) to the Fund's unit registry. The Fund's unit registry must pay those proceeds to the Ineligible Foreign Closed Class Unitholders proportionate to the number of Open Class Units that they would otherwise have been issued.
Unclaimed monies	Any amount payable under the Conversion which becomes 'unclaimed monies' as defined in the <i>Unclaimed Money Act 1995 (NSW) (Unclaimed Money Act)</i> , will be subject to the Unclaimed Money Act.
Withholdings	Magellan may deduct and withhold any consideration that would otherwise be payable if it determines that it is required to do so by law, a court order or a regulatory authority. It must provide a receipt of payment to the relevant tax or regulatory authority if requested.
Court orders and orders of a regulatory authority	If Magellan receives written notice of an order or direction given by a court or other regulatory authority requiring any consideration otherwise payable to a Closed Class Unitholder as part of the Conversion to instead be paid to a Regulatory Authority or other third party (either by paying money or issuing Open Class Units), then Magellan is entitled to comply with the order and, if that involves issuing Open Class Units or paying money to somebody else, then doing so will discharge the obligation to the relevant Closed Class Unitholder.
Determination of scheme units	The Register on the Conversion Record Date will determine the persons that hold Closed Class Units on the Conversion Record Date and their entitlement to the Scheme Consideration. CHESS or other registrable transfers must be received on or before the Conversion Record Date.
No disposal after Effective Date	Any disposal by Unitholders of Closed Class Units after the Effective Date will be void, unless disposed of in accordance with the Conversion.
Suspension of trading and delisting	Closed Class Units will be suspended from trading from the close of business on the Effective Date. Subject to the receipt of all relevant approvals, on the Implementation Date, Magellan will apply to delist the Fund from the Official List of ASX.
Power of Attorney	Each Closed Class Unitholder irrevocably appoints Magellan (and its directors and secretaries jointly and individually) as its attorney and agent to execute documents related to the Conversion.
No liability when acting in good faith	Magellan (including its directors, officers, employees or associates) will not be liable for any act or omission in the performance of the Conversion in good faith.
Limitation of liability	Limitation of liability provisions limit Magellan's liabilities to Unitholders to the extent to which Magellan is actually indemnified out of trust property (subject to law).

5.2 Closed Class Unitholder Resolution 1 – Variation or cancellation of class rights

The Closed Class Unitholder Resolution 1 seeks approval from Closed Class Unitholders to approve the proposed amendments to the Constitution for the purposes of clause 7.5 of the Constitution in respect of the variation or cancellation of class rights.

Under clause 7.5, in summary, any variation or cancellation of rights attached to a Class of Units requires approval by a special resolution passed at a separate meeting of Unit Holders of that Class. The Conversion will involve the redemption of Closed Class Units and hence a cancellation of rights attached to that Class of Unit.

The Closed Class Unitholder Resolution 1 is a special resolution, and it will be validly passed if at least 75% of the total votes cast on the Closed Class Unitholder Resolution 1 are cast in favour of the resolution by Closed Class Unitholders.

The Closed Class Unitholder Resolution is inter-conditional with the approval of the other Conversion Resolutions. If all of the Conversion Resolutions are passed, the Supplemental Deed Poll will be signed and lodged with ASIC on the Effective Date. The proposed amendments do not take effect until the signed Supplemental Deed Poll is lodged with ASIC.

If the Closed Class Unitholder Resolution 1 (or any of the Conversion Resolutions) is not passed by the relevant Unitholders at the relevant Meeting, the Conversion will not proceed and the Closed Class Units will remain on issue.

5.3 Closed Class Unitholder Resolution 2 – Removal of the Fund from the Official List of ASX

Closed Class Unitholder Resolution 2 seeks Unitholder approval under ASX Listing Rule 17.11 for the removal of the Fund from the Official List of ASX.

ASX has advised that, based on the information provided to it, it will agree to remove the Fund from the Official List of ASX upon receipt of a formal delisting application from Magellan, subject to compliance with the following conditions:

- all Unitholders approving a resolution to amend the MGF Constitution to effect the Conversion;
- Closed Class Unitholders, by special resolution under Closed Class Unitholder Resolution 2, approving the removal of the Closed Class Units from the Official List of ASX;
- the inclusion of certain specified information in this Unitholder Booklet; and
- all other necessary conditions to implement the Conversion have been satisfied.

In accordance with the conditions set out above:

- the Conversion Resolutions seek the required approvals from Unitholders; and
- this Unitholder Booklet contains the information required by ASX.

Closed Class Unitholder Resolution 2 is inter-conditional with the approval of the Fund Resolution and the Closed Class Unitholder Resolution 1. If all of the Conversion Resolutions are passed, subject to ASX formally approving the removal of the Fund from the Official List of ASX and receipt of the Second Judicial Advice:

- the Closed Class Units will be redeemed in consideration for new Open Class Units which will be issued at the Conversion Ratio;
- it is expected that the Fund and the Closed Class Units will be removed from the Official List of ASX effective from the close of trading on 22 July 2024; and
- it is expected that Closed Class Unitholders will be able to transact their Open Class Units on the ASX under the ticker 'MGOC' on and from 23 July 2024.

Closed Class Unitholder Resolution 2 is a special resolution, and it will be validly passed if at least 75% of the total votes cast on Closed Class Unitholder Resolution 2 are cast in favour of the resolution by Closed Class Unitholders.

Closed Class Unitholders wishing to sell their Closed Class Units on the ASX while the Fund is admitted to the Official List of ASX will need to do so on or before 11 July 2024. Thereafter, Closed Class Unitholders will be able to sell the Open Class Units they receive on implementation of the Conversion on the ASX under the AQUA Rules on and from 23 July 2024 using the ticker 'MGOC' or redeem their Open Class Units directly with Magellan.

The advantages and disadvantages of removal of the Fund from the Official List (in connection with the Conversion) are set out in Section 3.1.

Following the Fund's removal from the Official List of ASX, the Fund will become an 'unlisted disclosing entity' subject to the continuous disclosure obligations in section 675 of the Corporations Act. These are substantively the same as those imposed under section 674 of the Corporations Act and ASX Listing Rule 3.1. Further information about the disclosure obligations of the Fund as an open-ended Active ETF can be found in Section 3.3.

If Closed Class Unitholder Resolution 2 (or any of the Conversion Resolutions) is not passed by Unitholders at the relevant Meeting, Magellan will not be able to proceed with the delisting and Conversion and the Closed Class Units will remain listed on the Official List of ASX.

5.4 Independent Expert's opinion

The Board appointed the Independent Expert to prepare the Independent Expert's Report to opine on whether the Conversion is in the best interests of Unitholders (in each separate class and taken as a whole).

The Independent Expert has concluded that the Conversion is in the best interests of Unitholders (in each respective unit class and as a whole) in the absence of a superior proposal (which in the Independent Expert's view is unlikely).

The reasons why the Independent Expert reached these conclusions are set out in the Independent Expert's Report, a copy of which is included in Part 3 of this Unitholder Booklet. The Directors strongly encourage you to read this report in its entirety.

5.5 Director's recommendation

The Directors of Magellan consider that the Conversion is in the best interest of Unitholders and believe that the anticipated benefits for all Unitholders from the Conversion outweigh the potential disadvantages and risks. Accordingly, the Directors unanimously recommend that Unitholders vote in favour of the Conversion Resolutions.

5.6 Voting exclusion

In accordance with section 253E of the Corporations Act, Magellan and its associates will not vote their interests on the Conversion Resolutions.

6. Tax Report

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20 May 2024

The Directors
Magellan Asset Management Limited in its
capacity as responsible entity of the Magellan
Global Fund
Level 36
25 Martin Place
Sydney NSW 2000

Dear Directors

Australian Taxation Report

We have been requested to prepare a summary of the Australian tax consequences for certain Australian resident and non-resident Unitholders of the implementation of the Conversion to be included in the Notice of Meeting and Explanatory Memorandum issued by Magellan Asset Management Limited (**Magellan**) (in its capacity as responsible entity of the Magellan Global Fund) (**Fund**) dated on or around 20 May 2024 (the **Explanatory Memorandum**). The information contained in this summary is only general in nature. This summary has been prepared on the assumption that the Conversion described in the Explanatory Memorandum will be carried out in the manner described in the Explanatory Memorandum.

The information provided below is not applicable to all Unitholders. This tax summary applies to Australian tax resident and non-resident unitholders who hold their Units on capital account. This summary will not apply to Unitholders who:

- acquired their Units in the course of a business of trading or investing in securities, such as share traders, investment companies, banks or insurance companies, or who otherwise hold Closed Class Units on revenue account or as trading stock; and/or
- acquired their interests in their Units pursuant to an employee share, option or rights plan, if applicable; and/or
- are subject to the 'taxation of financial arrangements' rules in Division 230 of the *Income Tax Assessment Act 1997* (Cth) in respect of their Units.

The actual tax consequences to Unitholders of the Conversion may differ depending on their individual circumstances.

Unitholders are advised to consult their own professional tax adviser regarding the consequences of the Conversion in light of their particular circumstances. Unitholders who are not resident in Australia should obtain advice on the taxation implications arising from the Conversion in their local jurisdiction.

This summary is based on provisions of the *Income Tax Assessment Act 1936* (**1936 Act**) and the *Income Tax Assessment Act 1997* (**1997 Act**) and regulations and the current administrative practice of the Australian Taxation Office (the **ATO**) as at the date of this Explanatory Memorandum.

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Allens is an independent partnership operating in alliance with Linklaters LLP.

Defined terms used in this letter take their meaning from the Explanatory Memorandum, unless the context requires otherwise.

1 Income tax consequences of the Conversion for Closed Class Unitholders

1.1 Australian resident Closed Class Unitholders

(a) Redemption of Closed Class Units

For Closed Class Unitholders, the Conversion will result in their Closed Class Units being redeemed.

The redemption of Closed Class Units should be a CGT event for a Closed Class Unitholder. The event happens because a Closed Class Unitholder will cease to own, or dispose of, Closed Class Units in the Fund.

As the Conversion will trigger a CGT event, Closed Class Unitholders will need to determine whether a capital gain, or a capital loss, arises in respect of their Closed Class Units.

Broadly, a Closed Class Unitholder will:

- make a 'capital gain' if the capital proceeds from the redemption of their Closed Class Units exceeds the 'cost base' of their Closed Class Units (subject to CGT unit for unit roll-over relief, discussed below); or
- make a 'capital loss' if the capital proceeds from the redemption of their Closed Class Units are less than the 'reduced cost base' of their Closed Class Units.

If applicable, the 'CGT discount' may be available to reduce the taxable gain for a Closed Class Unitholder who is an individual, complying superannuation entity or trust (discussed below).

(b) Cost base or reduced cost base

The cost base and reduced cost base of Closed Class Units will generally include the amount paid, or the market value of any property given, to acquire the Closed Class Units, plus any incidental costs of acquisition (eg, brokerage fees and stamp duty) that are not otherwise deductible to the Closed Class Unitholders, or the amount which applied to an original interest if the Closed Class Units were acquired pursuant to a previous transaction which was subject to CGT roll-over relief. The cost base and reduced cost base of Closed Class Units may also be reduced by any tax deferred or other non-attributable amounts received under previous distributions. The cost base of each Closed Class Unit will depend on the individual circumstances of each Closed Class Unitholder.

(c) Capital proceeds

Under the applicable rules, the capital proceeds for the CGT event arising from the redemption of Closed Class Units under the Conversion will include the money and the market value of any property received in respect of the redemption. This should be equal to the value of the Open Class Units. In working out the amount that should be included in the capital proceeds for the CGT event, the market value of the Open Class Units should be determined as at the Implementation Date.

Net capital gain or loss

Any capital gain (or capital loss) made by a Closed Class Unitholder will be aggregated with other capital gains and capital losses of the Closed Class Unitholder in the relevant year of income to determine whether the Closed Class Unitholder has an overall 'net capital gain' or overall 'net capital loss' for the income year in which the CGT event occurs.

Subject to roll-over relief, a net capital gain, if any, will be included in the Closed Class Unitholder's assessable income. Subject to roll-over relief, a net capital loss, if any, may not be deducted against other assessable income, but may be carried forward to be offset against net capital gains realised in later income years.

(d) CGT discount

If a Closed Class Unitholder is an individual, complying superannuation entity or a trust, and acquired their Closed Class Units at least 12 months or more before the redemption, the Closed Class Unitholder may be entitled to apply the 'CGT discount' for any capital gain made on the redemption of their Closed Class Units. Closed Class Unitholders should seek independent advice to determine if their Closed Class Units have been held for the requisite period.

The 'CGT discount' provisions may entitle Closed Class Unitholders to reduce their capital gain on the redemption of a Closed Class Unit (after deducting available capital losses) by half, in the case of individuals and trusts, or by one-third in the case of Australian complying superannuation entities. The 'CGT discount' is not available to companies. As the rules relating to discount capital gains for trusts are complex, we recommend that Closed Class Unitholders who are trustees seek their own independent advice on how the CGT discount provisions will apply to them and the trusts' beneficiaries, as applicable.

(e) CGT roll-over relief for exchange of units

(i) Class Ruling

Magellan has applied (on behalf of the Unitholders) for a class ruling (**Class Ruling**) from the Commissioner of Taxation to confirm certain Australian income tax implications of the Conversion, including whether Australian resident Closed Class Unitholders, who would otherwise make a capital gain or capital loss on redemption of their Closed Class Units, are eligible to obtain unit exchange roll-over relief pursuant to Subdivision 124-E of the 1997 Act.

We expect that the Commissioner of Taxation will issue a Class Ruling which is consistent with the income tax comments provided in the following sections, including to confirm that relevant Australian resident Closed Class Unitholders, who would otherwise make a capital gain or capital loss on redemption of their Closed Class Units, are eligible to obtain unit exchange roll-over relief. The Class Ruling has not been finalised as at the date of this Unitholder Booklet and a Class Ruling is not expected to be issued by the Commissioner of Taxation until after the Implementation Date.

Unitholders should review the final Class Ruling when it is published by the Commissioner of Taxation following the Implementation Date on the Australian Taxation Office's website at www.ato.gov.au.

(ii) Application of exchange of units roll-over

An Australian resident Closed Class Unitholder who redeems their Closed Class Units in exchange for Open Class Units, and who would otherwise make a capital gain or capital loss in respect of the redemption of their Closed Class Units, may choose to obtain CGT exchange of units roll-over relief subject to the conditions in Subdivision 124-E of the 1997 Act. This choice can be evidenced by the way in which the Closed Class Unitholder completes their income tax return in the income year in which they redeem their Closed Class Units (discussed in further detail below).

Subdivision 124-E of the ITAA 1997 contains a number of conditions that must be satisfied before a Closed Class Unitholder is eligible to choose unit for unit roll-over. These conditions are:

- you own units (the original units) of a certain class in a unit trust; and
- the trustee redeems or cancels all units of that class; and
- the trustee issues you with new units (and you receive nothing else) in substitution for the original units; and
- the market value of the new units just after they were issued is at least equal to the market value of the original units just before they were redeemed or cancelled; and
- one of these requirements is satisfied:
 - you are an Australian resident at the time of the redemption or cancellation; or
 - if you are a foreign resident at that time – the original units were taxable Australian property just before that time and the new units are taxable Australian property when they are issued.

If CGT roll-over relief under Subdivision 124-E of the 1997 Act is available, and a Closed Class Unitholder elects to apply roll-over relief, then:

- a capital gain or capital loss that the Closed Class Unitholder makes from the redemption of their Closed Class Units under the Conversion should be disregarded and deferred until a subsequent taxable event occurs in respect of the Open Class Units;
- the Closed Class Unitholder should be taken to have acquired their replacement Open Class Units on the date they originally acquired (or are taken to have acquired) their redeemed Closed Class Units; and
- the first element of cost of their replacement Open Class Units should be equal to the total cost base of their redeemed Closed Class Units when they were redeemed.

(iii) Election to apply CGT roll-over relief

The Closed Class Unitholder must make a choice to apply CGT roll-over relief by the day they lodge an income tax return for the income year in which the Implementation Date occurs. The choice can be evidenced by excluding the disregarded capital gain or capital loss from assessable income in the Closed Class Unitholder's income tax return and on the Capital Gains Tax Schedule, if applicable. There is no need to lodge a separate notice with the ATO.

(f) Where exchange of units roll-over is not chosen or available

Where a Closed Class Unitholder is not eligible for, or does not choose, CGT roll-over relief:

- any capital gain or capital loss made by the Closed Class Unitholder from the redemption of their Closed Class Units will be taken into account in calculating the Closed Class Unitholder's 'net capital gain' (see above) for the income year in which the CGT event happens; and
- acquire their replacement Open Class Units with effect from the date of implementation; and
- the first element of cost of their replacement Open Class Units should be equal to the value of those units when they are acquired.

(g) Tax Consequences of holding Open Class Units after the Conversion

Unitholders should refer to information about the tax consequences of becoming an Open Class Unitholder after the Conversion, as set out in Section 11 of the PDS.

1.2 Non-Australian tax resident Closed Class Unitholders

For a Closed Class Unitholder who:

- is a foreign resident, or the trustee of a foreign trust for CGT purposes; and
- has not used their Closed Class Units at any time in carrying on a business through a permanent establishment in Australia,

the redemption of the Closed Class Units would generally only result in Australian CGT implications if, in broad terms:

- that Closed Class Unitholder together with their associates held an interest of 10% or more in the Fund at the time of redemption or for a 12 month period within two years preceding the redemption (referred to as a 'non-portfolio interest'); and
- more than 50% of the market value of the Fund's assets is attributable to direct or indirect interests in 'taxable Australian real property' (as defined in the income tax legislation).

On the basis that less than 50% of the market value of the Fund's assets is attributable to direct or indirect interests in 'taxable Australian real property' (as defined in the income tax legislation), Closed Class Unitholders who are non-Australian tax residents should generally be able to disregard any Australian capital gain or loss otherwise arising as a result of the redemption of the Closed Class Units.

A non-resident individual Closed Class Unitholder who has previously been an Australian tax resident and chose to disregard a capital gain or loss in respect of their Closed Class Units from a CGT event on ceasing to be an Australian tax resident may be subject to Australian CGT consequences on redemption of their Closed Class Units.

Closed Class Unitholders who are non-Australian tax residents should seek their own independent tax advice as to the tax implications of the Conversion, including tax implications in their country of residence.

2 Income tax consequences of the Conversion for Open Class Unitholders

For Open Class Unitholders, the Conversion should not result in a disposal, redemption, cancellation or any other tax event that would happen in relation to their Open Class Units. Accordingly, the Conversion should not have any tax consequences for an Open Class Unitholder.

3 Foreign resident capital gains tax withholding

The foreign resident capital gains withholding regime may impose a 12.5% 'withholding' obligation on an acquirer of units in a trust in certain circumstances.

However, on the basis that less than 50% of the market value of Fund's assets is, and will be on the Implementation Date, attributable to direct and indirect interests in 'taxable Australian real property' (as defined in the income tax legislation), the foreign resident capital gains withholding regime should not apply to the acquisition of Closed Class Units from a Closed Class Unitholder. Accordingly, there should not be any obligation on the acquirer to 'withhold' any amount under these rules.

4 GST

No GST should be payable by a Closed Class Unitholder (whether Australian resident or non-resident) in respect of the sale of the Closed Class Units.

5 Stamp Duty

No stamp duty should be payable in respect of the redemption of the Closed Class Units or acquisition of the Open Class Units.

Yours faithfully



Allens

7. Other information

7.1 Directors' Interests

At 15 May 2024 (being the last practicable date before the date of this Unitholder Booklet), the Fund had 1,507,560,839 Closed Class Units and 2,064,131,901.6787 Open Class Units on issue.

The Directors have the following interests in the Fund at that date:

Director	Position	Number of Closed Class Units	Number of Open Class Units
Robert Fraser	Non-Executive Chairman	266,241	0
David Dixon	Deputy Chairman and Non-Executive Director	0	0
Sophia Rahmani	Managing Director	0	0
John Eales	Non-Executive Director	396,396	0
Andrew Formica	Executive Director	0	0
Cathy Kovacs	Non-Executive Director	0	0
Hamish McLennan	Non-Executive Director	118,026	0
Deborah Page	Non-Executive Director	32,031	0

7.2 Regulatory consents

ASX waivers/confirmations

ASX has granted the following confirmations:

- that ASX has no objections to the proposed amendments to the Fund Constitution;
- that ASX Listing Rule 10.12, Exception 1 will apply to the issue of Open Class Units to Closed Class Unitholders as consideration for the redemption of their Closed Class Units under the Conversion;
- subject to the Conversion Resolutions being approved and the Fund Constitution being validly amended for the Conversion, that the exception in ASX Listing Rule 6.12.3 applies to the Conversion; and
- that the Conversion satisfies the requirements of Rule 10A.3.1(ca) of Schedule 10A of the ASX Operating Rules.

7.3 Summary of First Judicial Advice and Second Judicial Advice hearing

At the First Judicial Advice hearing on Monday, 20 May 2024, the Court made orders that Magellan would be justified in:

- (a) convening meetings of Unitholders to consider, and if thought fit, approve the Conversion Resolutions;
- (b) distributing this Unitholder Booklet; and
- (c) proceeding on the basis that making the proposed amendments to the Constitution, following approval of the relevant Conversion Resolutions, would be within the powers of alteration conferred by the Constitution and section 601GC of the Corporations Act.

The Second Judicial Advice hearing is expected to take place on Wednesday, 10 July 2024 at the Court at 184 Phillip Street, Sydney. See the 'Important Notices & Disclaimer' section of this Unitholder Booklet for further information. Any Unitholder may appear at the Second Judicial Advice Hearing.

Any Unitholder who wishes to oppose the Second Judicial Advice at the Second Judicial Advice hearing may do so by filing with the Court and serving on Magellan a notice of appearance in the prescribed form together with any affidavit that the Unitholder proposes to rely on.

The address for service is: Attention Legal Department, Magellan Asset Management Limited, Level 36, 25 Martin Place, Sydney NSW 2000.

7.4 Consents to be named

The following persons have given, and have not, before the date of issue of this Unitholder Booklet, withdrawn their consent to be named in this Unitholder Booklet in the form and the context in which they are named:

- (a) Lonergan Edwards & Associates Limited as the Independent Expert
Lonergan Edwards & Associates Limited, as Independent Expert, has given its written consent to the inclusion of the Independent Expert's Report in Part 3 of this Unitholder Booklet, and references to the Independent Expert's Report in the form and context in which they are included in this Unitholder Booklet and has not, before the date of issue of this Unitholder Booklet, withdrawn such consent.
- (b) Allens as taxation adviser
Allens as taxation adviser has given its written consent to the inclusion of the Taxation Report in Section 6 of this Explanatory Memorandum, and references to the Taxation Report in the form and context in which they are included in this Unitholder Booklet and has not, before the date of issue of this Unitholder Booklet, withdrawn such consent.

Other than as specifically outlined above and as to any reference to its name, each party referred to in this Section 7.4 has not caused or authorised the issue of this Unitholder Booklet and does not make or purport to make any statement in this Unitholder Booklet or any statement on which a statement is based, and takes no responsibility for any part of this Unitholder Booklet.

7.5 Transaction costs

The third party transaction costs of the Conversion that are determined by Magellan as being referable to the Closed Class (Transaction Costs) are to be borne by Closed Class Unitholders, which include advisor and Independent Expert fees and other costs in connection with this Unitholder Booklet and the Meetings. These costs are being managed prudently by Magellan and are required to ensure implementation of the Conversion proceeds in a timely and efficient manner.

As at the date of this Unitholder Booklet, Transaction Costs of approximately \$925,000 (excluding GST) (equating to approximately \$0.0006 (excluding GST) per Closed Class Unit) have been incurred.

Whilst the majority of the Transaction Costs are expected to be incurred prior to the date of this Unitholder Booklet, Magellan estimates additional Transaction Costs of approximately \$308,000 (excluding GST) (equating to approximately \$0.0002 (excluding GST) per Closed Class Unit) are expected to be incurred through to implementation of the Conversion (assuming the Conversion Resolutions are approved). Magellan notes that the additional Transaction Costs are an estimate only and the final amount may be higher or lower than the estimate above.

7.6 Supplementary Information to Explanatory Memorandum

To the extent required by the AQUA Rules, ASX Listing Rules, the Corporations Act or any other applicable law, Magellan will issue a supplementary document to this Unitholder Booklet if it becomes aware of any of the following between the date of this Unitholder Booklet and the date of the Meeting:

- (a) a material statement in this Unitholder Booklet that is or becomes false or misleading;
- (b) a material omission from this Unitholder Booklet;
- (c) a significant change affecting a matter included in this Unitholder Booklet; or
- (d) a significant new matter that has arisen and would have been required to be included in this Unitholder Booklet if it had arisen before the date of this Unitholder Booklet.

Depending on the nature and timing of the changed circumstances and subject to obtaining any relevant approvals, Magellan may circulate and publish the supplementary document by:

- (a) disclosing it on the ASX's market announcements platform and providing it to unitholders;
- (b) placing an advertisement in a prominently published newspaper that is circulated in Australia; and / or
- (c) posting the supplementary document on the Fund's website at www.magellangroup.com.au.

7.7 No other information

Other than as contained in this Unitholder Booklet, there is no information within the knowledge of any member of the Magellan Board that is material to the making of a decision in relation to the Conversion to be voted on by Unitholders, and that has not been previously disclosed to Unitholders.

8. GLOSSARY

Defined terms and other terms used in the Unitholder Booklet	Definition
Absolute Return Hurdle	The yield of 10-year Australian Government Bonds on the first day of the Calculation Period.
Active ETF	An actively managed investment fund that is structured as an open-ended unit trust whose units are quoted on the ASX under the AQUA Rules.
AEST	Australian Eastern Standard Time.
Approvals	The Unitholder and regulatory approvals upon which the Conversion is conditional (as set out in Section 1.4 of this Unitholder Booklet).
AQUA Rules	ASX Operating Rules that apply to the quotation on ASX of funds, exchange traded funds and other structured securities and products.
ASIC	Australian Securities & Investments Commission.
ASX	ASX Limited (ABN 98 008 624 691) or the financial market known as the Australian Securities Exchange it operates, as the context requires.
ASX Listing Rules	The official listing rules of ASX, as amended or replaced from time to time except to the extent of any express written waiver by ASX.
ASX Operating Rules	The official operating rules of ASX, as amended or replaced from time to time except to the extent of any express written waiver by ASX.
Business Day	Has the meaning given in the ASX Listing Rules
Calculation Period	The calculation period in respect of each of the Closed Class Units and Open Class Units (as relevant) nominated by Magellan in respect of which Magellan is entitled to receive a performance fee under the Constitution.
Chairperson	The chairperson of Magellan.
Closed Class Register	The register of Closed Class Unitholders
Closed Class Unitholder	A Unitholder who holds Closed Class Units.
Closed Class Unitholder Resolution 1	A special resolution that approval is given by the Closed Class Unitholders in respect of the variation or cancellation of rights of the Closed Class Unitholders arising from the proposed amendments to the Constitution to facilitate the Conversion.
Closed Class Unitholder Resolution 2	A special resolution that approval is given by the Closed Class Unitholders for the Fund to be removed from the Official List of ASX under ASX Listing Rule 17.11.
Closed Class Units	A closed-ended class of units issued by the Fund which are quoted on the official list of ASX under the ASX Listing Rules, trading under the security code MGF.
Constitution	The constitution of the Fund.
Conversion	The proposed conversion of the Closed Class Units to Open Class Units.
Conversion Calculation Date	The Business Day immediately before the Implementation Date, expected to be 19 July 2024, or such earlier date as is determined by Magellan (not exceeding 5 Business Days before the Implementation Date).

Conversion Ratio	<p>The ratio determining how many Open Class Units are to be issued to Closed Class Unitholders in consideration for redeemed Closed Class Units pursuant to the Conversion.</p> <p>The Conversion Ratio will be calculated as the NAV per Closed Class Unit divided by the NAV per Open Class Unit as at the Conversion Calculation Date.</p>
Conversion Record Date	7.00 pm on the second Business Day following the Effective Date, or such other date as set by Magellan or as may be required by ASX (expected to be Monday, 15 July 2024).
Conversion Resolutions	The Fund Resolution, the Closed Class Unitholder Resolution 1 and the Closed Class Unitholder Resolution 2.
Corporations Act	The <i>Corporations Act 2001</i> (Cth).
Corporations Regulations	The <i>Corporations Regulations 2001</i> (Cth).
Court	The Supreme Court of NSW.
Directors	The directors of Magellan.
DRP	Magellan's distribution reinvestment plan in respect of distributions from the Fund.
DRP Rules	The distribution reinvestment plan rules for the Fund.
Effective Date	The effective date of the Conversion, expected to be Thursday, 11 July 2024.
Explanatory Memorandum	This explanatory memorandum.
First Judicial Advice	The first judicial advice provided on Monday, 20 May 2024 by the Court in relation to the Conversion.
Fund	Magellan Global Fund (ARSN 126 366 961).
Fund Resolution	A special resolution of all Unitholders that approval is given to amend the Constitution of the Fund to facilitate the Conversion.
High Water Mark	As described in Section 9 of the PDS.
HIN	Holder Identification Number.
Implementation Date	The date on which the Conversion is implemented, expected to be Monday, 22 July 2024.
Independent Expert	Lonergan Edwards and Associates Limited (ACN 095 445 560).
Independent Expert's Report	The report in respect of the Conversion prepared and issued by the Independent Expert for inclusion in this Unitholder Booklet (or any update or variation to that report). A copy of the Independent Expert's Report is contained in Part 3 of this Unitholder Booklet.
Index Relative Hurdle	The MSCI World Net Total Return Index (AUD).
Ineligible Foreign Closed Class Unitholder	A Closed Class Unitholder whose address as shown on the Closed Class Register on the Conversion Record Date is in a jurisdiction other than Australia (or its external territories), New Zealand, Hong Kong or Singapore unless Magellan otherwise determines after being satisfied that it is lawful and not unduly onerous or impracticable for new Open Class Units to be issued to such Closed Class Unitholder on implementation of the Conversion.
Ineligible Foreign Closed Class Unitholder Sale Period	Period commencing on the Implementation Date and ending 20 Business Days after the Implementation Date.

Magellan	Magellan Asset Management Limited (ACN 120 593 946) being the body named in this Unitholder Booklet as responsible entity of the Fund.
Magellan Group	Magellan Financial Group Ltd (ABN 59 108 437 592) and each of its related bodies corporate, including Magellan.
Meetings	The meetings held pursuant to the Notices of Meeting.
NAV	Net asset value.
Notice of Meeting	Each notice of meeting contained in Part 2 of this Unitholder Booklet.
Official List	The official list of entities that ASX has admitted and not removed.
Open Class Unitholder	A Unitholder who holds Open Class Units.
Open Class Units	An open-ended class of units in the Fund quoted on the ASX (ASX ticker: MGOC) under the AQUA Rules
PDS	The product disclosure statement for the Open Class Units to be issued in connection with the Conversion, a copy of which is included in Part 4 of this Unitholder Booklet.
Proxy Form	The proxy form for each Meeting ³ .
related body corporate	Has the meaning set out in section 9 of the Corporations Act.
Sale Agent	The entity appointed by Magellan to sell the Closed Class Units held by Ineligible Foreign Closed Class Unitholders pursuant to the Sale Facility.
Sale Facility	The sale facility in respect of Closed Class Units held by Ineligible Foreign Closed Class Unitholders.
Scheme Consideration	The respective consideration to be given to Unitholders and Ineligible Foreign Closed Class Unitholders in exchange for Closed Class Units.
Second Judicial Advice	The second judicial advice from the Court in relation to the Conversion.
Second Judicial Advice Date	Wednesday, 10 July 2024
Section	A section in the Explanatory Memorandum.
SFA	<i>Securities and Futures Act</i> (Singapore) Cap. 289.
SFO	<i>Securities and Futures Ordinance</i> (Hong Kong) Cap. 571.
SRN	Securityholder Reference Number.
Supplemental Deed Poll	The document under which the Constitution is amended as set out in Annexure A of the Notice of Meeting for all Unitholders.
Target Cash Distribution	The cash distribution targeted by Magellan in respect of Open Class Units and Closed Class Units.
Unclaimed Money Act	The <i>Unclaimed Money Act 1995</i> (NSW)
Unit	A Closed Class Unit or Open Class Unit, as relevant.
Unitholder	A holder of a Closed Class Unit or Open Class Unit.
Unitholder Booklet	This unitholder booklet for the Magellan Global Fund.
Voting Record Date	7.00pm on Monday, 24 June 2024

³ for the Meeting of all Unitholders, there will be a separate proxy form for each class of Unitholders



PART 2: Notices of Meeting

1. Notice of Meeting (all Unitholders)

Notice of Meeting

Magellan Global Fund (ARSN 126 366 961)

This notice is issued by Magellan Asset Management Limited ABN 31 120 593 946 (**Magellan**) as responsible entity of the Magellan Global Fund ARSN 126 366 961 (**MGF**) to the members of MGF (**Unitholders**).

A meeting of Unitholders will be held at:

Venue: Level 36, 25 Martin Place, Sydney NSW 2000

Time: 9:30 am (AEST)

Date: Wednesday, 26 June 2024

(the **Meeting**).

The Explanatory Memorandum contained in Part 1 of the Unitholder Booklet provides additional information on the matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form comprise part of this Notice of Meeting.

Business:

The business of the Meeting will consist of the following resolution:

Resolution

To consider, and if thought fit, to pass the following resolution as a special resolution of the Unitholders:

'That, subject to and conditional on the Closed Class Unitholder Resolution 1 and the Closed Class Unitholder Resolution 2 (each as defined in the Explanatory Memorandum issued by Magellan Asset Management Limited ABN 31 120 593 946 dated 20 May 2024 in connection with the Conversion) being approved, the Constitution of the Magellan Global Fund (ARSN 126 366 961) be modified in accordance with the provisions of the Supplemental Deed tabled at the Meeting and signed by the Chairperson for the purposes of identification and that Magellan Asset Management Limited be authorised to:

- (d) *execute the Supplemental Deed and lodge it with the Australian Securities and Investments Commission; and*
- (e) *implement and give effect to the actions and other matters contemplated in the Supplemental Deed and the Explanatory Memorandum accompanying the Notice of Meeting.'*

By order of the Board of Magellan Asset Management Limited.

Marcia Venegas

Company Secretary

Magellan Asset Management Limited ABN 31 120 593 946 as responsible entity of the Magellan Global Fund ARSN 126 366 961

20 May 2024

Notes on the Notice of Meeting

1. Quorum

The Meeting must satisfy the quorum requirements of the *Corporations Act 2001* (Cth) (**Corporations Act**), which is at least two Unitholders present in person or by proxy or body corporate representative and the quorum must be present at all times during the Meeting.

This Notice of Meeting is also a notice that if the quorum required under the Corporations Act is not present within 30 minutes after the time notified for the commencement of the Meeting, the Meeting will be adjourned. The adjourned Meeting will be convened to such place and time as the Chairperson thinks fit. At least two Unitholders present in person or by proxy or body corporate representative constitute a quorum at the adjourned meeting.

If the quorum is not present at the adjourned meeting within 30 minutes after the time notified for the commencement of the Meeting, the Meeting will be dissolved.

2. Voting requirements

The Resolution will be validly passed as a special resolution if at least 75% of the total votes cast on a resolution are cast in favour of a resolution by the Unitholders entitled to vote.

Voting will be conducted by poll, as required by the Corporations Act.

In the absence of any special circumstances, the register of Unitholders as at 7:00pm (AEST), 24 June 2024 will be taken as evidence of those Unitholders entitled to vote.

The Chairperson's declaration of the validity of any vote and the result of voting will be conclusive.

Under section 253C(2) of the Corporations Act, on a poll each Unitholder has one vote for each dollar of the value of the total interests they have in MGF. Under section 253F(a) of the Corporations Act, the value of the Units will be the last sale price of the Units on the ASX on the trading day immediately before the day on which the poll is taken. If a Unitholder's interest in MGF is held jointly and more than one of those Unitholders votes, only the vote of the Unitholder first named in the register of Unitholders will be counted.

Magellan has determined that the persons who are entitled to vote at the Meeting will be set by reference to the Unitholders recorded on the MGF register of Unitholders as at 7.00pm (AEST), 24 June 2024 and the last sale price of the relevant Units on the ASX on 25 June 2024 will be used to determine the number of votes each Unitholder has on the polls.

3. Attending the Meeting

If you wish to attend the Meeting, please bring the Proxy Form or (if you are a corporate representative under section 253B of the Corporations Act) an original Certificate of Appointment of Corporate Representative with you to assist with registration.

4. How to vote

Unitholders entitled to participate and vote at the Meeting may vote:

- (a) in person at the Meeting;
- (b) by appointing a proxy to participate in the Meeting and to vote on their behalf in accordance with section 5 of the Notes on this Notice of Meeting;
- (c) by appointing an attorney to participate in the Meeting and to vote on their behalf in accordance with section 6 of the Notes on this Notice of Meeting; or
- (d) by appointing a corporate representative to participate in the Meeting and to vote on their behalf in accordance with section 7 of the Notes on this Notice of Meeting.

5. Voting by proxy

You have the right to appoint a proxy to attend and vote for you even if you are present at the Meeting. They need not be another Unitholder. The Chairperson may act as your proxy if you wish. You may appoint two proxies. Please note that in that case you will need to specify what proportion or number of votes each proxy is appointed to exercise for you. If the proxy appointments do not specify the proportion of voting rights that each proxy may exercise, each proxy may exercise half of your votes. Fractions of votes will be disregarded.

If the Chairperson is nominated as your proxy (or so acts because no other person is nominated or your named proxy does not attend the Meeting) and you do not tell the Chairperson exactly how to vote, the Chairperson's intention is to vote in favour of the Resolution at the Meeting.

at least 48 hours before the time of the Meeting for the proxy appointment to be effective.

Magellan encourages Unitholders who cannot or who do not wish to attend the meeting in person to use the Proxy Form provided.

6. Voting by attorney

You may appoint an attorney to participate and vote at the Meeting on your behalf. Such an appointment must be made by a duly executed power of attorney, which must be received by Boardroom by 9:30am (AEST), 24 June 2024, unless it has been previously provided to the Fund's registry, Apex Fund Services Pty Ltd.

7. Corporations

Corporations wishing to attend and vote at the Meeting (other than by proxy) must appoint a representative who must provide a duly executed 'Certificate of Appointment of Corporate Representative' to Boardroom 9:30am (AEST), 24 June 2024. A form of the certificate may be obtained from Boardroom's website at www.boardroomlimited.com.au

8. Voting Exclusions

Votes cast by a person who is not entitled to vote because of section 253E of the Corporations Act will be disregarded. This section of the Corporations Act provides that Magellan and its associates are not entitled to vote their interest on a resolution at a meeting of the MGF unitholders if they have an interest in a resolution or matter other than as a member. At this meeting, Magellan and its associates will not vote their interests on the resolutions. However, this does not apply to a vote cast on a resolution by a person who votes as a proxy for another member who can vote if their appointment specifies the way they are to vote on a resolution and they vote that way.

9. Chairperson

Magellan will appoint Mr. Robert Fraser to chair the Meeting. Mr Fraser is the Chairman of Magellan. Magellan will appoint another similarly qualified person to chair the Meeting if Mr Fraser is unable to chair the Meeting.

10. Defined terms

Terms defined in the Explanatory Memorandum accompanying this Notice of Meeting have the same meaning in this Notice of Meeting, unless the context otherwise requires.

11. Important information

To enable you to make an informed decision on the Resolution, please carefully read the Explanatory Memorandum.