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ASX Limited
ASX Market Announcements Office
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Proposed merger with Barrenjoey

Magellan Financial Group Ltd ("**MFG**") is pleased to announce it has entered into an agreement to merge with Barrenjoey Capital Partners ("**Barrenjoey**") (the "**Merger**").

The Merger creates a diversified, client-focussed Australian financial services group, with a proven talent base across investment management, corporate finance, equities, fixed income and capital markets.

Barrenjoey has established market leadership across its businesses since inception, scaling to $522 million in revenue and $108 million adjusted NPATA over the last twelve months.[1] The business has consistently exceeded expectations with strong organic growth, attractive returns on capital, and an entrepreneurial culture that positions the combined group for continued expansion.

In advance of the Merger, MFG intends to fund an initial increased economic interest in Barrenjoey ("**Initial Acquisition**") through a non-underwritten institutional placement of MFG ordinary shares ("**Placement**"), alongside the launch of a follow-on non-underwritten share purchase plan ("**SPP**") for eligible shareholders in Australia and New Zealand.

Subject to the satisfaction of certain conditions precedent, MFG will acquire all the remaining issued capital it does not own in Barrenjoey at the time of completion of the Merger ("**Completion**"). Consideration will be through the issue of new MFG ordinary shares to Barrenjoey shareholders ("**Consideration Shares**").

The implied value of Barrenjoey is A$1,616 million[2] (on a 100% equity value basis) and the implied value of total consideration of A$903 million for the shares MFG is expected to acquire at Completion.[3]

[1] NPATA refers to net profit after tax and before the non-cash amortisation expense (net of tax) associated with the establishment of Barrenjoey's employee share plan. Barrenjoey's financial profile reflects the removal of legacy arrangements which cease as a result of the transaction. Refers to 12 month period ended 31 December 2025
[2] Based on a price equivalent to the Placement and SPP issue price of $8.45
[3] The Initial Acquisition is not included in the Merger figures in this announcement

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This implies a transaction multiple of 15.0x P/E[4] on a last twelve-month basis, prior to the consideration of expected synergies.

The Barrenjoey Parties[5] will be subject to voluntary vesting and/or escrow arrangements covering all Consideration Shares to be issued to them with staggered vesting and escrow release dates. The weighted average dealing restricted period is approximately 5.5 years after announcement.

The Merger does not change MFG's existing strategic partnerships with Vinva Investment Management and FinClear Holdings, both of which will continue to operate independently.

Strategic rationale for the Merger

The Board believes the Merger represents a compelling opportunity and will result in:

- improved business diversification and resilience;
- an enhanced client proposition across both businesses;
- the ability to retain and attract the best talent; and
- a strong combined balance sheet providing opportunity for growth.

Board and management

The Merger contemplates that on Completion, David Gonski AC will become Independent Chair of the combined group and Andrew Formica will be appointed Deputy Chair. A number of current Barrenjoey directors (the "**Incoming Barrenjoey Nominee Directors**") as well as Paul Compton, Chairman of Investment Banking at Barclays, will also join the MFG Board. As part of the proposed Board transition, David Dixon has advised that he will retire from the MFG Board on Completion of the Merger. The Board warmly thanks Mr Dixon for his valuable contribution.

Brian Benari will be appointed as Group Chief Executive Officer; Sophia Rahmani will continue as Chief Executive Officer, Magellan Investment Partners; and Matthew Grounds and Guy Fowler will continue as Co-Executive Chairs of Barrenjoey Capital Partners.

Merger transaction summary

As consideration for the Merger, MFG will issue 106,838,520 Consideration Shares to the shareholders of Barrenjoey at Completion.

These Consideration Shares will be issued as follows:

- 92,626,871 in aggregate to the "**Barrenjoey Parties**", being:
    - Barrenjoey employees[6], including those who hold Barrenjoey shares via Evolution Trustees Limited as trustee for the Barrenjoey Employee Share Scheme, representing the collective economic interests of approximately 460 individuals with varied entitlements based on tenure, seniority and other factors ("**Barrenjoey Group Shareholders**"); and

[4] The Price-to-Earnings (P/E) Ratio is calculated based on the implied merger value (on 100% basis) and the last-twelve months NPATA of A$108m. Refer to footnote 1

[5] With the exception of Incoming Barrenjoey Nominee Directors (both terms defined below)

[6] Whether current or former

    - the Incoming Barrenjoey Nominee Directors; and
- 14,211,649 shares to an affiliate of Barclays PLC ("**Barclays**").[7]

On Completion, MFG will own 100% of the issued capital of Barrenjoey.

Following Completion, MFG shareholders would own 58.2%, Placement shareholders would own 5.3%, Barrenjoey Parties would own 31.7% and Barclays would own c. 4.9%.[8]

The Merger is subject to customary conditions precedent, including Australian competition approval, Hong Kong regulatory approval, there being no legal restraint on the Merger and shareholder approval for the issuance of the Consideration Shares to fund the proposed Merger under ASX Listing Rule 7.1. It is also subject to limited termination events including if a party fails to complete or a condition precedent is not satisfied within 6 months or there is a breach of warranty that is not remedied.

Completion is expected to occur in the second quarter of calendar year 2026.

Voluntary escrow and vesting arrangements

All Barrenjoey Parties (with the exception of the Incoming Barrenjoey Nominee Directors) will be subject to escrow and/or vesting arrangements covering all their Consideration Shares with staggered vesting and escrow release dates.

These arrangements are designed to ensure continuity of leadership, and alignment with long-term shareholder outcomes with the Barrenjoey Parties to which the restrictions apply only permitted to sell their Consideration Shares after their respective dealing restriction period ends.[9]

The weighted average dealing restricted period is approximately 5.5 years after announcement.

The dealing restriction period is linked to the individual's service commencement, with the first release date occurring approximately 2 years after announcement and a final release date of approximately 11 years after announcement.

Acquisition of incremental ~10% shareholding in Barrenjoey and Placement and SPP

MFG has today entered into arrangements to acquire an incremental ~10% economic interest in Barrenjoey from Barclays[10] for $148.9 million (being the **Initial Acquisition**).[11] The Initial Acquisition is proposed to be funded via a non-underwritten Placement and SPP at $8.45 per MFG share ("**Offer Price**").[12]

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[7] The consideration payable includes an amount for the acquisition of relevant parties' economic interest in Barrenjoey and an amount for the acquisition of certain rights, including voting control, which do not pertain to all shares equally

[8] MFG shareholder ownership figures assume existing MFG shareholders acquire 2,366,863 shares via the SPP and that no MFG shares are bought back and cancelled pre-completion of the Merger. Placement shareholder ownership figures assume Placement shareholders acquire 15,384,615 shares via the Placement and that no MFG shares are bought back and cancelled pre-completion of the Merger. Neither the SPP or the Placement are underwritten and the final numbers may be more or less than these numbers

[9] Dealing restrictions are subject to customary carve outs. This includes that dealing restrictions for individual employees may be varied in certain circumstances including on the death or mental incapacity of the relevant employee

[10] Through an affiliate

[11] Barclays has agreed to pay Barrenjoey a liquidity fee in respect of the proceeds payable to it in respect of the Initial Acquisition. No fee is payable by MFG to Barrenjoey in relation to its role as lead manager on the Placement

[12] To the extent the full amount is not raised, then MFG will pay the balance with its existing cash

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The Placement is seeking to raise up to $130.0 million. The Placement shares will be issued pursuant to MFG's placement capacity under ASX Listing Rule 7.1.

A non-underwritten SPP targeting to raise $20.0 million will be offered to eligible MFG shareholders in Australia and New Zealand at the same Offer Price.[13]

The Offer Price represents a 0.1% discount to both the closing price on 27 February 2026 and to the 5-day VWAP of $8.46.

If the full amount is raised, the Placement and SPP shares will represent approximately 9.6% of MFG shares outstanding post the Placement and SPP. [14]

New shares issued under the Placement and the SPP will rank equally with existing MFG shares.

Barclays is highly supportive of the Merger. On Completion, Barclays' shareholding will be limited to c. 4.9% of the share capital of MFG to simplify the impact of US regulatory requirements on the merged companies.

Barclays remains committed to its ongoing strategic partnership with Barrenjoey. As mentioned above, Paul Compton, Chairman of Investment Banking at Barclays, intends to become a Director of MFG following Completion.

MFG Chairman Andrew Formica said:

"*The merger with Barrenjoey marks a transformative step in MFG's evolution, bringing together two highly complementary businesses to create an Australian financial services group with meaningful scale and breadth.*

MFG and Barrenjoey share a deep commitment to clients and are built on innovation, entrepreneurialism and exceptional talent. We believe we are stronger together – with greater scale, broader expertise and enhanced capacity to create long-term value for clients and shareholders. We are excited to partner with Barrenjoey to pursue the significant opportunities ahead."

Barrenjoey Independent Non-Executive Chairman, David Gonski AC, said:

"This is a proud moment for Barrenjoey. Five years ago, a group of talented professionals came together with a vision to build an independent, Australian-headquartered financial services firm that could compete at the highest levels.

From this start, Barrenjoey's team have fulfilled their shared vision of servicing clients at a very high standard and being a great place to work.

MFG has been part of our journey from the beginning of Barrenjoey as a founding investor. Joining forces provides an ideal platform for our next phase of growth together as a top tier financial services group, while ensuring our clients and our people remain at the centre of everything we do.

[13] Full details of the SPP will be included in the SPP Offer Booklet that is expected to be released on ASX in accordance with the timetable set out in the accompanying Investor Presentation

[14] MFG is targeting the issue of 17,751,478 new Placement and SPP shares. As the Placement and the SPP are not underwritten, there is no guarantee how much will be raised or how many new MFG shares will be issued

I have been very honoured to have been the Chair of Barrenjoey over the last few years and am extremely excited and pleased to be the proposed Chair of the combined group going forward."

The MFG Board unanimously recommends that shareholders vote in favour of the issue of the Consideration Shares to fund the proposed Merger at the Extraordinary General Meeting ("**EGM**") to be held in April 2026.

Investor briefing 11:30am (AEST) today, 2 March 2026

We are pleased to invite MFG shareholders, advisers and other interested parties to an investor briefing to provide greater detail on the Merger. The presentation will commence at 11:30am today, 2 March 2026, and will be followed by a Q&A session.

Pre-register to join the webcast at: https://bit.ly/MFG-Briefing-2026

Additional information

Further details of the Initial Acquisition, the Placement, the SPP and the Merger, including the proposed timetable, are set out in the accompanying Investor Presentation provided to the ASX today.

Authorised by the Board

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About MFG

Magellan Financial Group is an innovative financial services group, headquartered in Australia and operating across select key markets. We are highly selective and focused, anchored by two core pillars: investment management and specialist financial services. We invest in high-quality businesses that extend our capabilities, create long-term value and strengthen our service offering. Our Partnerships include Magellan Investment Partners, Barrenjoey Capital Partners, Vinva Investment Management and FinClear.

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Important information

Forward-looking statements

Some of the statements in this announcement may be in the nature of forward-looking statements. Forward-looking statements or statements of intent in relation to future events in this announcement should not be taken to be forecasts or predictions that those events will occur. Forward-looking statements generally may be identified by the use of forward-looking words including 'guidance', '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 MFG or Barrenjoey or the merged group are or may be forward-looking statements. You should be aware those statements and any assumptions on which they are based are only opinions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which MFG and Barrenjoey operate, as well as general economic conditions, prevailing exchange rates and interest rates and conditions in 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. If any of the assumptions on which a forward-looking statement is based were to

change or be found to be incorrect, this would also likely cause outcomes to be different from the statements in this announcement. **Investors are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic and political climate and the significant volatility, uncertainty and disruption caused by overseas conflicts.**

None of MFG nor any of its related bodies corporate, nor any of their respective directors, officers, employees, partners, contractors, consultants, agents or advisers (together, the "**Beneficiaries**"), nor any person named in this announcement, makes 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.

The forward-looking statements in this announcement reflect views held only at the date of this announcement. Subject to any continuing obligations under the ASX Listing Rules or the Corporations Act 2001 (Cth) ("Corporations Act"), MFG and its Beneficiaries disclaim any obligation or undertaking to distribute after the date of this announcement any updates or revisions to any forward-looking statements or any change in events, conditions or circumstances on which any statement is based.

Material assumptions and qualifications

Forward-looking statements are based on MFG's or Barrenjoey's current expectations and beliefs as at the date of this announcement and are subject to significant uncertainties. Unless otherwise stated, the forward-looking statements in this announcement are made on the basis of, and are qualified by, the following material assumptions and qualifications (among others):

(a) Transaction completion and conditions: the transactions referred to in this announcement proceed in accordance with the announced structure and terms, and are completed within the expected timeframe; all conditions precedent (including any shareholder, regulatory, third-party and other approvals, consents, waivers and/or no-objection notifications) are satisfied or waived in accordance with the transaction documents (as applicable).

(b) No material adverse change / disruption: there is no material adverse change (or other event or circumstance) that results in the proposed transactions in this announcement being delayed, restructured, or not proceeding; and there are no material disruptions to MFG's day-to-day operations as a result of the transaction processes.

(c) Integration and execution: integration planning and execution (including governance, operating model, systems, data, risk and compliance frameworks, and service providers) can be implemented on the expected timetable; key personnel are retained to execute the integration plan; and any required service transitions can be completed without material operational disruption.

(d) Synergies and benefits (if quantified): any quantified synergy, cost saving, revenue opportunity, or other benefit estimate (including any timing of achievement) assumes successful completion of the transactions and successful implementation and execution of the relevant integration initiatives; assumptions regarding costs to achieve synergies, dis-synergies, and transition/integration costs are realised broadly in line with expectations.

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Financial information

The financial information in this announcement is presented in abbreviated form insofar as it does not include all of the presentation and disclosures required by the Australian Accounting Standards ("AAS") and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001 (Cth) ("Corporations Act").

The historical pro forma financial information for MFG and Barrenjoey combined contained in this announcement has been prepared on a last twelve months basis to December 2025, calculated using reviewed consolidated half yearly financial statements and audited annual reports for each of the relevant periods.

Investors should also be aware that certain financial measures included in this announcement are 'non-IFRS financial information' under ASIC Regulatory Guide 230 ("Disclosing non-IFRS financial information") and also 'non-GAAP financial measures' within the meaning of Regulation G under the US Securities Exchange Act of 1934, as amended, and are not recognised under AAS and International Financial Reporting Standards ("IFRS"). Those non-IFRS financial information/non-GAAP financial measures do not have a standardised meaning prescribed by AAS or IFRS. Therefore, the non-IFRS financial information/non-GAAP financial measures may not be comparable to similarly titled measures presented by other entities and should not be construed as an alternative to other financial measures determined in accordance with AAS/IFRS.

Investors are cautioned not to place undue reliance on any non-IFRS financial information/non-GAAP financial measures included in this announcement.

In addition, certain of these non-IFRS/non-GAAP measures are presented on a pro forma basis to show the impact of the Merger. The pro forma financial metrics provided in this announcement are for illustrative purposes only and are not represented as being indicative of MFG's or Barrenjoey's views on future financial performance.

Financial data and rounding

All dollar values are in Australian dollars and financial data is presented as at 31 December 2025 unless stated otherwise. A number of figures, amounts, percentages, estimates, calculations of value and other fractions used in this announcement are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this announcement.

No offer

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer of securities for sale in the United States or any other jurisdiction. Any securities described in this announcement may not be offered or sold in the United States absent registration under the US Securities Act of 1933 or an exemption from registration.

Responsibility statement

Except as outlined below, the information contained in this announcement has been prepared by MFG and is its responsibility alone. Except as outlined below, none of Barrenjoey, nor any of its respective Beneficiaries, assume any responsibility for the accuracy or completeness of that information.

Barrenjoey has prepared and provided the information (i) in the paragraph regarding market leadership across its businesses since inception, (ii) paragraphs relating to voluntary vesting and/or escrow arrangements and (iii) the quote provided by Mr Gonski AC ("Barrenjoey Information") and is responsible for that information. Neither MFG, nor any of its Beneficiaries, assume any responsibility for the accuracy or completeness of the Barrenjoey Information.

None of Barrenjoey or Barclays has withdrawn its consent to be named before the date of this announcement. Other than as noted above, each of Barrenjoey and Barclays and their respective directors, officers, employees, partners, contractors, consultants, agents or advisers are not responsible, and expressly disclaim liability, for any other parts of this announcement.

General

The information in this announcement is in summary form and does not purport to be complete or to contain all the information which a shareholder or potential investor would require in order to determine whether to deal in MFG shares.

This announcement is not an offer and should not be considered as investment advice. The information contained in this announcement is for information purposes only and nothing in this announcement should be read or understood as an offer, invitation, solicitation, inducement or recommendation to subscribe, buy or sell MFG shares in any jurisdiction.

This announcement is not intended to constitute financial product advice and does not take into account the personal objectives or financial position of any investor. Investors are encouraged to seek independent advice from their financial advisor.

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