

The question is, has Magellan turned the corner?

ASX code	MFG
Meeting date	Tuesday, 22 October 2024
Type of meeting	Physical with webcast
Monitor	Allan Goldin with Michael Jackson
Pre AGM-meeting	With Executive Chair Andrew Formica and Michael Hands Vice-President Strategy

Meeting Statistics

Number of holdings represented by ASA	98
Number of shares represented by ASA	200,399
Value of shares represented by ASA	\$2.23m
Total number attending meeting	81 (28 Shareholders, 15 proxy holders and 38 guests)
Market capitalisation	\$2 billion
ASA open proxies voted	ASA voted in favour of all the resolutions except the Spill resolution

Monitor Shareholding: An individual (or their associates) involved in the preparation of this voting intention has shareholding in this company.

For the entire meeting former Chair Hamish McLennan had an unmoveable sullen expression and obviously wanted to be anywhere but here.

The Executive Chair Andrew Formica and incoming Group CEO Sophia Rahmani talked about the significant progress that has been made in slowing the outflow of Funds Under Management (FUM), improving investment results and resurrecting the Group's reputation. considerable focus on the potential of the 30% ownership of Vinva and their exclusive distribution agreement, but no information was provided on what PE this \$135M purchase was based on, but the company said it will be earning accretive immediately.

The Company will, in 6 months, start looking for a new Non-Executive Director. At that time after the Capital review MFG will better know the skill set that they are looking for.

Considerable discussion on what to look for in potential acquisitions, however the Chair and Directors stressed that they were not actively searching for an M&A opportunity, but if they did they would be very careful weighing up the risk and rewards and would be agnostic as to whether it was a 100% takeover or a large minority stake. An important element would be that it added a service to customers they couldn't currently get from Magellan or its associates

In response to a question, it was said the major increase in institutional FUM would likely come from overseas because of MFG's connections and overseas reputation. The Australian market is difficult which has been exacerbated by the size and continuing amalgamation of the Superannuation funds. The Chair defended the \$75M purchase of the options as being the best result on what could have been a very costly exercise. He stressed that all option holders benefit from the price not just the activists.

ASA expressed the desire for next year to be a Hybrid meeting to give all shareholders the opportunity to participate live. We also stated that the Remuneration Report was much improved on the previous loose arrangement and received confirmation that the new structure, if not the exact details, would apply to the entire Management team. We are also told that the Group is very concerned with its low employee engagement score and so improving it as a key priority and one that would feature in the STI measurement. We also questioned the absence of a second LTI hurdle and asked them to consider a 4 year test period.

As can be seen there were no surprises in the voting [Magellan AGM Voting](#)

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