



Magellan Global Fund (Hedged), Magellan Infrastructure Fund, Magellan Infrastructure Fund (Unhedged)

Interim Reports

For the half year ended 31 December 2023

Magellan Global Fund (Hedged): ABN 72 263 210 345

Magellan Infrastructure Fund: ABN 64 144 747 279

Magellan Infrastructure Fund (Unhedged): ABN 79 874 701 620

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Responsible Entity's Report

for the half year ended 31 December 2023

The Directors of Magellan Asset Management Limited ("MAM") (ABN 31 120 593 946), the Responsible Entity of Magellan Global Fund (Hedged) ("MGFH"), Magellan Infrastructure Fund ("MIF") and Magellan Infrastructure Fund (Unhedged) ("MIFU") (collectively "the Funds"), present their half year reports on the Funds for the period ended 31 December 2023.

1. Directors

The following persons were Directors of MAM during the period and up to the date of this report:

		Appointed	Resigned
Robert Fraser	Chairman	23 April 2014	
David Dixon	Deputy Chairman and Non-Executive Director	1 November 2022	
John Eales	Non-Executive Director	1 July 2017	
Andrew Formica	Executive Director ¹	26 July 2023	
Cathy Kovacs	Non-Executive Director	6 November 2023	
Hamish McLennan	Non-Executive Director	1 March 2016	
Deborah Page	Non-Executive Director	3 October 2023	
Colette Garnsey	Non-Executive Director	30 November 2020	8 November 2023
David George	Managing Director and Chief Executive Officer	19 July 2022	24 October 2023
Kirsten Morton	Chief Operating Officer and Chief Financial Officer	5 October 2018	3 July 2023

¹ Mr Formica was appointed Non-Executive Director on 26 July 2023 and subsequently appointed Executive Director on 25 October 2023.

Subsequent to balance date, it was announced on 15 February 2024 that Ms. Sophia Rahmani will join the MAM Board when she commences as Managing Director in May 2024.

2. Principal Activity

The Funds are registered managed investment schemes domiciled in Australia, with the principal place of business at Level 36, 25 Martin Place, Sydney, New South Wales 2000. MAM is both the Responsible Entity and the Investment Manager of the Funds.

The primary objectives of MGFH are to achieve attractive risk-adjusted returns over the medium to long-term, while reducing the risk of permanent capital loss. MGFH offers investors an opportunity to invest in a specialised and focused global equity fund. The aim is to invest in companies that have sustainable competitive advantages which translate into returns on capital in excess of their cost of capital for a sustained period of time. MGFH endeavours to acquire these companies at discounts to their assessed intrinsic value. MGFH's portfolio comprises 20 to 40 investments and believes such a portfolio will achieve sufficient diversification to ensure that MGFH is not overly correlated to a single company, or to industry specific or macroeconomic risks. MGFH's intention is to hedge substantially the capital component of the foreign currency exposure of MGFH arising from investments in overseas markets back to Australian Dollars.

MIF offers investors an opportunity to invest in a specialised and focused global infrastructure fund. MIF's investment universe is any entity listed on a global stock exchange whose primary business is the ownership and operation of infrastructure assets. The primary objectives of MIF are to achieve attractive risk-adjusted returns over the medium to long-term, while reducing the risk of permanent capital loss. MIF invests in companies that generate the dominant part of their earnings from the ownership of infrastructure assets and endeavours to acquire these companies at discounts to their assessed intrinsic value.

Responsible Entity's Report

for the half year ended 31 December 2023

MIF's portfolio comprises 20 to 40 investments and MAM believes such a portfolio will achieve sufficient diversification to ensure MIF is not overly correlated to a single company or to macroeconomic risks. MIF's intention is to hedge substantially the capital component of the foreign currency exposure of the fund arising from investments in overseas markets back to Australian Dollars.

MIFU has the same investment strategy as MIF, except that the capital component of the foreign currency exposure, arising from investment in overseas markets, is substantially unhedged.

The investment strategies of the Funds are detailed in the Product Disclosure Statements ("PDSs"), issued 27 November 2023.

3. Significant Changes in State of Affairs

There were no significant changes in the state of affairs of the Funds during the period.

4. Review of Operations

4.1. Financial Results for the Period

The performance of the Funds, as represented by the results of their operations for the periods ended 31 December, was as follows:

	Magellan Global Fund (Hedged)		Magellan Infrastructure Fund		Magellan Infrastructure Fund (Unhedged)	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Results						
Total net investment income/(loss) (\$'000)	21,565	4,386	25,256	(77,100)	4,136	(5,497)
Total expenses (\$'000)	(3,301)	(5,643)	(13,226)	(18,408)	(6,030)	(7,832)
Profit/(Loss) (\$'000)	18,264	(1,257)	12,030	(95,508)	(1,894)	(13,329)
Distributions						
Distribution paid and payable (\$'000)	8,350	14,675	39,377	49,357	16,623	20,027
Distribution paid and payable (CPU) ¹	3.42	3.69	2.66	2.63	3.73	3.57
Unit Price						
Unit price (net asset value) (ex-distribution) (\$)	1.6992	1.4763	1.2426	1.2526	1.8261	1.7953
Redemption unit price (ex-distribution) (\$)	1.6980	1.4753	1.2407	1.2507	1.8234	1.7926

¹ Cents per unit.

The final distributions for the year ended 30 June 2023, paid on 21 July 2023, were MGFH: \$10,961,000 or 3.56 CPU, MIF: \$43,826,000 or 2.65 CPU, and MIFU: \$18,405,000 or 3.63 CPU.

Responsible Entity's Report

for the half year ended 31 December 2023

4.2. Total Indirect Cost Ratio

The Total Indirect Cost Ratio ("ICR") is the ratio of the Funds' actual management costs over the average portfolio values expressed as a percentage. Management costs, accrued within the Funds' unit prices on a daily basis, include management and performance fees but do not include transactional and operational costs such as brokerage or foreign withholding tax.

	Magellan Global Fund (Hedged)		Magellan Infrastructure Fund		Magellan Infrastructure Fund (Unhedged)	
	6 Months to 31 Dec 2023 %	6 Months to 31 Dec 2022 %	6 Months to 31 Dec 2023 %	6 Months to 31 Dec 2022 %	6 Months to 31 Dec 2023 %	6 Months to 31 Dec 2022 %
Management fee	0.68	0.68	0.53	0.53	0.53	0.53
Performance fee ¹	-	-	-	-	-	-
Total Indirect Cost Ratio	0.68	0.68	0.53	0.53	0.53	0.53

	12 Months to 31 Dec 2023 %		12 Months to 31 Dec 2022 %		12 Months to 31 Dec 2023 %		12 Months to 31 Dec 2022 %	
	12 Months to 31 Dec 2023 %	12 Months to 31 Dec 2022 %	12 Months to 31 Dec 2023 %	12 Months to 31 Dec 2022 %	12 Months to 31 Dec 2023 %	12 Months to 31 Dec 2022 %	12 Months to 31 Dec 2023 %	12 Months to 31 Dec 2022 %
Management fee	1.35	1.36	1.06	1.06	1.06	1.06	1.06	1.06
Performance fee ¹	0.02	-	-	-	0.06	-	-	-
Total Indirect Cost Ratio	1.37	1.36	1.06	1.06	1.12	1.06	1.12	1.06

¹ Performance fees are calculated on six monthly measurement periods ending on 30 June and 31 December of each calendar year. The Performance fee component of the ICR is calculated on an accrual basis for each measurement period.

Responsible Entity's Report

for the half year ended 31 December 2023

4.3. Performance Returns

The performance returns have been calculated using redemption unit prices for the Funds, which are after fees and expenses, assuming reinvestment of distributions. The returns are calculated daily, compounded to produce longer period returns.

	Magellan Global Fund (Hedged)		Magellan Infrastructure Fund		Magellan Infrastructure Fund (Unhedged)	
	6 Months to 31 Dec 2023 %	6 Months to 31 Dec 2022 %	6 Months to 31 Dec 2023 %	6 Months to 31 Dec 2022 %	6 Months to 31 Dec 2023 %	6 Months to 31 Dec 2022 %
Growth return ¹	2.8	(3.2)	(1.0)	(5.7)	(1.9)	(3.1)
Distribution return ²	2.1	2.4	2.1	2.0	2.0	1.9
Total Return³	4.9	(0.8)	1.1	(3.7)	0.1	(1.2)

	12 Months to 31 Dec 2023 %		12 Months to 31 Dec 2022 %		12 Months to 31 Dec 2023 %		12 Months to 31 Dec 2022 %	
	12 Months to 31 Dec 2023 %	12 Months to 31 Dec 2022 %	12 Months to 31 Dec 2023 %	12 Months to 31 Dec 2022 %	12 Months to 31 Dec 2023 %	12 Months to 31 Dec 2022 %	12 Months to 31 Dec 2023 %	12 Months to 31 Dec 2022 %
Growth return ¹	15.1	(25.5)	(0.8)	(9.6)	1.7	(5.1)		
Distribution return ²	4.9	3.7	4.3	3.7	4.1	3.8		
Total Return³	20.0	(21.8)	3.5	(5.9)	5.8	(1.3)		

¹ The Growth return is calculated daily as a percentage by dividing the unit price (ex-distribution) by the previous day's unit price (ex-distribution) minus 1; the daily Growth returns are then compounded to produce longer period returns.

² The Distribution return is calculated as a percentage by subtracting the Growth return from the Total Return.

³ The Total Return is calculated daily as a percentage by dividing the unit price (cum-distribution) by the previous day's unit price (ex-distribution) minus 1; the daily Total Returns are then compounded to produce longer period returns.

5. Strategy and Future Outlook

The Funds' investment objectives are unchanged. The results of the Funds' operations will be affected by a number of factors, including the performance of investment markets in which the Funds invest. Therefore, investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

The Funds provide daily unit prices, monthly fund updates and annual investor reports which can be found in the 'Funds' section of the Magellan Financial Group Limited ("MFG") website, www.magellangroup.com.au. Fund updates and investor reports include detailed discussions in relation to some investee companies from time to time along with general outlook commentary.

6. Interest in the Funds

The movements in units on issue of the Funds is disclosed in Note 4 to the Financial Statements.

Responsible Entity's Report

for the half year ended 31 December 2023

7. Likely Developments and Expected Results of Operations

The Funds will continue to invest in companies and businesses in accordance with the investment strategy as set out in each of their PDSs.

The method of operating the Funds is not expected to change in the foreseeable future. However, the results of the Funds' operations may be affected by a number of factors, including the performance of investment markets in which the Funds invest.

8. Subsequent Events

Net asset value ("NAV") moves as a result of a number of factors including movements in asset prices, distributions, exchange rates and unitholder subscriptions and redemptions. Subsequent to balance date, as at 1 March 2024, the relevant NAV information is as follows:

	Magellan Global Fund (Hedged)	Magellan Infrastructure Fund	Magellan Infrastructure Fund (Unhedged)
NAV per unit (\$)	1.8542	1.2311	1.8638
Net asset value (\$'000)	434,094	1,709,583	805,283
Units ('000)	234,113	1,388,699	432,054

Other than the above and items disclosed throughout the Responsible Entity's Report, there have been no matters or circumstances arising after the end of the period that have significantly affected, or may significantly affect, the Funds' operations, the results of those operations, or the Funds' state of affairs in future financial periods.

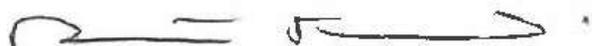
9. Rounding of Amounts

The Funds are of a kind referred to in the *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* and consequently amounts in the Responsible Entity's Report have been rounded to the nearest thousand dollars in accordance with that Legislative Instrument, or in certain cases, the nearest dollar.

10. Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 8.

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



Robert Fraser
Chairman

Sydney, 5 March 2024



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Auditor's Independence Declaration to the Directors of Magellan Asset Management Limited as the Responsible Entity of Magellan Global Fund (Hedged), Magellan Infrastructure Fund and Magellan Infrastructure Fund (Unhedged) (the Funds)

As lead auditor for the review of the interim financial reports of the Funds for the half-year ended 31 December 2023, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

Ernst & Young

Clare Sporle

Partner

Sydney, 5 March 2024

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Statements of Profit or Loss and Comprehensive Income

for the half year ended 31 December 2023

	Magellan Global Fund (Hedged)		Magellan Infrastructure Fund		Magellan Infrastructure Fund (Unhedged)	
	31 Dec 2023 \$'000	31 Dec 2022 \$'000	31 Dec 2023 \$'000	31 Dec 2022 \$'000	31 Dec 2023 \$'000	31 Dec 2022 \$'000
Investment Income						
Dividend and distribution income	2,151	4,414	30,189	34,850	13,824	14,952
Interest income	545	390	1,094	1,362	543	603
Net change in fair value of investments	18,848	(423)	(5,892)	(113,292)	(10,042)	(22,626)
Net gains/(losses) on foreign exchange settlements, derivative contracts and cash	21	(215)	(140)	(23)	(194)	1,573
Other income	-	220	5	3	5	1
Total Net Investment Income/(Loss)	21,565	4,386	25,256	(77,100)	4,136	(5,497)
Expenses						
Management fees	3,016	4,723	10,063	13,648	4,571	5,823
Performance fees	-	8	-	17	7	7
Interest expenses	-	1	-	2	-	1
Transaction costs	33	87	299	866	143	337
Withholding tax on dividends and distributions	252	824	2,864	3,875	1,309	1,664
Total Expenses	3,301	5,643	13,226	18,408	6,030	7,832
Profit/(Loss)	18,264	(1,257)	12,030	(95,508)	(1,894)	(13,329)
Other comprehensive income	-	-	-	-	-	-
Total Comprehensive Income/(Loss)	18,264	(1,257)	12,030	(95,508)	(1,894)	(13,329)

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

Statements of Financial Position

as at 31 December 2023

	Note	Magellan Global Fund (Hedged)		Magellan Infrastructure Fund		Magellan Infrastructure Fund (Unhedged)	
		31 Dec 2023 \$'000	30 Jun 2023 \$'000	31 Dec 2023 \$'000	30 Jun 2023 \$'000	31 Dec 2023 \$'000	30 Jun 2023 \$'000
Assets							
Cash and cash equivalents		9,949	35,530	19,804	72,206	15,261	30,253
Receivables		1,976	3,582	11,850	33,178	5,991	7,985
Derivative assets	3	11,227	268	42,834	219	-	-
Investments	3	401,008	491,866	1,807,844	2,062,472	810,709	927,447
Total Assets		424,160	531,246	1,882,332	2,168,075	831,961	965,685
Liabilities							
Distributions payable	2	8,350	10,961	39,377	43,826	16,623	18,405
Payables		869	2,897	3,511	6,921	1,426	3,068
Derivative liabilities	3	81	8,471	12	41,287	-	-
Total Liabilities		9,300	22,329	42,900	92,034	18,049	21,473
Total Unitholders' Equity		414,860	508,917	1,839,432	2,076,041	813,912	944,212

The above Statements of Financial Position should be read in conjunction with the accompanying Notes to the Financial Statements.

Statements of Changes in Equity

for the half year ended 31 December 2023

	Note	Magellan Global Fund (Hedged)		Magellan Infrastructure Fund		Magellan Infrastructure Fund (Unhedged)	
		31 Dec 2023 \$'000	31 Dec 2022 \$'000	31 Dec 2023 \$'000	31 Dec 2022 \$'000	31 Dec 2023 \$'000	31 Dec 2022 \$'000
Unitholders' Equity at the beginning of the Period		508,917	764,471	2,076,041	2,680,261	944,212	1,147,137
Transactions with Unitholders in their Capacity as Owners:							
Issue of units		15,347	61,432	125,221	261,587	34,170	62,635
Issue of units under Distribution Reinvestment Plan and management fee rebates		676	1,007	2,738	4,943	1,682	1,966
Units redeemed		(119,994)	(223,873)	(337,221)	(451,137)	(147,635)	(171,139)
Distributions paid and payable	2	(8,350)	(14,675)	(39,377)	(49,357)	(16,623)	(20,027)
Total Transactions with Unitholders		(112,321)	(176,109)	(248,639)	(233,964)	(128,406)	(126,565)
Profit/(loss)		18,264	(1,257)	12,030	(95,508)	(1,894)	(13,329)
Other comprehensive income		-	-	-	-	-	-
Total Comprehensive Income/(Loss)		18,264	(1,257)	12,030	(95,508)	(1,894)	(13,329)
Total Unitholders' Equity at the end of the Period		414,860	587,105	1,839,432	2,350,789	813,912	1,007,243

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

Statements of Cash Flows

for the half year ended 31 December 2023

	Magellan Global Fund (Hedged)		Magellan Infrastructure Fund		Magellan Infrastructure Fund (Unhedged)	
	31 Dec 2023 \$'000	31 Dec 2022 \$'000	31 Dec 2023 \$'000	31 Dec 2022 \$'000	31 Dec 2023 \$'000	31 Dec 2022 \$'000
Cash Flows from Operating Activities						
Dividends and distributions received (net of withholding tax)	1,843	3,801	33,528	37,375	15,184	16,005
Interest received	573	373	1,175	1,311	582	533
Other income received	-	220	5	3	5	1
Management and performance fees paid	(3,146)	(4,714)	(9,994)	(13,499)	(4,680)	(5,396)
Interest paid	-	(1)	-	(2)	-	(1)
Transaction costs paid	(33)	(87)	(299)	(866)	(143)	(337)
Net Cash Inflow/(Outflow) from Operating Activities	(763)	(408)	24,415	24,322	10,948	10,805
Cash Flows from Investing Activities						
Purchase of investments	(72,578)	(135,927)	(131,855)	(432,172)	(61,770)	(151,467)
Proceeds from sale of investments	179,876	337,233	378,282	686,282	167,663	244,467
Net foreign exchange gain/(loss)	302	243	143	(346)	(77)	3,277
Net cash flows from settlement of forward foreign currency contracts	(15,757)	(53,122)	(66,223)	(128,577)	-	-
Net Cash Inflow/(Outflow) from Investing Activities	91,843	148,427	180,347	125,187	105,816	96,277
Cash Flows from Financing Activities						
Receipts from issue of units	15,356	61,556	125,186	262,390	34,372	62,613
Payments for redemption of units	(121,770)	(224,632)	(341,112)	(453,852)	(148,818)	(172,280)
Distributions paid	(10,291)	(17,504)	(41,205)	(47,739)	(17,203)	(20,739)
Net Cash Inflow/(Outflow) from Financing Activities	(116,705)	(180,580)	(257,131)	(239,201)	(131,649)	(130,406)
Net Increase/(Decrease) in Cash and Cash Equivalents	(25,625)	(32,561)	(52,369)	(89,692)	(14,885)	(23,324)
Cash and cash equivalents at the beginning of period	35,530	66,984	72,206	142,568	30,253	57,110
Effect of exchange rate fluctuations on cash and cash equivalents	44	56	(33)	(37)	(107)	(1,994)
Cash and Cash Equivalents at end of Period	9,949	34,479	19,804	52,839	15,261	31,792

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

Notes to the Financial Statements

for the half year ended 31 December 2023

Overview

These half year financial reports are for the Funds, as individual entities, for the period ended 31 December 2023.

The Funds are registered managed investment schemes under the *Corporations Act 2001*. In accordance with the Funds' Constitutions, they commenced on the date that their first units were issued, which is set out as follows:

	Date of Commencement
Magellan Global Fund (Hedged)	28 June 2013
Magellan Infrastructure Fund	1 July 2007
Magellan Infrastructure Fund (Unhedged)	28 June 2013

The Funds terminate on the day immediately preceding the 80th anniversary of their Date of Commencement, unless terminated earlier in accordance with the provisions of each Fund's Constitution.

MAM is the Responsible Entity of the Funds.

The interim financial reports were authorised for issue by the Directors of the Responsible Entity on 5 March 2024. The Directors have the power to amend and reissue the interim financial reports.

The Funds are considered for-profit unit trusts for the purpose of these interim financial reports.

1. Basis of Preparation

The condensed interim financial reports are general purpose financial reports, presented in Australian Dollars, and have been prepared in accordance with AASB 134 *Interim Financial Reporting*, the *Corporations Act 2001*, other mandatory professional reporting requirements and the Funds' Constitutions.

These condensed interim financial reports do not include all the information and disclosures normally included in the annual financial reports. Accordingly, these reports should be read in conjunction with the 30 June 2023 Annual Reports and any public announcements made during the period.

The Statements of Financial Position are presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All material balances are expected to be recovered or settled within 12 months, except for financial assets and liabilities at fair value through profit or loss. These fair value assets and liabilities comprise mainly investments that are managed based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. Consequently, the investments that may be realised within 12 months cannot be determined at reporting date.

All amounts in the financial statements are rounded to the nearest thousand dollars (\$'000) or in certain cases, the nearest dollar, unless otherwise stated in accordance with the *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*.

Notes to the Financial Statements

for the half year ended 31 December 2023

1.1. Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period. The Funds have not early adopted any accounting standard, interpretation or amendment that has been issued but is not yet effective at balance date.

1.2. Critical Accounting Estimates and Judgements

The preparation of the Funds' financial statements required the Directors to make judgements, estimates and assumptions that affect the amounts reported in the financial statements. The Directors base their judgements and estimates on historical experience and various other factors they believe to be reasonable under the circumstances, but which are inherently uncertain and unpredictable. As a result, actual results could differ from those estimates.

Where listed equities have no active market, the Directors determine fair value with reference to external observable information and conditions existing at balance date. Fair values may however move materially with movements in market prices. As most investments for the period ended 31 December 2023 are valued with reference to the listed quoted prices and the Funds' cash is held at strongly rated financial institutions, the Funds' financial assets and liabilities are not subject to significant judgement or complexity.

1.3. Including Different Registered Scheme Financial Reports in a Single Document

The Funds have applied *ASIC Corporations (Related Scheme Reports) Instrument 2015/839*, which allows registered schemes with a common Responsible Entity to include their financial statements in adjacent columns in a single financial report.

2. Distributions to Unitholders

Distributions for the periods ended 31 December are as follows:

	Magellan Global Fund (Hedged)		Magellan Infrastructure Fund		Magellan Infrastructure Fund (Unhedged)		Date Paid
	\$'000	CPU	\$'000	CPU	\$'000	CPU	
Period ended 31 December 2023							
Prior year final distribution paid	10,961	3.56	43,826	2.65	18,405	3.63	21 Jul 2023
Interim distribution payable	8,350	3.42	39,377	2.66	16,623	3.73	17 Jan 2024
	\$'000	CPU	\$'000	CPU	\$'000	CPU	Date Paid
Period ended 31 December 2022							
Prior year final distribution paid	18,438	3.68	52,459	2.60	22,223	3.59	21 Jul 2022
Interim distribution payable	14,675	3.69	49,357	2.63	20,027	3.57	18 Jan 2023

Notes to the Financial Statements

for the half year ended 31 December 2023

Distributions payable are recognised in the Statements of Financial Position where the distributions have been declared but remain unpaid at balance date.

On 5 January 2024, MAM announced the Target Cash Distribution for each Fund for the six month period ending 30 June 2024 will be:

- MGFH: 3.26 CPU,
- MIF: 2.59 CPU, and
- MIFU: 3.72 CPU.

Distribution Reinvestment Plans

A Distribution Reinvestment Plan ("DRP") operated in each Fund during the current period. Unitholders may request their distributions to be applied as subscriptions for additional units in the respective Fund at the Issue Price (as defined in the Funds' Constitutions). DRP details are as follows:

	Magellan Global Fund (Hedged)		Magellan Infrastructure Fund		Magellan Infrastructure Fund (Unhedged)	
	31 Dec 2023 Interim Distribution	30 Jun 2023 Final Distribution	31 Dec 2023 Interim Distribution	30 Jun 2023 Final Distribution	31 Dec 2023 Interim Distribution	30 Jun 2023 Final Distribution
DRP issue price (\$)	1.6994	1.6528	1.2427	1.2553	1.8262	1.8620
DRP unitholder participation rate (%)	7.29	6.11	6.50	5.98	6.28	6.53
Number of units issued under DRP	357,422	405,316	2,059,317	2,087,635	571,304	645,434
Value of units issued under DRP (\$'000)	607	670	2,559	2,621	1,043	1,202
DRP issue date	1 Jul 2024	1 Jul 2023	1 Jul 2024	1 Jul 2023	1 Jul 2024	1 Jul 2023

	31 Dec 2022	30 Jun 2022	31 Dec 2022	30 Jun 2022	31 Dec 2022	30 Jun 2022
	Interim Distribution	Final Distribution	Interim Distribution	Final Distribution	Interim Distribution	Final Distribution
DRP issue price (\$)	1.4764	1.5257	1.2527	1.3284	1.7954	1.8530
DRP unitholder participation rate (%)	5.41	5.07	5.69	9.00	6.27	6.69
Number of units issued under DRP	537,187	612,453	2,242,407	3,553,200	698,842	801,032
Value of units issued under DRP (\$'000)	793	934	2,809	4,720	1,255	1,484
DRP issue date	1 Jan 2023	1 Jul 2022	1 Jan 2023	1 Jul 2022	1 Jan 2023	1 Jul 2022

Notes to the Financial Statements

for the half year ended 31 December 2023

3. Investments and Derivatives

The Funds classify their equity securities, derivative assets and derivative liabilities as financial assets and liabilities at fair value through profit or loss.

The Funds disclose the fair value measurements of financial assets and financial liabilities using a three-level fair value hierarchy to reflect the source of valuation inputs used when determining the fair value as follows:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of these securities is based on the closing price for the security as quoted on the relevant exchange.
- Level 2: valuation techniques using observable inputs either directly (as prices) or indirectly (derived from prices). The fair value of derivatives is based on a discounted cash flow analysis using quoted market inputs (spot and forward rates, volatility) adjusted for specific features of the instruments and applied debit and credit valuation adjustments based on the Fund's counterparties' current credit worthiness.
- Level 3: valuation techniques using non-market observable inputs.

Notes to the Financial Statements

for the half year ended 31 December 2023

Details of Investments and Derivatives

	Magellan Global Fund (Hedged)		Magellan Infrastructure Fund		Magellan Infrastructure Fund (Unhedged)	
	31 Dec 2023 \$'000	30 Jun 2023 \$'000	31 Dec 2023 \$'000	30 Jun 2023 \$'000	31 Dec 2023 \$'000	30 Jun 2023 \$'000
Investments (Level 1)						
Australian listed equity securities	-	-	186,141	245,192	83,506	110,038
International listed equity securities:						
United States	305,641	338,453	679,482	845,695	304,115	380,134
Spain	-	-	278,308	281,341	125,062	127,471
United Kingdom	5,045	26,532	275,301	269,369	123,535	122,579
France	19,901	30,851	190,610	212,273	85,483	95,195
Italy	-	-	99,266	77,303	44,666	33,474
Canada	12,072	15,076	51,395	59,731	22,994	26,971
Netherlands	17,434	21,266	23,999	43,696	10,819	19,159
Switzerland	14,831	28,344	23,342	27,872	10,529	12,426
Germany	17,532	21,258	-	-	-	-
Hong Kong	8,552	10,086	-	-	-	-
Total Investments	401,008	491,866	1,807,844	2,062,472	810,709	927,447
Derivative Assets (Level 2)						
Forward foreign currency contracts	11,227	268	42,834	219	-	-
Total Derivative Assets	11,227	268	42,834	219	-	-
Derivative Liabilities (Level 2)						
Forward foreign currency contracts	81	8,471	12	41,287	-	-
Total Derivative Liabilities	81	8,471	12	41,287	-	-

The Funds do not hold any level 3 assets. There have been no transfers between any of the three levels in the hierarchy during the period and the Funds' policies are to recognise transfers into and out of fair value hierarchy levels as at balance date.

Notes to the Financial Statements

for the half year ended 31 December 2023

4. Unitholders' Equity

	Magellan Global Fund (Hedged)		Magellan Infrastructure Fund		Magellan Infrastructure Fund (Unhedged)	
	6 Months to 31 Dec 2023 No. of Units '000	12 Months to 30 Jun 2023 No. of Units '000	6 Months to 31 Dec 2023 No. of Units '000	12 Months to 30 Jun 2023 No. of Units '000	6 Months to 31 Dec 2023 No. of Units '000	12 Months to 30 Jun 2023 No. of Units '000
Units on Issue						
Opening balance	307,901	501,041	1,653,824	2,017,641	507,034	619,039
Units issued	9,436	48,274	102,911	285,908	18,711	53,782
Units issued under DRP and management fee rebates	410	1,216	2,184	6,078	908	2,020
Units redeemed	(73,600)	(242,630)	(278,590)	(655,803)	(80,992)	(167,807)
Units on Issue at the end of the Period	244,147	307,901	1,480,329	1,653,824	445,661	507,034

Applications received for units in the Funds are recorded net of entry fees. Redemptions from the Funds are recorded gross of exit fees. The Funds recognise the units issued or redeemed when settled, which is trade date.

Each unit confers upon the unitholder an equal interest in that fund and is of equal value to other units in the same fund. A unit does not confer upon the holder any interest in any particular asset or investment of the Funds. The rights of unitholders are contained in the Funds' Constitutions and include:

- the right to redeem units, subject to restrictions disclosed in the Funds' PDSs;
- the right to receive a distribution determined in accordance with the Funds' Constitutions;
- the right to attend and vote at meetings of unitholders; and
- the right to participate in the termination and winding up of the Funds.

There are no separate classes of units and each unit in a Fund has the same rights attaching to it as all other units of that Fund.

5. Contingent Assets, Contingent Liabilities and Commitments

At balance date, the Funds have no contingent assets, contingent liabilities or commitments (June 2023: nil).

Notes to the Financial Statements

for the half year ended 31 December 2023

6. Subsequent Events

Subsequent to balance date, it was announced on 15 February 2024 that Ms. Sophia Rahmani will join the MAM Board when she commences as Managing Director in May 2024.

NAV moves as a result of a number of factors including movements in asset prices, exchange rates and unitholder subscriptions and redemptions. Asset prices move daily and intraday indicative NAV per unit and daily NAV per unit are available on the MFG website and also the ASX website. Subsequent to balance date, as at 1 March 2024, the relevant NAV information is as follows:

	Magellan Global Fund (Hedged)	Magellan Infrastructure Fund	Magellan Infrastructure Fund (Unhedged)
NAV per unit (\$)	1.8542	1.2311	1.8638
Net asset value (\$'000)	434,094	1,709,583	805,283
Units ('000)	234,113	1,388,699	432,054

Other than the above and items disclosed throughout these interim financial reports, there have been no matters or circumstances arising after the end of the period that have significantly affected, or may significantly affect, the Funds' operations, the results of their operations, or the Funds' state of affairs in future financial periods.

Directors' Declaration

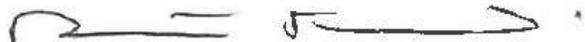
for the half year ended 31 December 2023

In the Directors' opinion, the Financial Statements and Notes of:

Magellan Global Fund (Hedged);
Magellan Infrastructure Fund; and
Magellan Infrastructure Fund (Unhedged), (collectively the "Funds") as set out on pages 9 to 19;

- a. are in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the financial position of the Funds as at 31 December 2023 and of their performance as represented by the results of their operations and their cash flows for the period ended on that date; and
 - ii. complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- b. there are reasonable grounds to believe that the Funds will be able to pay their debts as and when they become due and payable.

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



Robert Fraser
Chairman

Sydney, 5 March 2024

Independent auditor's review report to the unitholders of Magellan Global Fund (Hedged), Magellan Infrastructure Fund and Magellan Infrastructure Fund (Unhedged)

Conclusion

We have reviewed the accompanying Interim Financial Reports of Magellan Global Fund (Hedged), Magellan Infrastructure Fund and Magellan Infrastructure Fund (Unhedged) (the Funds), which comprises the statements of financial position as at 31 December 2023, the statements of profit or loss and comprehensive income, statements of changes in equity and statements of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial reports of the Funds does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the Funds' financial position as at 31 December 2023 and of their financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our reviews in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the interim financial report* section of our report. We are independent of the Funds in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Annual Financial Report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the interim financial report

The directors of the Responsible Entity are responsible for the preparation of the interim financial reports that give a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial reports that gives a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditor's responsibilities for the interim financial report

Our responsibility is to express a conclusion on the interim financial reports based on our reviews. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the interim financial reports are not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Funds' financial position as at 31 December 2023 and their performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



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

A handwritten signature in blue ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in blue ink that reads 'Clare Sporle'.

Clare Sporle

Partner

Sydney, 5 March 2024

Corporate Information

Directors of the Responsible Entity

Robert Fraser - Chairman
David Dixon - Deputy Chairman
John Eales AM
Andrew Formica
Cathy Kovacs
Hamish McLennan
Deborah Page AM

Company Secretary of the Responsible Entity

Marcia Venegas

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