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Media Release

Game changing new fund structure administered by Mainstream Fund Services launches on ASX

The Airlie Australian Share Fund (ASX: AASF) administered by Mainstream, launched as an unlisted managed fund in 2018, today became Australia's first Quoted Fund on the ASX under the new structure.

The Fund was previously an unquoted fund but from today investors can buy or sell units through their broker on the ASX alongside the Fund's existing traditional application and redemption process administered by Mainstream.

This development is a meaningful step as it represents the convergence of listed and unlisted open-ended funds into a single investment vehicle, allowing fund managers to offer investors both unlisted and exchange traded entry methods in a standard fund format. Mainstream has invested heavily in this industry first to create a single system that handles listed and unlisted funds together, so the data source is one repository. The logic is that there is essentially no difference between a unit in an unlisted fund and a unit in a listed fund that is open ended, and the shared registry allows these exposures to be interchanged.

Commenting on the launch, Mainstream's Group CEO, Martin Smith, said "Mainstream's goal is to remove the barriers impeding investor activity in listed and unlisted funds. Quoted Funds are a game changer for investors, brokers, and fund managers. An investment manager of an unlisted unit trust can now also have access to listed distribution channels without paying for dual fund structures or bespoke messaging systems."

Brett Cairns, CEO of Magellan Financial Group, said "Currently our industry defines a fund by the pathway in which an investor enters it - either listed or unlisted - but really the only difference is whether the fund is open ended or closed ended. Together with Magellan, Mainstream has brought these two traditionally separate registries together so that we can now offer one fund with the same units, regardless of how an investor buys or sells those units. This brings significant simplification benefits to our investors and to Magellan."

Despite volatile market conditions Mainstream says there is a high level of interest in Quoted Funds from other investment managers as the next step in the evolution of Australia's managed fund industry.

For more information

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About Mainstream Fund Services

Mainstream Fund Services is part of Mainstream Group Holdings Limited (ASX: MAI), a global provider of full service fund administration and custody services.

As at March 2020 the Group provides administration and custody services to 1,042 funds and more than 88,000 investors with funds under administration in excess of AUD \$187 billion.

Mainstream employs 274 people, with operations in Australia, Singapore, Hong Kong, the United States, the Isle of Man, Malta, Ireland and the Cayman Islands.

For more information, please visit: <https://www.mainstreamgroup.com>.

About Airlie Funds Management

Airlie Funds Management ('Airlie') is a specialist Australian equities fund manager and is a wholly owned subsidiary of Magellan Asset Management Limited (AFSL: 304 301). Airlie brings together some of Australia's most experienced industry participants. Airlie has an active, value-based investment style that aims to deliver attractive long-term capital growth and regular income to its investors. Founded by John Sevier and David Cooper in 2012 and headquartered in Sydney, Airlie manages approximately A\$6.8 billion of funds under management at 30 April 2020 across a range of Australian equities strategies, primarily for institutional and high net wealth clients.

About Magellan

Magellan is a specialist funds management business established in 2006 and based in Sydney, Australia. Magellan's core operating subsidiary, Magellan Asset Management Limited, manages approximately A\$97 billion of funds under management (inclusive of Airlie) at 30 April 2020 across its global equities, global listed infrastructure and Australian equities strategies for retail, high net worth and institutional investors and employs over 130 staff globally. Magellan is listed on the Australian Securities Exchange (ASX Code: MFG) and currently has a market capitalisation of approximately A\$10 billion. Further information can be obtained from www.magellangroup.com.au.

Important Information

Units in the Airlie Australian Share Fund ('Fund') are issued by Magellan Asset Management Limited. This material has been provided for general information purposes and must not be construed as investment advice. It does not take into account the investment objectives, financial situation or particular needs of any particular person. Investors should consider obtaining professional investment advice tailored to their specific circumstances and should read the relevant Product Disclosure Statement ('PDS') applicable to the Fund prior to making any investment decisions. The PDS for the fund is available at www.airlifundmanagement.com.au or can be obtained by calling 02 9235 4760.