

Interim report

1 JULY - 31 DECEMBER 2021



Income Asset
Management
Group



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Appendix 4D

RESULTS FOR ANNOUNCEMENT TO THE MARKET

For the current reporting period, the half-year ended 31 December 2021

Previous corresponding period is the half-year ended 31 December 2020

	Change %	31 December 2021 \$000	31 December 2020 \$000
Revenue and operational income	Up 100%	3,902	1,955
Loss from ordinary activities after tax attributable to members	Down 40%	(5,291)	(8,793)
Net loss for the period attributable to members	Down 40%	(5,291)	(8,793)
		Cents	Cents
Net tangible asset backing per security		3.81	1.65

Dividend information	Amounts per share (cents)	Franked amount per share (cents)	Tax rate for franking
Final dividend	Nil	Nil	Nil
Interim dividend	Nil	Nil	Nil
Record date			Not applicable

The Group does not have any dividend re-investment plan in operation and no dividends have been declared or provided for during the half-year.

Loss or gain of control over other entities

N/A

Details of investments in associates and joint ventures

Name of company	Effective ownership interest	
	31 December 2021 %	31 December 2020 %
Fortlake Asset Management Pty Ltd	25	25
Tactical Global Management Limited	25	-

The aggregate share of net profits of associate entities for the current period is \$113,857 (previous corresponding period \$2,027 loss).

On 26 October 2021, the Group announced the completion of the 25% investment in Tactical Global Management Limited (TGM), expanding the Group's offering to include new low volatility, ESG/SDG equity funds, derivative overlay and foreign exchange hedging products for Australian and international investors. Our fund incubation business, IAM Funds, has taken a 25% interest in TGM which will be accounted for using the equity method as an entity over which IAM Group has significant influence (refer Note 6).

Audit Status

This report has been subject to auditor review. There is no dispute or qualification to report. Refer to the Directors' Report and Interim Financial Report for additional information.

This report is signed in accordance with a resolution of the Board of directors.

Directors' Report

In this report from our directors, we submit the financial report of the Consolidated Group for the half-year ended 31 December 2021.

Information on Directors

The names of directors who held office during or since the end of the half-year:

Name	Position	Date appointed
John Nantes	Chairman	
Brook Adcock	Director	
Fiona Dunn	Director	1 September 2021
Craig Swanger	Director	

Group strategy

The strategy of the Group is to be a specialist fixed income investment firm, that changes the industry through transparency, greater access and ethical dealing with clients. IAM Group's three divisions work together to offer investors a complete suite of income solutions, supported by our comprehensive treasury services.

IAM's Business Model and Divisions



Over the reporting period, we have developed and refined our business strategy. Multiple revenue lines are now gaining scale, and we have progressively achieved synergies in our middle- and back-office to support the Group.

We now have six revenue lines at different stages of implementation:

- Brokerage on deposits.
- Brokerage from bond trading.
- Fees from primary issuance of debt capital market transactions.
- Fees from responsible entity services.
- Distribution fees from fund managers (at an early stage as we build the distribution capability in IAM Funds).
- Dividends and share of NPAT from equity stakes in our fund managers.

Operating results

During the half-year period, the Group continued to show strong growth in revenue, client numbers, contracted assets under administration and debt capital market transactions.

Revenue and operational income for the half-year ended December 2021 was \$3.902m, compared to \$1.955m in the same period in the prior year (an increase of \$1.95m or 100%). After removing \$0.9m worth of government grants in the prior year (mainly R&D incentives), our underlying revenue increased 281% (increase of \$2.87m). This was driven largely by revenue in the Capital Markets business, where debt capital market placement fees and bond trading revenues grew 484%.

A headline loss of \$5.29m is a \$3.5m improvement on the half-year ended December 2020 which saw a loss of \$8.79m.

The Group's costs are down \$1.4m, from \$10.7m in the prior period to \$9.3m in this half-year. This decrease is predominantly due to a reduction in non-cash expenses related to share-based payments. These were incurred in the prior year to attract highly skilled staff during the set-up phase of the IAM Capital Markets and IAM Funds businesses.

Total non-cash costs decreased \$2.8m for the half-year period ending 31 December 2021 compared to the prior comparative half-year. This was partially offset by an increase in cash costs of \$1.4m and driven by increases in salaries, the launch of new branding and marketing activities, as well as software and compliance costs. The increase reflects our ongoing investment in, and the scaling up of, the business.

Interest costs of \$0.35m were incurred in the current year in relation to the IAM Group's \$4.5m Note. The Note was issued on 24 December 2020 and consequently there is no interest cost in the comparative period.

The Group has material carry forward tax losses that will be used in the future as appropriate.

Our balance sheet remains strong with \$6.8m Cash on the balance sheet.

Review of operations

The Group continues to focus on growing revenue streams in the Fixed Income business, where low client numbers have proved to be a hurdle to growth in revenue. Recent marketing and sales campaigns have resulted in a 90% increase in client numbers in the last half-year. This places the Group in a strong position to increase both fees and trading revenues in the business going forward.

Our focus in the Cash business is on higher margin wholesale client deposits. Treasury services for intermediaries, not-for profits and corporate clients has resulted in a 4% growth in revenue in the year compared to the first half of 2021. We expect the continued focus on our core market will deliver revenue growth.

In the IAM Funds business, we invested in a 25% share of fund manager Tactical Global Management Limited. This partnership means we're able to design new products and distribute these to clients, offering a wider range of income investment opportunities. The Fortlake Asset Management business, in which IAM also has a 25% interest, won a significant new mandate in the last quarter and funds are expected to be received in Q3 2022.

Risk and Governance

Corporate Governance continues to be enhanced across the Group. The appointment of Fiona Dunn to the Board in September 2021 has brought her complementary experience and skills in Asset Management to the Group. The Audit, Risk and Compliance Committee continues to evolve and increase accountability and transparency. The Trustees Australia Limited compliance function also continues to mature.

With the continuing COVID-19 pandemic and the recent onset of the omicron variant, the Group continues to adapt. Our first priority is to protect the health and safety of our staff. We continue to operate under a hybrid remote-working and office-based model as relevant to staff locations and travel requirements.

Seasonality of operations

The revenue of the Group is evenly distributed throughout the year, with seasonal impact primarily being during the Christmas to New Year period.

Auditor's independence declaration

The lead auditor's independence declaration under S307C of the *Corporations Act 2001* is set out on page 34 for the half-year ended 31 December 2021.

This report is signed in accordance with a resolution of the Board of Directors.



John Nantes

Executive Chairman

24 February 2022

Financial Statements

Consolidated statement of profit or loss and other comprehensive income

For the half-year ended 31 December 2021

	Note	December 2021 \$	December 2020 \$
Revenue and operational income	2(a)	3,901,627	1,955,145
Business operating expenses		(1,897,927)	(1,252,998)
Employment expenses	2(b)(ii)	(5,003,761)	(7,481,512)
Finance costs	2(b)(i)	(368,148)	(42,032)
Depreciation and amortisation expense		(842,243)	(698,035)
Property operating expenses		(104,445)	(62,627)
Other expenses		(1,089,712)	(1,208,590)
Share of net profit from associates	6(c)	113,857	(2,072)
Loss before income tax		(5,290,752)	(8,792,721)
Income tax expense	2(c)	-	-
Loss for the period attributable to members		(5,290,752)	(8,792,721)
Other comprehensive income			
Items that will be reclassified to profit or loss		-	-
Items that will not be reclassified to profit or loss		-	-
Other comprehensive income for the year		-	-
Total comprehensive loss for the period attributed to members		(5,290,752)	(8,792,721)
Earnings per share			
	15	Cents	Cents
Basic earnings per share		(2.0)	(4.4)
Diluted earnings per share		(2.0)	(4.4)

The accompanying notes form part of these financial statements.

Consolidated statement of financial position

As at 31 December 2021

	Note	December 2021 \$	June 2021 \$
Current assets			
Cash and cash equivalents		6,873,463	6,029,545
Trade and other receivables		1,025,214	888,073
Financial assets at fair value through profit or loss	3	106,688	1,019,773
Other assets		635,567	536,367
Total current assets		8,640,932	8,473,758
Non-current assets			
Right of use assets	4(a)	1,002,899	415,551
Intangibles	5	6,068,983	6,598,254
Investments accounted for using the equity method	6	6,158,528	2,149,437
Property, plant and equipment		154,444	215,222
Other non-current assets	7	851,761	630,387
Total non-current assets		14,236,615	10,008,851
Total assets		22,877,547	18,482,609
Current liabilities			
Trade and other payables		1,061,671	2,294,286
Lease liabilities	4(d)	331,352	244,548
Borrowings	8	-	29,898
Provisions		475,131	370,640
Total current liabilities		1,868,154	2,939,372
Non-current liabilities			
Lease liabilities	4(d)	711,001	212,603
Borrowings	8	3,667,903	3,457,903
Provisions		35,183	45,927
Total non-current liabilities		4,414,087	3,716,433
Total liabilities		6,282,241	6,655,805
Net assets		16,595,306	11,826,804
Equity			
Issued capital	9	47,319,283	38,372,712
Reserves	10	8,917,105	6,886,842
Retained earnings		(39,641,082)	(33,432,750)
Total equity		16,595,306	11,826,804

The accompanying notes form part of these financial statements.

Consolidated statement of cash flows

For the period ended 31 December 2021

		December 2021	December 2020
Cash flows from operating activities	Note	\$	\$
Receipts from customers and other sources of income		2,984,825	1,289,894
Payments to suppliers and employees		(7,284,180)	(5,447,885)
Net proceeds from sale of financial instruments at fair value through profit or loss		832,400	236,995
Interest received		3,973	101
Finance costs paid		(152,970)	(17,536)
Net operating cash flows		(3,615,952)	(3,938,431)
Cash flows from investing activities			
Payment for property, plant and equipment		(83,933)	(92,994)
Loan to associate	7(i)	(166,667)	(328,181)
Net payment for office bonds		(42,678)	(123,860)
Payment for equity-accounted investment	6(c)	(3,000,000)	(50)
Net investing cash flows		(3,293,278)	(545,085)
Cash flows from financing activities			
Proceeds from issue of notes		-	2,450,000
Proceeds from issues of shares		8,330,334	-
Cost of raising capital		(414,203)	-
Proceeds from related party borrowings	8(iv)	-	2,572,370
Repayment of related party borrowings	8(iv)	-	(2,572,370)
Proceeds from borrowings		-	21,097
Repayment of borrowings		(29,898)	(27,413)
Repayments of lease principle	4(c)	(170,406)	(97,361)
Net financing cash flows		7,715,827	2,346,323
Net increase / (decrease) in cash held		806,597	(2,137,193)
Cash at the beginning of the period		6,029,545	4,234,215
Effect of exchange rates on cash held in foreign currencies		37,321	-
Cash at the end of the financial period		6,873,463	2,097,022

The accompanying notes form part of these financial statements.

Consolidated statement of changes in equity

For the period ended 31 December 2021

	Note	Issued capital ordinary \$	Option reserve \$	Retained earnings \$	Total \$
Balance at 1 July 2021		38,372,712	6,886,842	(33,432,750)	11,826,804
Comprehensive income					
Loss attributable to members of parent entity for the period		-	-	(5,290,752)	(5,290,752)
Total comprehensive loss for the period		-	-	(5,290,752)	(5,290,752)
Transactions with owners, in their capacity as owners, and other transfers					
Contributions of equity, net of transaction costs		7,916,131	-	-	7,916,131
Contingent consideration reserve	6(a)(i)	-	370,684	-	370,684
Share based payments – TGM investment	6(a)(i)	524,550	-	-	524,550
Share based payments – employee scheme	10(a)	-	1,247,889	-	1,247,889
Shares issued on exercise of rights	10(a)	678,390	(678,390)	-	-
Share based payment	10(a)(i)	(172,500)	172,500	-	-
Shares issued on exercise of options	10(a)	-	(105,420)	105,420	-
Transfer of share-based payment reserve	14(a)(iii)	-	1,023,000	(1,023,000)	-
Total transactions with owners and other transfers		8,946,571	2,030,263	(917,580)	10,059,254
Balance at 31 December 2021		47,319,283	8,917,105	(39,641,082)	16,595,306
Balance at 1 July 2020		30,867,822	435,409	(19,162,104)	12,141,127
Comprehensive income					
Loss attributable to members of parent entity for the period		-	-	(8,792,721)	(8,792,721)
Total comprehensive loss for the period		-	-	(8,792,721)	(8,792,721)
Transactions with owners, in their capacity as owners, and other transfers					
Capital raise transaction costs		(72,000)	72,000	-	-
Share based payment	9(b)(i)	20,000	-	-	20,000
Issued note – option premium reserve	8(iii)	-	1,260,000	-	1,260,000
Contingent consideration reserve	6(c)(i)	-	2,100,000	-	2,100,000
Share based payments – employee scheme		-	4,233,195	-	4,233,195
Total transactions with owners and other transfers		(52,000)	7,665,195	-	7,613,195
Balance at 31 December 2020		30,815,822	8,100,604	(27,954,825)	10,961,601

The accompanying notes form part of these financial statements.

Notes to the financial statements

Note 1: Summary of Significant Accounting Policies

A. Basis of Preparation

These general purpose interim financial statements for half-year reporting period ended 31 December 2021 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Income Asset Management Group Limited and its controlled entities (referred to as the "Group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2021, together with any public announcements made during the following half-year.

These interim financial statements were authorised for issue on the date of signing the directors' report.

B. Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

C. New and Amended Standards Adopted by the Group

The Group has considered the implications of new or amended Accounting Standards which have become applicable for the current financial reporting period but determined that the application to the financial statements is either not relevant or not material.

Note 2: Revenue and Expenses

		December 2021	December 2020
(a) Revenue and operational income	Note	\$	\$
• Brokerage and commissions		454,261	435,327
• Placement fees		1,589,274	344,950
• Service fees		-	6,341
Revenue from contracts with customers	(i)	2,043,535	786,618
Net trading income	(ii)	1,854,119	236,986
Total operating revenue		3,897,654	1,023,604
Other sources of income	(iii)	3,973	931,541
Total revenue		3,901,627	1,955,145

(i) Revenue disaggregation

The Group has disaggregated revenue into various categories in the following table. The revenue is disaggregated by service line and timing of revenue recognition.

Service lines:

• Financial services	2,043,535	786,618
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Timing of revenue recognition:

• At a point in time	2,043,535	786,618
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(ii) Net trading income

• Income from financial instruments held at fair value through profit or loss	1,854,119	236,986
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(iii) Other sources of income

• Interest – unrelated	3,973	101
• ATO incentives	-	51,900
• R&D tax incentives	-	879,540
	3,973	931,541

(b) Expenses

(i) Finance costs

• Bank loans and overdrafts	1,001	608
• Lease liabilities	21,037	16,928
• Interest paid	346,110	24,496
	368,148	42,032

(ii) Employee benefits expense

• Wages and salaries costs	3,364,538	2,948,560
• Superannuation	297,587	254,223
• Employee benefits provisions	93,747	45,534
• Share based payment expenses	1,247,889	4,233,195
	5,003,761	7,481,512

(c) Income Tax

There is no income tax applicable to the result for the period and prior period due to the availability of carry forward tax losses.

Note 3: Financial Assets at Fair Value

	December 2021	June 2021
Current	\$	\$
Unlisted investments at fair value		
• Corporate bonds	106,688	1,009,285
Listed investments at fair value		
• Corporate bonds	-	10,488
Total current financial assets at fair value through profit or loss	106,688	1,019,773

Note 4: Right of Use Assets

(a) AASB 16 related amounts recognised in the statement of financial position

	Note	December 2021 \$	June 2021 \$
Right of Use Assets			
Leased buildings		1,908,774	1,153,165
Accumulated depreciation		(905,875)	(737,614)
		1,002,899	415,551
Movement in carrying amounts:			
Leased buildings:			
Opening net carrying amount	(i)(iii)	415,551	244,779
Additions	(ii)	755,609	462,025
Depreciation expense for the year		(168,261)	(291,253)
		1,002,899	415,551

(i) The Group has the following carried forward lease recognised under AASB 16.

A 3-year lease for office premises in Adelaide Street, Brisbane, with an expiry date of 30 November 2023.

(ii) The Group entered into the following lease recognised under AASB 16 during the period.

A 5-year lease for office premises in Flinders Lane, Melbourne, with an expiry date of 11 November 2026.

Management estimate – lease term and discount rate

The lease has no option period and as such there is no option included in the calculation of the lease liability. A benchmarked borrowing rate of 4.75% has been used as the discount rate.

(iii) The following carried forward lease recognised under AASB 16 expired during the period.

A 4-year lease for office premises in Clarence Street, Sydney, which expired 30 November 2021.

(b) AASB 16 related amounts recognised in the statement of profit or loss

	December 2021 \$	December 2020 \$
Depreciation charge related to right of use assets	168,261	133,780
Interest expense on lease liabilities (included in finance costs)	21,037	16,928

(c) AASB 16 related amounts recognised in the statement of profit or loss

	December 2021 \$	December 2020 \$
Total principal and interest cash outflows for leases	170,406	97,361

(d) Lease liabilities

		December 2021	June 2021
Current	Note	\$	\$
Lease liabilities		331,352	244,548
Total current lease liabilities		331,352	244,548
Non-current			
Lease liabilities		711,001	212,603
Total non-current lease liabilities		711,001	212,603
Total lease liabilities		1,042,353	457,151

Note 5: Intangible Assets

	December 2021	June 2021
Note	\$	\$
Goodwill – at cost	226,316	226,316
(i)	226,316	226,316
Software development – at cost less accumulated amortisation	11,383,682 (5,553,036)	10,420,664 (4,061,141)
(i)	5,830,646	6,359,523
Trademarks and patent – at cost less accumulated amortisation	14,714 (2,693)	14,714 (2,299)
	12,021	12,415
Total intangibles	6,068,983	6,598,254

(i) Intangible Assets

As part of the half-year impairment assessment process, the Group has considered the carrying value of the intangible assets balance and note that no impairment charge is required at 31 December 2021.

The useful lives of the intangible assets were also considered to remain appropriate at 31 December 2021.

Management estimate – fair value of intangible assets

The recoverable amounts were determined based on value-in-use calculations which require the use of various assumptions. The key assumptions used for the assessment are a discount rate of 10.82%; an equity risk premium of 12%; a risk-free rate of 1.34%; a beta of 0.79 and a terminal growth rate of 2.2%.

The calculations use the 2021 result plus cash flow projections based on financial forecasts covering a four-year period. The revenue forecast has assumed a 150% growth forecast for the year ended June 2022, and 79% for the year ended June 2023, as the business gains significant scale in bond activities. This drops to 2% p.a. as a sustainable growth rate the final year of the model as the business matures. Operating cost outflows are expected to increase in the first three forecasting years, as a result of the annualisation of incremental employment and operating expenses incurred in this financial year and moderate staff increases. Going forward into the last year of the forecast, costs are expected to increase by 3% p.a., reflecting inflation and operating cost containment as efficiencies of scale are achieved.

Sensitivity to change in assumptions

Sensitivity analysis on changes to key assumptions and cash flow projections used in the value-in-use calculations indicate that reasonable changes in the key assumptions will not cause the recoverable amount of the CGU to be less than its carrying value.

One of the key variables analysed was a 10% drop in revenue in each period of the cash flow projections.

Note 6: Investments Accounted for Using the Equity Method

	December 2021	June 2021
	\$	\$
Investments accounted for using the equity method	6,158,528	2,149,437

(a) Carrying amounts

The Group holds investments that undertake funds management activities. Information relating to these entities is set out below.

Name of Company	Principal Activities	Note	Ownership Interest		Carrying Value	
			December 2021	June 2021	December 2021	June 2021
			%	%	\$	\$
Unlisted						
Fortlake Asset Management Pty Ltd	Funds Management		25	25	2,285,615	2,149,437
Tactical Global Management Ltd	Funds Management	(i)	25	-	3,872,913	-
					6,158,528	2,149,437

Each of the above entities is incorporated and has its principal place of business in Australia and is accounted for using the equity method.

(i) On 26 October 2021, the Group announced the completion of its investment in Tactical Global Management Ltd (TGM). The investment in TGM expands the Group's offering to include low volatility ESG/SDG equity funds, derivative overlay and foreign exchange hedging products for Australian and international investors. In addition, TGM will support the expansion of the Group's Treasury Management Services business through their expertise in overlay management and investment compliance capabilities. Our fund incubation business, IAM Funds Pty Ltd, has taken a 25% interest in TGM at a cost of \$3,895,232. The total cost is comprised of \$3,000,000 cash, \$524,550 for 1,500,000 IAM shares issued at \$0.35 on completion and \$370,684 of contingent consideration upon TGM achieving certain funds under management and NPAT milestones and Income Asset Management Group Limited achieving a specified strike price hurdle.

Significant management judgement — contingent consideration

The Group has identified a contingent consideration portion of the transaction as a result of an assessment of the commercial nature of the obligation and its linkage to the underlying valuation of the entity. The Group has assessed that it is probable the funds under management, NPAT and strike price hurdles will be achieved and has therefore recorded the \$370,862 at fair value as contingent consideration within the option reserve, with a corresponding increase in the carrying value of the investment in TGM.

Significant management estimate — impairment assessment

Impairment testing is carried out on the amount at fair value as contingent consideration payable accounted for using the equity method at each reporting date. For the purpose of impairment testing, each investment is assessed individually as each represents a separate 'cash generating unit' (CGU), with the carrying value compared to the 'recoverable amount'. The 'recoverable amount' is defined as the higher of each CGU's fair value less costs of disposal and its value in use.

As a result of this analysis, there has been no impairment to the Group's investments accounted for using the equity method in the period ended 31 December 2021 (30 June 2021: \$nil).

(b) Summarised financial information for joint ventures

The tables below provide summarised financial information for entities accounted for using the equity method. The information disclosed reflects the amounts presented in the financial statements of the individual entities and not the Group's share of those amounts.

	Fortlake Asset Management Pty Ltd		Tactical Global Management Ltd
	December 2021	June 2021	December 2021
Summarised statement of financial position	\$	\$	\$
Cash and cash equivalents	492,047	318,429	1,658,216
Other current assets	768,432	551,119	876,988
Total current assets	1,260,479	869,548	2,535,204
Total non-current assets	2,141,640	1,729,117	938,381
Current financial liabilities	(30,990)	-	(199,340)
Other current liabilities	(148,403)	(87,317)	(619,838)
Total current liabilities	(179,393)	(87,317)	(819,178)
Non-current financial liabilities	(666,667)	(500,000)	(432,337)
Other non-current liabilities	-	-	(27,877)
Total non-current liabilities	(666,667)	(500,000)	(460,214)
Net assets	2,556,059	2,011,348	2,194,193
Group's share %	25%	25%	25%
Reconciliation to carrying amounts			
Opening net assets 1 July	2,011,348	-	-
Net assets on initial investment	-	-	2,283,476
Issued shares	-	2,000,150	-
Total comprehensive income / (loss)	544,711	11,198	(89,283)
Dividends paid	-	-	-
Closing net assets	2,556,059	2,011,348	2,194,193
Group's share of net assets	639,015	502,837	548,548
Consideration premium	1,917,044	1,646,600	3,324,365
Carrying amount	2,556,059	2,149,437	3,872,913
Summarised statement of comprehensive income			
Revenue	748,218	305,029	751,792
Net profit / (loss) for the year after tax	520,562	(17,919)	(89,283)
Other comprehensive income	24,149	29,117	-
Total comprehensive income / (loss)	544,711	11,198	(89,283)
Dividend received from joint venture entities	-	-	-
Depreciation and amortisation	(465)	-	(49,118)
Interest income	-	-	-

At 31 December 2021, IAM's maximum exposure to loss from its interests are as follows:

- Fortlake is the carrying amount of the investment of \$2,263,294 (June 2021: \$2,149,437) and a \$666,667 (June 2021: \$500,000) interest free loan for working capital requirements (refer Note 7(i)).
- TGM is the carrying amount of the investment of \$3,895,234 (June 2021: \$nil).

There were no commitments or contingencies of joint ventures in the period ended 31 December 2021.

(c) Movement in carrying amounts

	Note	Fortlake Asset Management Pty Ltd		Tactical Global Management Ltd
		December 2021	June 2021	December 2021
		\$	\$	\$
Carrying amount at the beginning of the half-year		2,149,437	-	-
Purchase of shares in entity under joint control		-	50	3,000,000
IAM shares issued on completion of investment	9(a)(v)	-	-	524,550
Contingent consideration - Fortlake		-	2,100,000	-
Contingent consideration - TGM	(i)	-	-	370,684
Share of profit / (loss) after tax		136,178	49,387	(22,321)*
Carrying amount at the end of the half-year		2,285,615	2,149,437	3,872,913

*Share of profit after income tax for TGM is for the period of ownership 26 October 2021 to 31 December 2021.

i. Management estimate — fair valuation of contingent consideration (TGM)

On completion of the investment in TGM and as part of the shareholder agreement, 15,000,000 performance rights in IAM were granted to various parties associated with TGM in three tranches. The Group has assessed the probability that the rights will vest and become payable and has used the probability in calculating the contingent consideration.

The performance rights were issued for no consideration and vest based upon TGM achieving certain funds under management and NPAT milestones and IAM achieving a specified hurdle price.

The fair value of the rights was determined using a Monte Carlo Simulation pricing model taking into account the exercise price, the term of the option, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the instrument.

	Tranche 1	Tranche 2	Tranche 3
Fair value at grant date (per right)	\$0.35	\$0.35	\$0.35
Grant date	26 October 2021	26 October 2021	26 October 2021
Number of rights	5,000,000	5,000,000	5,000,000
Probability of vesting	11.3%	5.1%	4.8%
Exercise price	nil	nil	nil
Expiry date	26 October 2041	26 October 2041	26 October 2041
Share price at grant date	\$0.33	\$0.33	\$0.33
Expected price volatility of the Company's shares	60%	60%	60%
Expected dividend yield	nil	nil	nil
Risk-free interest rate	0.21%	0.21%	0.21%

Note 7: Other Non-current Assets

	Note	December 2021 \$	June 2021 \$
Loan to associate	(i)	666,667	500,000
Bonds and deposits		185,094	130,387
Total other non-current assets		851,761	630,387

(i) Fortlake interest free loan

On establishment of Fortlake Asset Management Pty Ltd (refer Note 6), IAM Funds Pty Ltd agreed to provide an interest free loan to Fortlake of up to \$500,000 per annum for three years to a maximum total of \$1,500,000. The loan is to be used by Fortlake for the sole purpose of meeting the working capital requirements of its funds management business and in accordance with an agreed business plan. There is no fixed repayment date for the loan, however Fortlake can only pay dividends after repayment of the loan in full. The loan has been classified as non-current at 31 December 2021 and the outstanding balance is \$666,667 (June 2021: \$500,000). The Group has assessed the future forecasts of Fortlake and the recoverability of this loan and determined that no provision for expected credit losses is necessary in the period.

Note 8: Borrowings

		December 2021	June 2021
Current	Note	\$	\$
Loans – unsecured	(i)	-	29,898
Total current borrowing		-	29,898
Non-current			
Issued notes	(ii)	4,500,000	4,500,000
Issued notes – option premium	(iii)	(832,097)	(1,042,097)
Total non-current borrowing		3,667,903	3,457,903
Total borrowings		3,667,903	3,487,801

(i) Unsecured short-term loan for the payment of the Group's insurance policy.

(ii) Issued notes

On 24 December 2020, IAM issued a 6% unsecured note with a face value of \$4,500,000 and a maturity of 3 years. The borrowing is used to fund the growth in capital requirements of the IAM Funds and IAM Capital Markets businesses. Interest is payable quarterly in arrears at a rate of 6% based on face value and notes have been measured at amortised cost. The noteholders were also issued with two ASX listed options for every \$1 invested. Each option entitles the holder to purchase one IAM share at an exercise price of \$0.50 at any time during the 3-year life of the option. Refer Note (iii) below for details of the fair valuation process.

(iii) Issued notes – option premium

The option premium on the issued note represents the options on IAM shares outlined in (ii) above. The premium represents an additional borrowing cost, and is incorporated within the effective interest rate on the issued note liability.

Management estimate – fair valuation of option premium

The fair value of the options was determined using a Black-Scholes pricing model taking into account the exercise price, the term of the option, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the instrument.

Fair value at grant date (per right)	\$0.14
Grant date	24 December 2020
Number of rights	9,000,000
Exercise price	\$0.50
Expiry date	24 December 2023
Share price at grant date	\$0.34
Expected price volatility of the Company's shares	79%
Expected dividend yield	nil
Risk-free interest rate	0.10%

The \$832,097 (June 2021: \$1,042,097) balance at 31 December 2021 represents the fair value of \$1,260,000 less \$427,903 in effective interest on the option premium.

(i) Related party funding

Commencing in October 2020, the Group entered into a borrowing agreement with Jon Lechte (CEO), who provided a loan facility for an amount of not more than \$2,500,000 at any time. The interest rate was 5.01%, repayment was made with 30 days' notice and the facility was used to purchase inventory or to facilitate settlements for the Bond Income business. The facility was not utilised in the half-year and was closed 31 December 2021.

In the December 2020 comparative period the facility was utilised at various times and the cumulative total proceeds received was \$2,572,370 and all utilised amounts during the half-year had been repaid by 30 December 2020. Interest on the facility of \$10,750 was paid.

Note 9: Issued Capital

	December 2021	December 2020
	\$	\$
Issued capital	47,319,283	30,815,822

(a) Movement in ordinary shares as of 31 December 2021:

Date	Detail	Note	Number of shares	Issue price	Issued capital (\$)
1 July 2021	Opening balance		236,748,844		38,372,712
14 July 2021	Performance rights exercised	(i)	2,410,000	\$0.11	267,510
16 August 2021	Share placement	(ii)	29,741,977	\$0.27	8,030,334
2 November 2021	Options exercised	(iii)	1,000,000	\$0.30	300,000
2 November 2021	Performance rights exercised	(iv)	4,820,000	\$0.09	410,880
2 November 2021	Performance rights exercised	(v)	1,500,000	\$0.35	524,550
	Transaction costs				(586,703)
			276,220,821		47,319,283

- (i) On 14 July 2021, IAM issued 2,410,000 shares at an average issue price of \$0.111 upon vesting of employee performance rights.
- (ii) On 16 August 2021, IAM issued 29,741,977 shares to sophisticated investors at an issue price of \$0.27. This is tranche two of the \$14M placement announced in June 2021.
- (iii) On 2 November 2021, IAM issued 1,000,000 shares to Blue Ocean Equities on conversion of options at an exercise price of \$0.30.
- (iv) On 2 November 2021, IAM issued 4,820,000 shares at an average issue price of \$0.104 upon vesting of employee performance rights.
- (v) On 2 November 2021, IAM issued 1,500,000 shares at an average issue price of \$0.35 as part of the investment in TGM (refer note 6(a)(i)).

(b) Movement in ordinary shares as of 31 December 2020:

Date	Detail	Note	Number of shares	Issue price \$	Issued capital \$
1 July 2020	Opening balance		198,343,257		30,867,822
1 July 2020	Transaction costs		-		(72,000)
10 July 2020	Share based payment	(i)	153,846	0.13	20,000
31 December 2020	Closing balance		198,497,103		30,815,822

- (i) On 10 July 2020, IAM issued 153,846 shares at an issue price of \$0.13 to a supplier for recruitment costs.

Note 10: Reserves

	December 2021	December 2020
	\$	\$
Option reserve	8,917,105	8,100,604

(a) Movement in options/performance rights as of 31 December 2021:

Date	Detail	Note	Number of options/ performance rights	Option reserve \$
1 July 2021	Opening balance		60,937,333	6,886,842
16 August 2021	Contingent consideration reserve	6(c)(i)	16,500,000	370,684
18 August 2021	Capital raise transaction cost	(i)	1,500,000	172,500
2 November 2021	Options - exercised		(1,000,000)	(105,420)
5 November 2021	Share-based payments confirmed by Board		3,300,000	1,023,000
July 21 – Dec 21	Share based payments – employee scheme		12,830,000	1,247,889
July 21 – Dec 21	Performance rights exercised		(8,730,000)	(678,390)
			85,337,333	8,917,105

(i) On 18 August 2021, IAM issued 1,500,000 options as consideration for capital raise costs at an issue price of \$0.115.

(b) Movement in options/performance rights as of 31 December 2020:

Date	Detail	Note	Number of options/ performance rights	Option reserve \$
1 July 2020	Opening balance		17,993,333	435,409
29 July 2020	Capital raise transaction cost		1,200,000	72,000
6 November 2020	Contingent consideration reserve	6(c)(ii)	10,000,000	2,100,000
24 December 2020	Issued notes – option premium reserve	8(iii)	9,000,000	1,260,000
July 20 – Dec 20	Share based payments – employee scheme		42,185,866	4,233,195
31 December 2020	Closing balance		80,379,199	8,100,604

Note 11: Commitments and Contingencies

(i) Responsible Entity and AFSL Licence Obligations

The Group holds the following financial services licences under section 913B of the *Corporations Act 2001*:

Name	Licence Number
Income Asset Management Group Limited ¹	260033
IAM Capital Markets Limited	283119
IAM Cash Markets Pty Ltd ²	459645
Trustees Australia Limited (Trustees Australia)	260038

¹ The company has applied to ASIC for a cancellation of the licence as it is dormant.

² The licence of IAM Cash Markets Pty Ltd was cancelled by ASIC on 22 February 2022, on request from the company.

As a condition of licence authorisation, each licensee is required to maintain a number of base level financial requirements and Trustees Australia has additional financial requirements as a result of being licenced to provide Responsible Entity services. At 31 December 2021, all entities meet the base level requirements and Trustees Australia meets its additional financial requirements.

(ii) Fortlake interest free loan

On establishment of Fortlake Asset Management Pty Ltd, IAM Funds Pty Ltd agreed to provide an interest free loan to Fortlake of up to \$500,000 per annum for three years to a maximum total of \$1,500,000. The loan is to be used by Fortlake for the sole purpose of meeting the working capital requirements of its funds management business and in accordance with an agreed business plan. There is no fixed repayment date for the loan, however Fortlake can only pay dividends after repayment of the loan in full. The outstanding balance is \$666,667 (June 2021: \$500,000). Refer Note 7(i).

There are no other commitments and contingencies reported at 31 December 2021.

Note 12: Related Party Transactions

Related parties of the IAM Group are:

- Controlled entities.
- Key management personnel and their associates.
- Director related entities.
- Joint ventures accounted for under the equity method.

Entities with significant influence over the Group are:

- Relevant interests associated with Director, Brook Adcock, own 26.55% (June 2021: 27.28%) of the ordinary shares in IAM at the date of this report.

Transactions with related parties

Transactions with related parties are made at arm's length at normal market prices and on normal commercial terms.

The following transactions occurred with director related parties:

- John Nantes is a director of CJNI Advisory Pty Ltd (CJNI Advisory), who undertakes responsible manager and consulting services work for the Group. During the period, \$99,000 (2020: \$99,000) was paid by the Group to CJNI Advisory and at 31 December 2021 the Group had no (2020: nil) outstanding amounts with CJNI Advisory.
- Craig Swanger is a director of Revolver Capital Pty Ltd (Revolver Capital). Revolver Capital undertakes project management and consulting work for the Group on a cost recovery basis. During the period, \$30,000 (2020: \$30,000) was paid by the Group to Revolver Capital and at 31 December 2021 the Group had no (2020: \$5,000) outstanding amounts with Revolver Capital.

The following transactions occurred with directors:

- Fiona Dunn has received a director's fee of \$20,000 plus superannuation of \$2,000 during the reporting period (2020: nil). At 31 December 2021 the Group had no (2020: nil) outstanding amounts with Fiona.
- On 24 December 2020, IAM issued a 6% unsecured note and each noteholder was also issued 2 options for every \$1 invested. Below is a list of directors who participated in the issue and their relevant interest from the issue.

	Notes \$	Options (No.)
Brook Adcock	725,000	1,450,000
John Nantes (indirect holdings)	50,000	100,000

Interest on the notes of \$23,313 (Dec 20: \$1,233) has been expensed in finance costs.

The following transactions occurred with KMP:

- On 24 December 2020, IAM issued a 6% unsecured note and each noteholder was also issued 2 options for every \$1 invested. Below is a list of KMP who participated in the issue and their relevant interest from the issue.

	Notes (\$)	Options (No.)
Jon Lechte	500,000	1,000,000
Matthew Loughnan	50,000	100,000

Interest on the notes of \$16,545 (Dec 20: \$1,808) has been expensed in finance costs. Matthew Loughnan was not included as a KMP in the 2020 comparative.

Loans from related parties

- Commencing in October 2020, the Group entered into a borrowing agreement with Jon Lechte (CEO), who provided a loan facility for an amount of not more than \$2,500,000 at any time. The interest rate was 5.01%, repayment was made with 30 days' notice and the facility was used to purchase inventory or to facilitate settlements for the Bond Income business. The facility was not utilised in the half-year and was closed 31 December 2021.
- In the December 2020 comparative period the facility was utilised at various times and the cumulative total proceeds received was \$2,572,370 and all utilised amounts during the half-year had been repaid by 30 December 2020. Interest on the facility of \$10,750 was paid.

Loans to related parties

On establishment of Fortlake Asset Management Pty Ltd, IAM Funds Pty Ltd agreed to provide an interest free loan to Fortlake of up to \$500,000 per annum for three years to a maximum total of \$1,500,000. The loan is to be used by Fortlake for the sole purpose of meeting the working capital requirements of its funds management business and in accordance with an agreed business plan. There is no fixed repayment date for the loan, however Fortlake can only pay dividends after repayment of the loan in full. The outstanding balance is \$666,667 (June 2021: \$500,000). Refer Note 7(i).

Note 13: Segment Information

The Group has only one operating segment based on the information provided to the Board of Directors (who are identified as the Chief Operating Decision Makers (CODM)). Therefore, as the results are the same as the consolidated entity, no reconciliation of operating segment information has been presented. The disaggregation of revenue is reported in Note 3(a).

Note 14: Share Based Payments

(a) Employee share scheme

The Group established the Long Term Incentive Plan (LTIP) on 30 November 2016 as an incentive scheme to recognise and motivate employees to strive for Group performance. The Group considers that the LTIP reflects our commitment to deliver competitive remuneration in order to attract and retain high calibre professionals to the Group, while prudently managing the Group's cash reserves and aligning the interests of executives and shareholders.

The LTIP allows the Board to grant performance rights and/or options to eligible employees. An eligible employee of the Group is an employee (including a director employed in an executive capacity) and any other person who is declared by the Board to be eligible to receive a grant of performance rights or options.

The number available to be granted is determined by the Board and is generally based on shareholder return triggers linked to a share price and are also subject to various minimum service standards such as term of service.

Set out below are performance rights and options granted under the plan during the period:

Grant date	Expiry date	Hurdle price \$	Note	Exercise price \$	Balance at 1 July 2021	Granted during the period	Vested and issued during the period	Confirmed during the period	Balance at 31 December 2021	Vested and exercisable at end of the period
Performance rights										
1/04/2020	1/04/2025	0.45*		-	8,830,000	-	-	-	8,830,000	-
1/07/2020	1/07/2025	0.30		-	2,410,000	-	(2,410,000)	-	-	-
1/07/2020	1/07/2025	0.45*		-	4,415,000	-	-	-	4,415,000	-
9/09/2020	9/09/2025	0.45		-	1,640,000	-	-	-	1,640,000	-
1/10/2020	1/10/2025	0.30		-	4,820,000	-	(4,820,000)	-	-	-
1/12/2020	1/12/2025	0.50		-	4,815,000	-	-	-	4,815,000	-
1/12/2020	1/12/2025	0.75		-	7,230,000	-	-	-	7,230,000	-
4/12/2020	1/04/2025	0.45*		-	5,360,000	-	-	-	5,360,000	-
1/11/2021	1/07/2022	-	(i)	-	-	500,000	-	-	500,000	-
1/11/2021	1/07/2023	-	(i)	-	-	500,000	-	-	500,000	-
1/11/2021	1/07/2024	-	(i)	-	-	500,000	-	-	500,000	-
1/11/2021	1/07/2025	0.45	(i)	-	-	1,000,000	-	-	1,000,000	-
1/11/2021	1/07/2026	0.75	(i)	-	-	1,500,000	-	-	1,500,000	-
1/11/2021	1/10/2023	0.75	(ii)	-	-	8,830,000	-	-	8,830,000	-
5/11/2021	1/04/2025	0.35	(iii)	-	-	-	-	3,300,000	3,300,000	3,300,000
Options										
24/12/2020	24/12/2023	-		0.50	84,000	-	-	-	84,000	84,000
					39,604,000	12,830,000	(7,230,000)	3,300,000	48,504,000	3,384,000

* Executive Directors and senior management have voluntarily agreed to raise the hurdle price from \$0.45 to \$0.75.

(i) Performance rights granted to employee — 1 November 2021

The performance rights were issued for no consideration and vest based on the employee fulfilling a specified service period and, for the fourth and fifth tranches, on IAM achieving specified hurdle prices.

The fair value of the rights was determined using a Monte Carlo Simulation pricing model taking into account the exercise price, the term of the performance right, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the instrument. Volatility over the last 5 years has been used as the expected future share price volatility over the life of the rights.

Number of rights	500,000	500,000	500,000	1,000,000	1,500,000
Fair value at grant date (per right)	\$0.344	\$0.344	\$0.344	\$0.241	\$0.198
Hurdle price	n/a	n/a	n/a	\$0.45	\$0.75
Service hurdle	1 July 2022	1 July 2023	1 July 2024	1 July 2022	1 July 2023
Grant date	1 November 2021	1 November 2021	1 November 2021	1 November 2021	1 November 2021
Exercise price	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Expiry date	1 July 2026	1 July 2026	1 July 2026	1 July 2026	1 July 2026
Share price at grant date	\$0.32	\$0.32	\$0.32	\$0.32	\$0.32
Expected price volatility of the Company's shares	60%	60%	60%	60%	60%
Expected dividend yield	nil	nil	nil	nil	nil
Risk-free interest rate	0.21%	0.21%	0.21%	0.21%	0.21%

During the year \$129,296 (2020: nil) has been recorded as a share-based payment expense.

(ii) Performance rights granted to employees — 1 November 2021

The performance rights were issued for no consideration and vest based on the employee fulfilling a specified service period and IAM achieving specified hurdle prices.

The fair value of the rights was determined using a Monte Carlo Simulation pricing model as described in note (a).

Number of rights	8,830,000
Fair value at grant date (per right)	\$0.049
Hurdle price	n/a
Service hurdle	1 October 2022
Grant date	1 November 2021
Exercise price	\$0.00
Expiry date	1 October 2023
Share price at grant date	\$0.32
Expected price volatility of the Company's shares	60%
Expected dividend yield	nil
Risk-free interest rate	0.21%

During the year \$78,667 (2020: nil) has been recorded as a share-based payment expense.

(iii) Performance rights confirmed to directors — 5 November 2021

On 5 November 2021, it was resolved at the AGM that 3,300,000 performance rights with a cost of \$1,023,000, which were previously issued to Directors at the 2020 AGM, be confirmed, with terms and conditions that have now been clarified.

(b) Other options granted

Set out below are other options granted during the period:

Grant date	Expiry date	Type	Note	Exercise price \$	Balance at 1 July 2021	Granted during the period	Exercised during the period	Forfeited during the period	Balance at 31 December 2021	Vested and exercisable at end of the period
28/09/2018	30/09/2021	Options		0.30	1,000,000	-	(1,000,000)	-	-	-
28/09/2018	30/09/2022	Options		0.40	133,333	-	-	-	133,333	133,333
1/07/2020	30/06/2023	Options		0.20	1,200,000	-	-	-	1,200,000	1,200,000
16/08/2021	1/07/2022	Options	(i)	0.405	-	1,500,000	-	-	1,500,000	1,500,000
					2,333,333	1,500,000	(1,000,000)	-	2,833,333	2,833,333

(i) Options granted to suppliers — 18 August 2021

Blue Ocean Equities was issued options as part consideration for placement fees in respect of the June 2021 share placements. The options were issued for no consideration and vested immediately. The fair value of the rights was determined using a Black Scholes valuation model, taking into account the exercise price, the term of the option, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the instrument.

Number of options	1,500,000
Fair value at grant date (per right)	\$0.115
Grant date	18 August 2021
Exercise price	\$0.405
Expiry date	18 August 2024
Share price at grant date	\$0.33
Expected price volatility of the Company's shares	60%
Expected dividend yield	nil
Risk-free interest rate	0.24%

During the period \$172,500 (December 2020: nil) has been expensed as transaction costs in equity.

(c) Total expenses arising from share-based transactions recognised during the period are as follows:

	Note	December 2021 \$	December 2020 \$
Employee share scheme - share based payment expenses	3(b)(ii)	1,247,889	4,233,195
Other options granted - transaction costs		172,500	72,000

(d) Other share-based expenses

15,000,000 performance rights have been allocated as contingent consideration for the Group's investment in Tactical Global Management Ltd (refer Note 6(c)(i)).

Note 15: Earnings Per Share

	December 2021	December 2020
Earnings per share	Cents	Cents
Basic loss per share	(2.0)	(4.4)
Diluted loss per share	(2.0)	(4.4)
Reconciliation of earnings to profit or loss		
Loss attributed to shareholders	(5,290,752)	(8,792,721)
	Number of shares	Number of shares
Weighted average number of ordinary shares outstanding during the period used in calculating basic EPS	263,613,493	198,489,537
Weighted average number of options outstanding	–	–
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	263,613,493	198,489,537

Note 16: Events After the Reporting Period

On 22 February 2022, ASIC confirmed that, in response to the company's request, it had cancelled the Australian Financial Services Licence of IAM Cash Markets Pty Ltd.

In the opinion of the directors there are no other material matters that have arisen since 31 December 2021 that have significantly affected or may significantly affect the Group, that are not disclosed elsewhere in this report or in the accompanying financial statements.

Directors' Declaration

For the half-year ended 31 December 2021

In accordance with a resolution of the directors of Income Asset Management Group Limited, the directors of the Company declare that:

- (a) the financial statements and notes to the financial statements of the Company and of the Group, as set out on pages 8 to 32, are in accordance with the *Corporations Act 2001*, and:
 - (i) give a true and fair view of the Company's and Group's financial position as at 31 December 2021 and of their performance for the half-year ended on that date; and
 - (ii) comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the Financial Statements, constitutes compliance with International Financial Reporting Standards (IFRS); and
- (b) In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (c) the directors have been given the declarations required by s 295A of the *Corporations Act 2001*.

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



John Nantes
Executive Chairman

Auditor's Independence Declaration



Tel: +61 2 9251 4100
Fax: +61 2 9240 9821
www.bdo.com.au

Level 11, 1 Margaret St
Sydney NSW 2000
Australia

DECLARATION OF INDEPENDENCE BY TIM AMAN TO THE DIRECTORS OF INCOME ASSET MANAGEMENT GROUP LIMITED

As lead auditor for the review of Income Asset Management Group Limited for the half-year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Income Asset Management Group Limited and the entities it controlled during the period.

A handwritten signature in black ink that reads 'Tim Aman'.

Tim Aman
Director

BDO Audit Pty Ltd

Sydney, 24 February 2022

Independent Auditor's Review Report



Tel: +61 2 9251 4100
Fax: +61 2 9240 9821
www.bdo.com.au

Level 11, 1 Margaret St
Sydney NSW 2000
Australia

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Directors of Income Asset Management Group Limited,

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Income Asset Management Group Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, 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 accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2021 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company 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 the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2021 and its financial 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 a half-year 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.

BDO Audit Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'Tim Aman', written over a horizontal line.

Tim Aman
Director

Sydney, 24 February 2022

Corporate Directory

Board of Directors

John Nantes
Executive Chairman

Brook Adcock
Non-Executive Director

Fiona Dunn
Director

Craig Swanger
Executive Director

Company Secretary

Vanessa Chidrawi
Company Secretary

Corporate and Registered Office

Level 1, 262 Adelaide Street
Brisbane QLD 4000

Telephone 1300 784 132
Email shareholders@incomeam.com
Web incomeam.com

Share Register

Boardroom Limited

GPO Box 3993
Sydney NSW 2001

Telephone 1300 737 760
Facsimile (02) 9279 0664
Email enquiries@boardroomlimited.com.au
Web boardroomlimited.com.au

Auditor

BDO Audit Pty Ltd

Level 11, 1 Margaret Street
Sydney NSW 2000

Telephone (02) 9251 4100
Facsimile (02) 9240 9821
Email info.sydney@bdo.com.au
Web bdo.com.au

Stock Exchange

IAM is listed on the ASX with ticker code IAM

Income Asset Management Group Limited

ABN 42 010 653 862

Level 1, 262 Adelaide Street
Brisbane QLD 4000

incomeam.com

