



ASX Announcement 24 November 2022

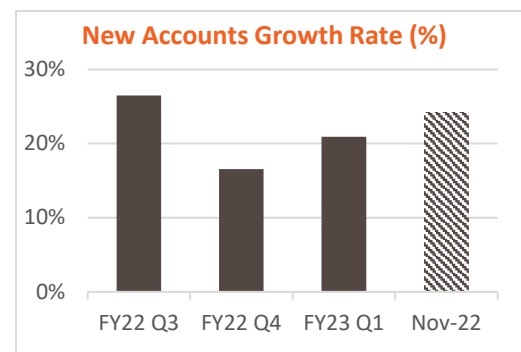
Net revenue for the month is over \$2.5m, resulting in a positive EBITDA in Q2, the first time in the recent history of the Company.

IAM 's non-discretionary investment service has grown by 150% to over \$400m in under 6 months. Total Assets under Administration (AuA) for the Group now exceeds \$2.5bn.

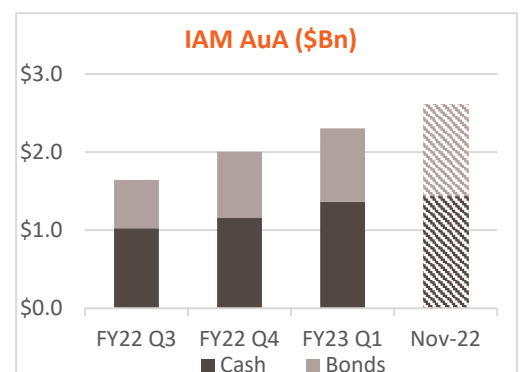
Income Asset Management Group Ltd (ASX:IAM) (IAM or Company) is pleased to provide a material business update showing continued growth in revenue, Assets Under Advice (AuA), client numbers and bond trading turnover.

Key highlights

- **November has seen a 130% increase in bond trading revenue compared to October**, including a significant block trade.
- We will post a **positive EBITDA in Q2 FY23**, based upon contracted revenue, the first time in the recent history of the Company.
 - The positive result is from increased revenue, net of direct distribution costs.
- **Client numbers have grown by 25% since Q1 2023** which is attributable to the deal flow IAM is driving in primary issuances in Debt Capital Markets and secondary bond trades.
- **Trustees Australia (TAL)**, our Responsible Entity, has generated **more than \$600k in transactional revenue and \$60k in recurring revenue**, from its Trustee, Custody and Administration services, creating unique value to the Group. This is **up more than 300% on FY22** and is the green shoots of a growing, annuity style revenue base in that business.
- Our managed investment service has grown from \$240m to **assets of over \$400m**.
 - The increase in AuA enables revenue to be derived from advisory and execution services on bond and cash holdings plus the potential for assets and revenue to continue to grow.
- **Group total Assets under Administration is now over \$2.5 billion**



*FY22 Q3 new accounts includes significant transfer of new clients from a big 4 bank.



Commenting on the uplift in revenue, CEO Jon Lechte, said:

“The driver in revenue for Q2 has been the capital markets business, particularly secondary turnover. The lift in revenue includes a large trade in an illiquid bond, a trade that required Trustees Australia Ltd to act as Bare Trustee. This has driven significant revenue to Trustees Australia as a one-off, and also the recurring fee for ongoing custody of the bond which will lift revenue for TAL in years to come”.

“The joint CEOs of Capital Markets, Kyle Lambert and James Shillington, have been focused not just on driving the daily turnover of the Group but also on building the list of clients who can invest in high quality ‘special situation’ transactions, such as our recently completed transaction.”

Kyle Lambert commented, “The past few months have been really encouraging for our business in terms of revenue and client growth. Our significant growth in client numbers through the private client, adviser and middle market sectors is now translating into a marked up-tick in secondary trading activity coupled with growing participation in investment grade and high yield primary transactions. With the core part of the IAM Capital Markets business now well established, we are working to improve our product through the launch of model portfolios and refining the managed investment service, along with improvements in our investment reporting to support our client’s experience. “

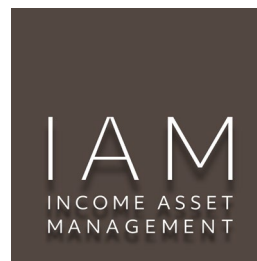
James Shillington commented, “IAM’s non-discretionary managed investment service aims to assist fixed income investors with enhanced decision-making capability. Our expert team act as an advisor to existing investment committees, as well as providing trade execution services under a brokerage agreement. Our customers save on the cost of employing a dedicated dealing team and our sales desk benefits from increased turnover across the business. The market volatility and repricing of credit markets calls for increased focus but also access to best price dealing practices to reduce the cost of liquidity when required. IAM has built a reputation for transparency and professionalism and is well placed both to advise clients on portfolio changes and then execute the required changes efficiently. Assets under Advice in our managed service are now over \$400m and we have more clients considering moving to this model. In time we will offer MDA/SMA discretionary management for clients who prefer that approach”.

IAM Business Model

IAM runs a number of income asset focused businesses specialising in bonds, cash, custody and administration services, and fund manager incubation.



This announcement was approved for release by the Board of Directors.



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About Income Asset Management Group Ltd. (IAM or Group) (ASX:IAM)

IAM has seen tremendous growth into a sophisticated income investing solution. The Group delivers unique solutions in Treasury Management, Cash, Bonds and Funds Management for sophisticated investors and professional investment managers.

Our vision is to provide investors and portfolio managers with the most trustworthy and capable services to research, invest and manage their income investments.

We are a traditional investment firm with real clients and robust governance and compliance, reporting to the ASX, AUSTRAC and ASIC for regulatory obligations. Our direct investment services include deposits, loans, and both listed and unlisted fixed income securities. Our managed investment business incubates new funds and markets the services of those funds within our stable; Fortlake Asset Management and Tactical Global Management. We also own Trustees Australia Limited, an authorised Responsible Entity, regulated by ASIC.

Income Asset Management Group Limited ACN 010 653 862; IAM Capital Markets Limited ACN 111 273 048 | AFSL 283119;

IAM Cash Markets Pty Ltd ACN 164 806 357 corporate authorised representative (no. 001295506) of AFSL 283119;

Trustees Australia Limited ABN 63 010 579 058 | AFSL 260038; and, IAM Funds Pty Ltd ACN 643 600 088 corporate authorised representative of AFSL 260038