Insignia Financial

1H25 Results Presentation

20 February 2025

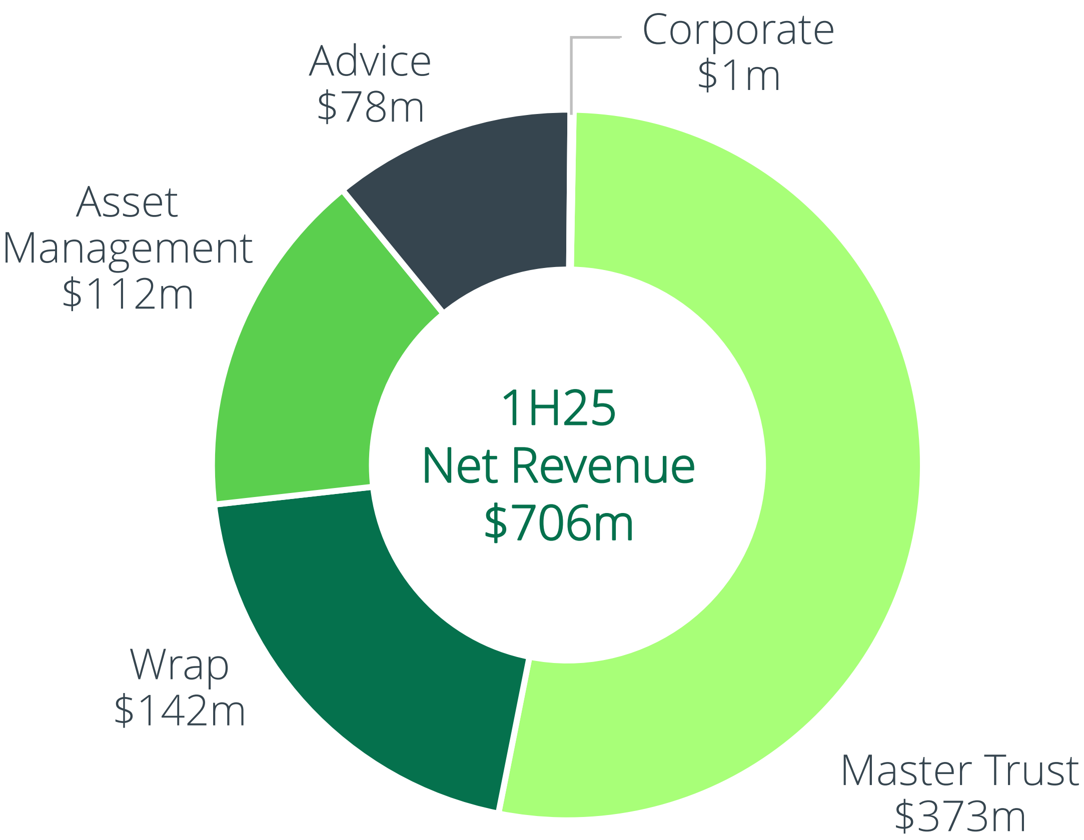
Acknowledgement

IN THE SPIRIT OF RECONCILIATION INSIGNIA FINANCIAL ACKNOWLEDGES THE TRADITIONAL CUSTODIANS OF COUNTRY THROUGHOUT AUSTRALIA AND THEIR CONNECTIONS TO LAND, SEA AND COMMUNITY. WE PAY OUR RESPECT TO THEIR ELDERS PAST AND PRESENT AND EXTEND THAT RESPECT TO ALL ABORIGINAL AND TORRES STRAIT ISLANDER PEOPLES TODAY

1. 1H25 Overview

Scott Hartley, CEO

1H25 Financial Overview



UNPAT

$124m

▲ *1H24 $96m | +30%*

Net Revenue Margin[1]

44.0bps

▼ *1H24 45.4bps | -1.4bps*

NPAT

($17m)

▲ *1H24 ($50m) | +66%*

FUMA Net flows

$1.2b

▲ *1H24 ($1.9b) | +$3.1b*

EBITDA

$224m

▲ *1H24 $178m | +26%*

Average FUMA

$320b

▲ *1H24 $295b | +$25b*

Opex

$482m

▼ *1H24 $518m | -7%*

Cost to Income

68%

▼ 1H24 74% | -6% pts

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Notes: (1) Net Revenue margin ongoing (excludes Rhombus Advisory and Advice divestment net revenue)

Progress against FY25 Priorities: 1H25 Achievements

Simplifying the business, reducing costs and laying foundations for long-term sustainable growth

Completed

- ✓ Vision2030: On 13 November 2024 IFL announced the strategy to become Australia's leading and most efficient wealth management company by 2030
- ✓ Embed new Operating Structure and Executive Team to provide clear lines of accountability, enhance focus on improved risk governance & management, drive profitable growth and enable each business to focus on competing in their respective markets
- ✓ Master Trust target strategy confirmed, and Master Services Agreement signed with SS&C to simplify and transform the Master Trust business, and deliver an improved customer experience and cost efficiencies
- ✓ IT separation from NAB completed November 2024, formal exit of Transitional Services Agreement (TSA) by 2H25

On-track

- ➢ Cost optimisation program resulted in net cost reduction of $36 million compared to 1H24 (on track to achieve full year guidance of $60 – 65m)
- ➢ Net cash strategic investments of $100m in 1H25 (on-track with full year guidance of $142 – 167m)
- ➢ Continue to enhance Wrap functionality (e.g. Separately Managed Accounts (SMA) menu expanded by 56 investment options) and improve adviser experience (e.g. enhanced reporting, on-line transaction ability, additional contribution methods)
- ➢ Continue to uplift risk and governance capability, including the appointment of Danielle Press as Chair and Non-Executive Director of Insignia Financial's trustee boards
- ➢ Invest in and refresh MLC brand, expected market release in 1H26

1H25 Additional Achievements

Continuing to lay the foundations for our 2030 Strategy

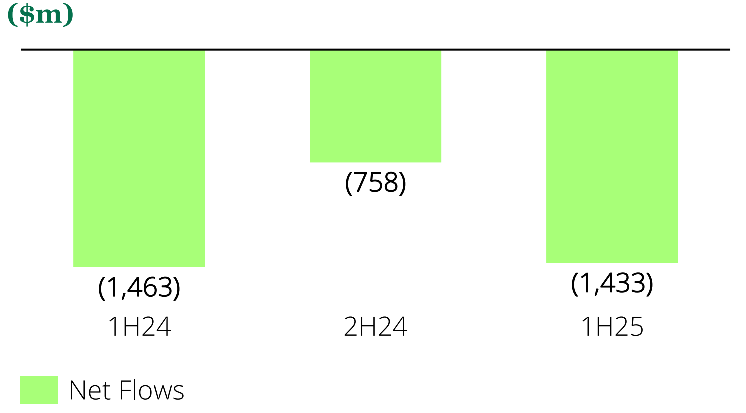
Achieved

- ✓ Embedding partnership with Rhombus Advisory following separation on 1 July 2024
- ✓ Finalisation of Australian Executor Trustees (AET) Transitional Services Agreement (TSA) November 2024
- ✓ Master Trust pricing changes to the MasterKey suite of products took effect 1 October 2024 and are expected to improve retention and flows momentum: no impact on revenue in FY25
- ✓ Wrap flows improved following the MLC Wrap migration, delivering +$1.0b on the Expand platform in 1H25
- ✓ $1.1b of net inflows into Retail Multi-Asset products, supported by growing demand for managed accounts and traditional retail multi asset funds
- ✓ MLC Reinsurance Investment Fund was launched, this represents the first time IFL has packaged its Alternatives capability for the external market
- ✓ 25 Shadforth advisers recognised in Barron's Top 150, more than any other financial planning firm
- ✓ Implemented one unified enterprise agreement, bringing six instruments down to one

FUMA Net Flows[1]

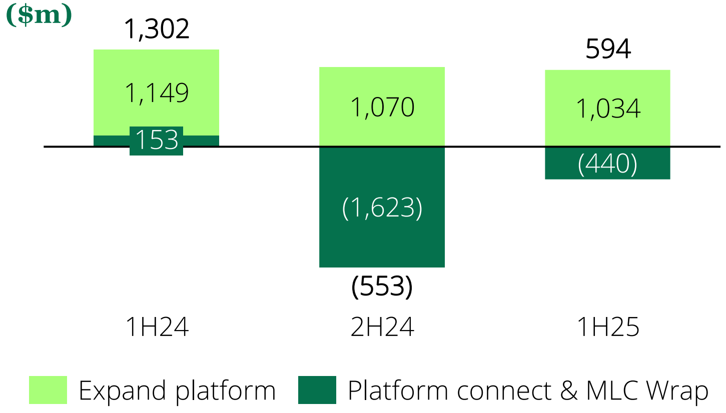
Repricing in MT aims to improve retention; Wrap net flows stabilising; strong multi-asset flows in AM

Master Trust 1H25 Net flows -$1.4b



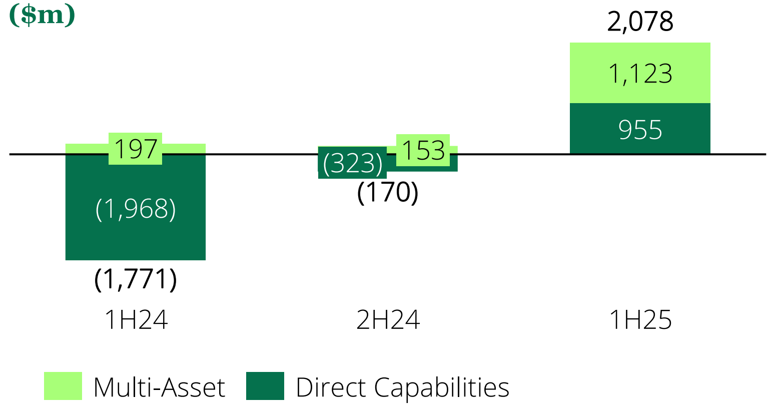
- Pricing changes to the MasterKey suite of products took effect on 1 October 2024 and are expected to improve retention and flows momentum over time
- 1H25 includes c.$200m of bulk transfers out from loss of corporate plans in FY24, offsetting continued strong contribution flows in Workplace

Wrap 1H25 Net flows +$0.6b



- MLC Expand Advised suite of products maintain stable flows momentum post MLC Wrap migration
- 1H24 includes +$1.8b inflow into private label Rhythm
- Slower one off outflows previously flagged from corporate transactions in relation to Trustee business (c.$-0.2b 1H25 versus expected c.$-1.7b outflow), potential loss of a low margin white-label administration contract (expected c.$-1.5b)

Asset Management 1H25 Net Flows +$2.1b



- **Multi-Asset** experienced continued growth in Managed Accounts solution and net flows improvement in the multi-asset retail funds following migration of MLC Wrap
- **Direct Capabilities** had improved flows from institutional client rebalancing and a large new institutional mandate (c.$3b), partially offset by outflows in the minority owned Global Equities capability (Intermede)

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Notes: (1) All FY24 comparisons represent the restated pro forma segments.

Investment Performance & Innovation

Strong Multi-Asset investment capability and innovative investment solutions

Investment Performance

- **MLC MySuper Growth**[1] option was in the **top quartile**[2] over 3 and 5 years
- Four core Multi-Asset offerings receiving top honours at the 2025 Money Magazine "Best of the Best" Awards
- **88%** of MLC Multi-Asset FUM **outperforming benchmark**

Investment Innovation

- Launch of the new MLC Reinsurance Investment Fund with over $0.2b invested by an external institutional client, this represents the first time the Alternatives capability has been packaged for the external market
- Growing **Separately Managed Accounts** (**SMA**) capability with ~$3b in MLC's multi-asset proposition

Investment Performance to 31 December 2024[6]

	1 yr	3 yrs	5 yrs
"Flagship" MLC MySuper [2]	+11.3%	+5.7%	+7.1%
IOOF MySuper – Balanced Growth [2]	+11.7%	+5.6%	+6.6%
ANZ Smart Choice MySuper 1980s [2, 3]	+13.8%	+5.6%	+7.0%
MLC MultiActive Balanced [4]	+11.4%	+4.9%	+6.7%
MLC MultiSeries 70 [4]	+11.8%	+5.6%	+6.7%
MLC Low Cost Balanced [5]	+13.2%	+5.5%	+6.5%

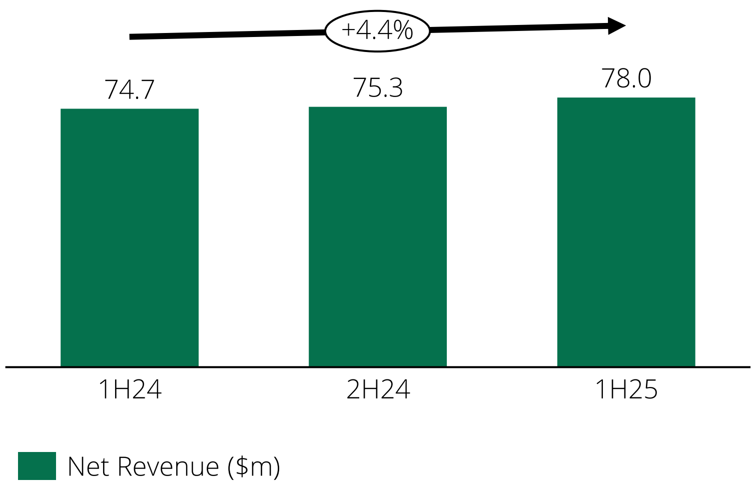
Quartile 1 Quartile 2 Quartile 3

Notes: (1) MLC MySuper Growth is the Group's largest Default MySuper option. (2) SuperRatings fund credit rating survey SR50 MySuper Index. (3) Smart Choice 1980s MySuper Fund does not appear in the SR50 MySuper Index but quartile performance has been calculated for reference. (4) SuperRatings fund credit rating survey SR50 Balanced (60-76) Index. (5) Lonsec Multi-Asset, Low Cost Diversified (61 - 80). (6) Net returns after investment management fees and taxes.

Advisers & Clients[1]: Shadforth & Bridges

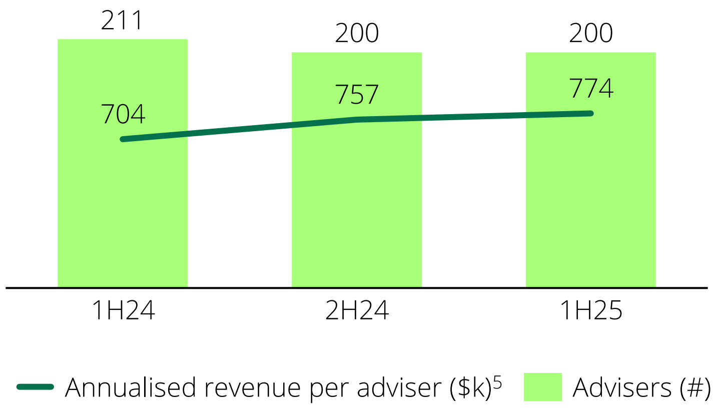
Growth driven by improving adviser efficiency and focussing on higher value clients

Net revenue growth



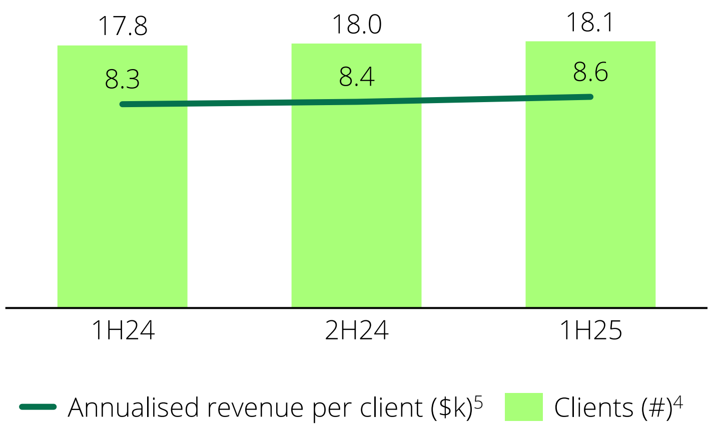
Total Professional Services experiencing strong HoH revenue growth across adviser and revenue per client metrics

Revenue per adviser[2]



Revenue per adviser increased due to focus on higher value clients; higher asset-based fee income reflecting favourable market performance

Revenue per client[3]



Revenue per client increased due to higher average fees for new clients and higher asset-based fee income reflecting favourable market performance

Notes: (1) All FY24 comparisons represent the restated pro forma segments. (2) Calculations based on closing balances and advisers actively providing advice (excludes individuals who are listed as Authorised Representatives on the Financial Advice Register (FAR) per ASIC , but do not actively provide advice. (3) Calculation based on client closing balance. (4) 1H24 & 2H24 client numbers restated to reflect revised client definition and methodology. (5) Calculation is based on the restated Advice segment net revenue.

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2. Financial Results

David Chalmers, CFO

Group Financials Summary

UNPAT growth driven by FUMA growth and execution of cost reduction initiatives

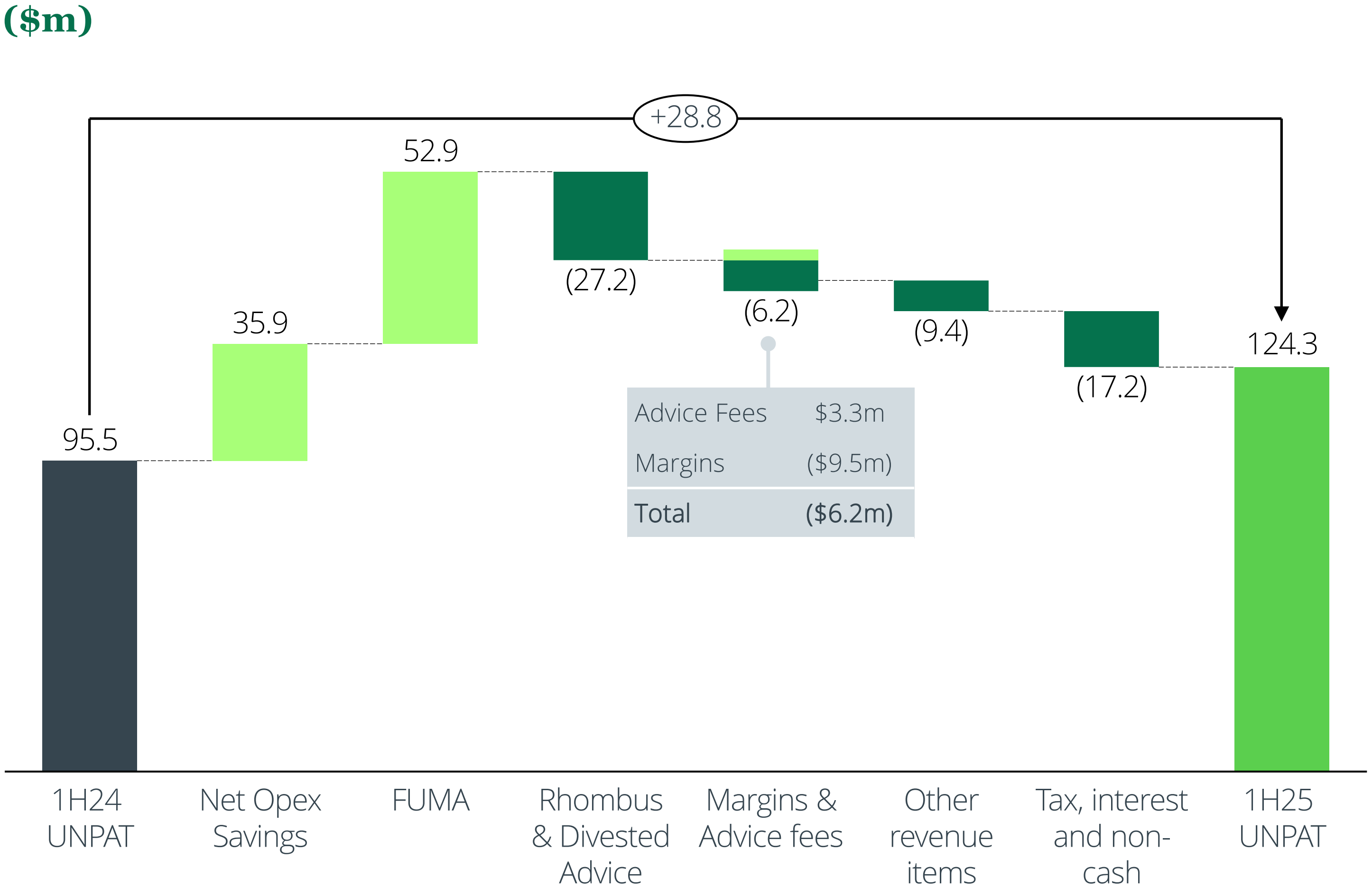
$m	1H25	2H24	1H24	1H25 v 1H24
Ongoing business	710.1	673.5	672.8	5.5%
Rhombus & Divested Advice[1]	(4.3)	23.6	22.9	(large)
NET REVENUE	705.8	697.1	695.7	1.5%
Operating expenses	(482.2)	(493.4)	(518.1)	6.9%
EBITDA[2]	223.6	203.7	177.6	25.9%
Net non-cash[3]	(27.1)	(24.6)	(23.7)	(14.3%)
Net interest	(20.5)	(15.6)	(14.7)	(39.5%)
Tax expense	(51.7)	(42.4)	(43.7)	(18.3%)
UNPAT	124.3	121.1	95.5	30.2%
UNPAT adjustments[4]	(141.1)	(256.5)	(145.4)	3.0%
NPAT (STATUTORY)	(16.8)	(135.4)	(49.9)	66.3%
Effective tax rate UNPAT (%)	29.4	25.9	31.4	(2.0)
Net Revenue margin Ongoing (bps)[5]	*44.0*	*44.0*	*45.4*	*(1.4)*
Net Revenue margin (bps)[5]	*43.8*	*45.5*	*47.0*	*(3.2)*
Average FUMA ($b)	*320.0*	*307.8*	*294.6*	*8.6%*

- Net revenue increase due to higher average FUMA, partially offset by the impacts of Rhombus Advisory deconsolidation and other divested revenue
- Decline in operating expenses driven by the cost optimisation program, offsetting BAU cost inflation, opex investment, and early reinvestment in Vision2030 strategy
- Net non-cash costs increased largely due to an increase in depreciation from a new 12-year lease at new Sydney premises and overlap with exiting leases, and higher share-based payments
- Net interest costs reflect higher average drawn debt from the peak in remediation and transformation & separation spend, and lower cash balances
- NPAT loss driven by expensed transformation & separation costs, and settlement of historic class actions

Notes: (1) Includes Rhombus Advisory and Advice divestment impacts (net revenue and gain on sale). (2) EBITDA is calculated by net revenue less operating expenses. (3) Includes share-based payments, depreciation, amortisation and impairment expense. (4) Further details on UNPAT adjustments are included in the UNPAT to NPAT reconciliation on slide 26. (5) Net revenue as a % of average FUMA.

UNPAT Movement

30% increase in UNPAT driven by higher average FUMA and optimisation benefits

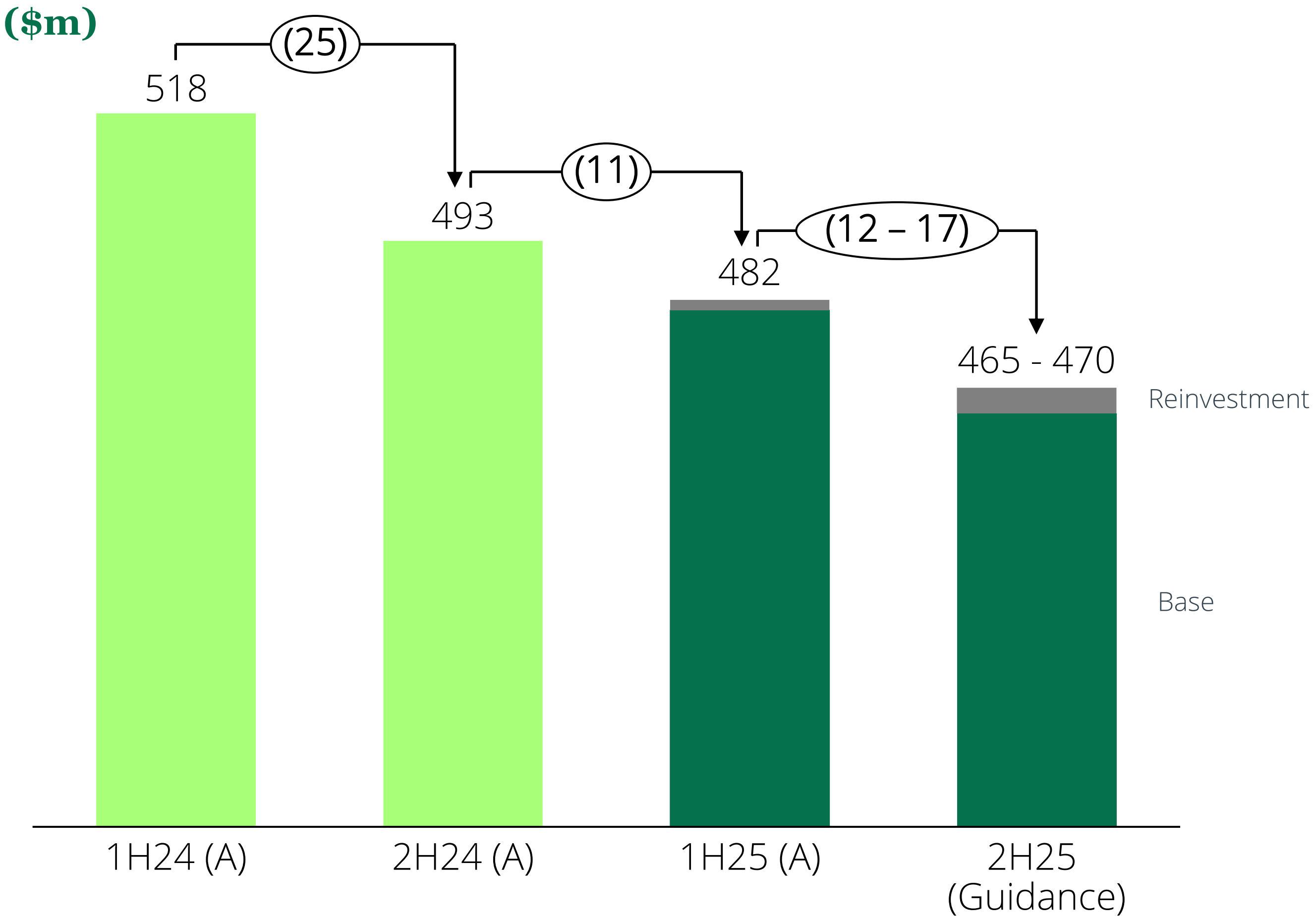


- Optimisations savings largely implemented in 1H25, with run rate savings to emerge in 2H25
- Higher FUMA-linked revenue due to positive market growth, c.10% FUMA investment growth for 12 months to 1H25
- Rhombus & Divested Advice: revenue relating to the deconsolidation of Rhombus Advisory and FY24 Advice divestments (incl. M3 and GPG)[1]
- Margins for Master Trust and Asset Management are flat from 1H24, margin decline in Wrap due to migration of MLC Wrap; partially offset by higher Shadforth Advice fees
- Other revenue: lower legacy Advice revenue (insurance related) and provision movements
- Tax, interest and non-cash: tax on improved profitability, higher interest on higher debt balances, lower interest income, higher lease depreciation and higher share-based payments expense

Notes: (1) Millennium3 and Godfrey Pembroke Group.

Operating Expense Trend

Continued reduction in operating expenses driven by optimisation benefits and disciplined cost management of BAU costs



- Cost optimisation program delivering $35.9m in 1H25 pcp benefits largely through organisational design program and simplification of the Advice business, including the deconsolidation of Rhombus Advisory
- These cost savings have offset BAU cost growth (e.g. salary and software licence costs) and additional opex investment (e.g. Wrap ongoing investment), previously disclosed in the FY25 guidance
- Higher opex optimisation benefits in 2H25 as the majority of key initiatives have been executed in 1H25
- Bring forward of reinvestment to support the Vision2030 strategy (1H25 $2.2m, 2H25 $10.3m)

Transformation and Separation Costs

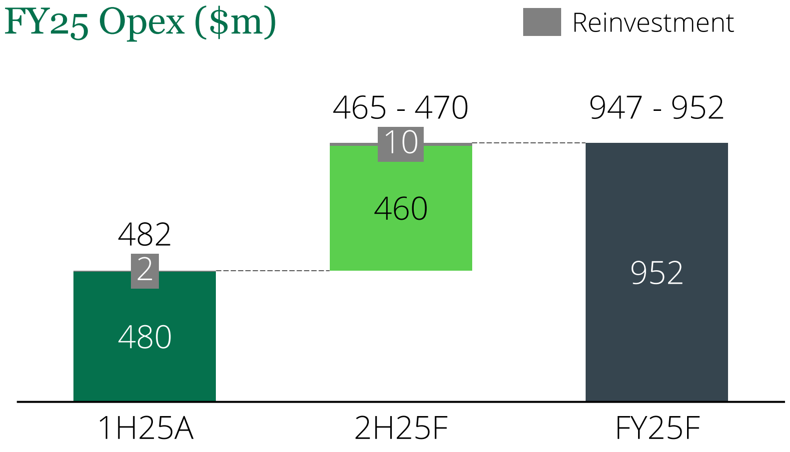
Past peak in transformation and separation costs, key initiatives delivered on budget

Above-the-line[1]

Reinvestment included in Opex

- From FY26 opex split into two categories: Base Opex and Reinvestment Opex
- ~$12m of reinvestment opex brought forward to FY25, spend relates mainly to Master Trust simplification
- Despite bring-forward of spend, FY25 opex guidance maintained at $60 - 65m decline on FY24

FY25 Opex ($m)

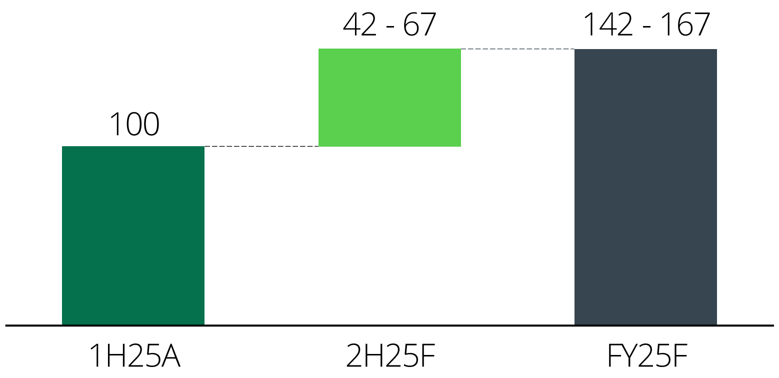


Below-the-line[1]

Transformation & Separation costs UNPAT adjusted

- Transformation & separations costs mainly relate to optimisation (e.g. redundancy costs), MLC technology separation, and system archiving and decommissioning to exit the NAB TSA in 2H25
- Redundancy costs will continue to be UNPAT adjusted
- Transformation & separation costs support acceleration of optimisation benefits ahead of schedule in FY25

FY25 Transformation & Separation costs ($m)

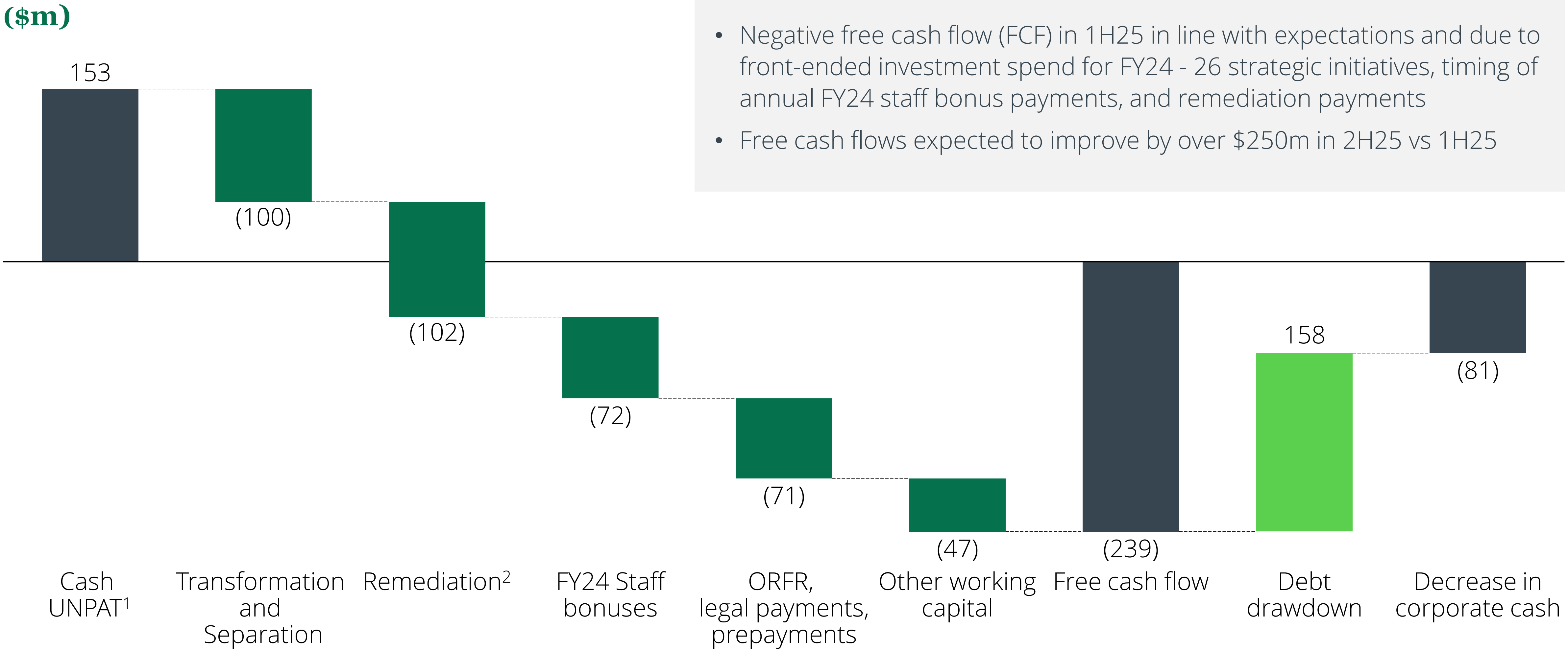


Notes: (1) "Above-the-line" represents amounts included within UNPAT, and "Below-the-line" represents amounts excluded from UNPAT but within NPAT.

1H25 Cash Flow Analysis

Cash earnings and debt drawdown fund strategic initiatives and remediation payments

- Negative free cash flow (FCF) in 1H25 in line with expectations and due to front-ended investment spend for FY24 - 26 strategic initiatives, timing of annual FY24 staff bonus payments, and remediation payments
- Free cash flows expected to improve by over $250m in 2H25 vs 1H25



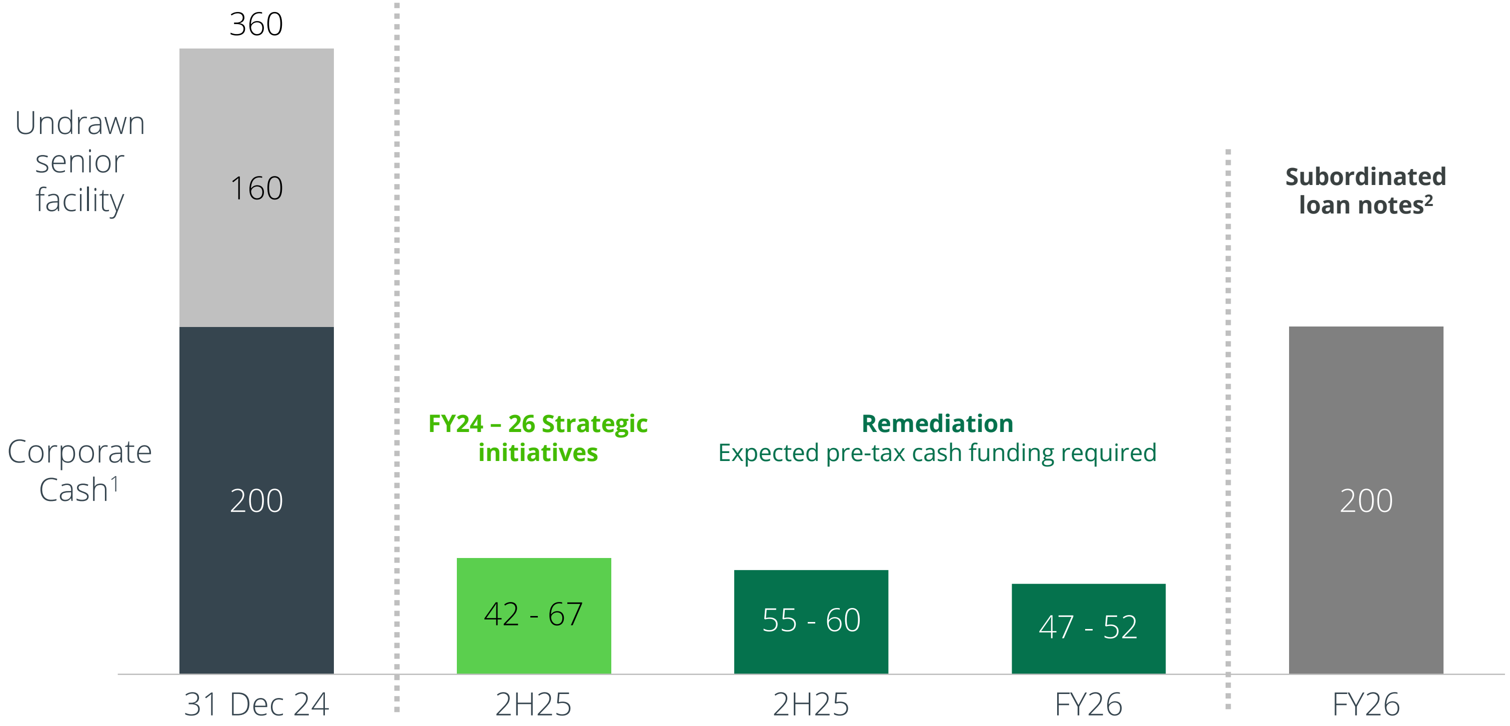
Notes: (1) Cash UNPAT= EBITDA – Share of Associates Profit – Interest and other costs of finance paid – Lease payments + Interest Received – tax prepayment. (2) Includes BAU and structured historic remediation.

Net Debt and Cash Funding Requirements

($m)

Funding sources (at 31 Dec 2024)

Funding requirements (at 31 Dec 2024)



- 1H25 senior leverage of 1.67x, based on EBITDA[3] of $361m and net debt of $605m[2]
- 1H25 leverage elevated due to timing of remediation and legal settlements; FY25 leverage expected to decline towards target range
- Subordinated loan notes (SLNs) mature on 31 May 2026; held at face value
- Value of SLN at maturity, dependent on prevailing IFL share price; assuming 30 day VWAP of $4.60, additional SLN repayment would be ~$60m[4]

Notes: (1) Excludes ORFR, regulatory and restricted cash ($211m). (2) Face value of $200m, excluded from Net Debt per SFA definition. (3) Reported 12 month EBITDA is $427m; EBITDA as defined by debt facilities is $361m. (4) SLN embedded derivative held on balance sheet as at 31 December 2024 at fair value, $37.7m.

Dividend and Capital Management

FY25 Interim dividend remains paused to allow for completion of existing FY24-26 strategic initiatives, and to maintain strategic flexibility to accelerate delivery of Vision2030 plan

- Nil FY25 interim dividend declared
- Target dividend payout ratio remains 60 - 90% of UNPAT
- Approach to leverage considers funding to complete historic structured remediation and separation as well as repayment of SLNs in May 2026
- Vision2030 strategy to be funded through operating cash flow and existing debt facilities, no additional shareholder capital required
- Capacity to resume regular dividend payments will be reassessed ahead of FY25 results

FY25 Guidance

	FY25 Guidance *No change from Nov-24*	1H25 *Actual*
Group Net Revenue margin	42.5 bps – 43.3 bps	43.8 bps
Segment Net Revenue		
1. Master Trust Net Revenue margin[1]	54.5 bps – 55.2 bps	56.6 bps
2. Wrap Net Revenue margin[1]	28.7 bps – 29.5 bps	28.9 bps
3. Asset Management Net Revenue margin[2]	23.0 bps – 23.5 bps	24.2 bps
4. Advice Net Revenue	~$150m	$78m
5. Corporate - Other Net Revenue	Decline of $5 – 10m on FY24 re-stated net revenue $17.5m	$4.9m
Group Opex	$947m – 952m	$482m

- Guidance remains unchanged from the last guidance update in November 2024
- Master Trust margin 2H25 decline is driven by an anticipated increase in investment costs, balance of pricing impacts, and normalised good value claims
- Higher opex optimisation benefits in 2H25 due to timing of implementation
- Additional investment in Vision2030 initiatives will occur in 2H25 but opex is expected to remain within existing guidance

Notes: (1) Average FUA assumption based on long term assumption of market growth for FY25 of 5.4% annualised. (2) Average FUM assumption based on long term assumptions of market growth for FY25 of 5.4% annualised for Multi-Asset FUM, and long term asset class market growth for Direct Capabilities FUM.

3. Strategy & Outlook

Scott Hartley, CEO

Master Trust Update

This innovative model is beneficial to our people, shareholders and members

Transition date
Mid 2025

Transition From Jan 2025 to mid 2025	Transformation & Sustainable growth	
Preparing for transition • Roles to be transitioned (~1,400 people) • Master Services Agreement (MSA) signed 8-year initial term	**Transforming the Master Trust business** • Expected to run from 2026 – 2028 • Partnership approach with strong oversight and governance	**One platform and one way of working** • Automation, AI, and reduced complexity • Industry leading outcomes for our customers

Benefits

- Lower cost-to-serve and competitive fees for members
- Enhanced member experience delivered with contemporary technology
- Opportunities for staff in a global super administrator, with ambitions to be a leader in the Australian market

Financials

- MSA defines fixed costs per member, stepping down over the life of agreement
- Key step to target net $200m reduction in base opex by 2030
- Implementation costs captured within $60-80m p.a. average reinvestment opex across FY26-30 (Investor Day Nov24)

Master Trust Update

Converting our size into meaningful scale benefits

Consolidation of Master Trust operating models to 1

Current

Target State (2028)

Master Trust products in-scope collectively represent ~$130 billion in FUA & ~1.1 million members

Split of functionality between Insignia Financial and SS&C

Remaining at Insignia Financial

- Product & development
- Relationship management, marketing, digital direct acquisitions
- Member coaching & education, Advice & guidance
- Claims, Complaints & Remediation

Transitioning to SS&C

- Most of Master Trust delivery, technology and operations, call centres
- 4 Master Trust technology platforms
- Secure customer websites & apps
- Certain IFL premises

2H25 Key Priorities

- ❑ Meet FY net operating cost reduction of $60 – 65 million
- ❑ Commence Master Trust transition to SS&C
- ❑ Develop MLC brand re-launch, in market 1H26
- ❑ Substantially complete historic structured remediation payments & program
- ❑ Address Licence Conditions and Court Enforceable Undertaking

Vision2030

Strategy

Strategy Delivered

Early finalisation of FY24-26 Strategy allowing early focus and acceleration of reinvestment in 2030 Strategy

FY24 – 26 Strategy

- ✓ Advice model restructure: setup Rhombus Advisory and divestment of non-core businesses
- ✓ MLC Wrap migration and extend managed account capability ($11.3b FUA)
- ✓ Completion of Master Trust target end state review & implementation of Target State Menu
- ✓ MLC IT separation (complete) and exit of TSA will be achieved by May-25
- ✓ Uplift foundational technologies and capabilities: Unified data platform and general ledger
- ✓ Grow managed accounts ($3b FUM) and grow high margin Private Equity
- ✓ Align all employees under one enterprise agreement
- ✓ Exceed original gross optimisation target of $175m to $190m, and expected to be achieved ahead of original timeline of FY26
- ⇨ Completion of historic structured Advice and Product remediation remains on track
- ⇨ Uplift risk and governance capability remains on track, i.e. Licence conditions and Court Enforceable Undertaking

Vision2030

- ✓ Embed new operating model and executive team
- ✓ Master Trust Master Services Agreement (MSA) signed with SS&C
- ✓ Master Trust repricing, Oct 24
- ✓ Develop MLC brand re-launch
- ✓ Review Wrap functionality and adviser experience

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FY26-30 Strategy and Vision

Our 2030 vision:

Insignia Financial will be Australia's leading and most efficient wealth management company by 2030.

The breadth and expertise of our competitive businesses deliver innovative, quality outcomes for customers, driving double-digit earnings growth for shareholders.

Our brands are trusted by customers, we are respected by industry stakeholders and celebrated by our talented people as a great place to work.

	Advice	Master Trust	Wrap	Asset Management
Initiatives	• Advice efficiency • Grow advisers and the clients they serve	• Repricing • Simplification • Extend scalable advice • Digital direct channel • Innovate superior customer outcomes	• ClientFirst servicing • Adviser efficiency • Innovate superior customer outcomes	• Extend multi-manager into new structures • Accelerate unlisted capabilities

Continuous cost excellence

Enablers

- AI-enabled organisation
- High performance culture

Aspiration

- Double digit earnings growth
- Q1 cost to serve
- Q1 Customer NPS
- Q1 Employee engagement

4. Appendix

Statutory NPAT Reconciliation

$m	1H25	1H24
Group NPAT	(16.8)	(49.9)
UNPAT adjustments:		
Transformation and separation[1]	100.3	111.7
Remediation expense	-	64.5
Insurance recovery	(3.0)	-
Legal settlement	41.3	-
Amortisation of acquired intangibles	34.1	40.0
Other[1]	14.4	-
Net loss/(gain) on financial instruments	33.0	(12.6)
Income tax attributable	(79.0)	(58.2)
UNPAT adjustments	141.1	145.4
Group UNPAT	124.3	95.5

- Transformation and separation costs have peaked and will decline as the program completes by FY25, 1H25 costs largely relate to MLC IT separation from NAB, and continuing organisational design changes
- Insurance recovery in 1H25 relates to remediation
- Legal settlements relate to historic class action settlements, of which $19m is offset with an equal and corresponding tax benefit
- Net loss/(gain) on financial instruments in 1H25 include the $34.8m fair value adjustment on the SLN embedded derivative

Notes: (1) 1H25 Half Year Financial Statements combines "Transformation and separation" with "Other" for a total of $114.7m.

1H25 Segment Performance and Commentary

Advice[1]

$m	1H25	2H24 Pro forma	1H24 Pro forma	1H25 v 1H24
Net Revenue	78.0	75.3	74.7	4.4%
Operating Expenses	(57.1)	(60.8)	(59.2)	3.5%
EBITDA	20.9	14.5	15.5	34.8%
UNPAT	11.8	7.6	8.0	47.5%
Advisers (#)	200	200	211	(5.2%)
Revenue per Adviser[2] (k)	774	757	704	9.9%
Cost to Income (%)	73.2	80.7	79.3	6.1

- Net revenue increase mainly due to strong new client growth and higher asset-based fee income in Shadforths, partially offset by lower insurance commissions and lower net clients in Bridges
- Operating expenses reduced due to the realisation of optimisation benefits from strategic initiatives, offset by increases in salaries and Adviser incentives
- Adviser numbers stabilised post planned optimisation
- Impacts of Rhombus Advisory deconsolidation and Advice divestments captured in the Corporate segment

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Notes: (1) All FY24 comparisons represent the restated pro forma segments. (2) Calculations based on closing balances and advisers actively providing advice (excludes individuals who are listed as Authorised Representatives on the Financial Advice Register (FAR) per ASIC, but do not actively provide advice).

1H25 Segment Performance and Commentary

Master Trust[1]

$m	1H25	2H24 Pro forma	1H24 Pro forma	1H25 v 1H24
Net Revenue	372.8	351.0	342.5	8.8%
Operating Expenses	(239.2)	(228.5)	(244.3)	2.1%
EBITDA	133.6	122.5	98.2	36.0%
UNPAT	90.6	85.2	68.2	32.8%
Net Revenue margin (bps) *(Net Revenue as a % of average FUA)*	56.6	56.0	56.6	-
Cost to Serve (bps) *(Expenses as a % of average FUA)*	36.3	36.5	40.4	4.1
Closing FUA ($b)	132.3	127.6	123.3	7.3%
Average FUA ($b)	130.7	126.0	120.4	8.6%
Net flows ($b)	(1.4)	(0.8)	(1.5)	6.7%

- Net Revenue increase due to the impact of higher average FUA from market growth
- Pricing changes to the MasterKey suite of products took effect on 1 October 2024 and are expected to improve retention and flows momentum, no expected impact on revenue margin in FY25 due to Trustee approved funding
- 1H25 expenses lower than pcp but higher than 2H24 due to cost inflation, additional opex investment, and back-ended timing of optimisation
- 1H25 net flows includes c.$200m of bulk transfers out from loss of corporate plans in FY24, offsetting continued strong contribution flows in Workplace

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Notes: (1) All FY24 comparisons represent the restated pro forma segments.

1H25 Segment Performance and Commentary

Wrap[1]

$m	1H25	2H24 Pro forma	1H24 Pro forma	1H25 v 1H24
Net Revenue	142.5	136.6	138.7	2.7%
Operating Expenses	(80.6)	(84.9)	(89.4)	9.8%
EBITDA	61.9	51.7	49.3	25.6%
UNPAT	39.7	33.3	32.1	23.7%
Net Revenue margin (bps) *(Net Revenue as a % of average FUA)*	28.9	29.4	31.5	(2.6)
Cost to Serve (bps) *(Expenses as a % of average FUA)*	16.4	18.3	20.3	3.9
Closing FUA ($b)	99.1	94.4	91.8	8.0%
Average FUA ($b)	97.7	93.5	87.6	11.5%
Net flows ($b)	0.6	(0.6)	1.3	(53.8%)

- Net Revenue increase due to the impact of higher average FUA from market growth and positive net flows offsetting a decline in margin from the migration of FUA to Expand from MLC Wrap
- Net flows decline mainly due to $1.8b transitioned to Insignia Financial's private label (Rhythm) in 1H24; underlying net flows have stabilised following MLC Wrap migration to Expand in 4Q24
- Lower operating expenses reflecting efficiency benefits from MLC Wrap to Expand migration
- Lower than expected Expand outflows previously flagged, from corporate transactions in relation to Trustee business (c.$-0.2b 1H25 versus expected c.$-1.7b outflow), and potential loss of a low margin white-label administration contract (expected c.$-1.5b)

Notes: (1) All FY24 comparisons represent the restated pro forma segments.

1H25 Segment Performance and Commentary

Asset Management[1]

$m	1H25	2H24 Pro forma	1H24 Pro forma	1H25 v 1H24
Net Revenue	111.9	104.6	105.4	6.2%
Operating Expenses	(50.6)	(56.7)	(61.9)	18.3%
EBITDA	61.3	47.9	43.5	40.9%
UNPAT	42.2	33.9	30.2	39.7%
Net Revenue margin (bps) *(Net Revenue as a % of average FUM)*	24.2	23.8	24.2	-
Cost to Serve (bps) *(Expenses as a % of average FUM)*	10.9	12.9	14.2	3.3
Closing FUM ($b)	95.4	89.4	85.5	11.6%
Average FUM ($b)	91.7	88.4	86.6	5.9%
Net flows ($b)	2.1	(0.2)	(1.8)	large

- Net Revenue increased due to an increase in Private Equity and Alternatives performance fees and market growth, partially offset by the divestment of the IOOF Ltd investment bond business in late 1H24
- Operating expenses decreased due to the realisation of optimisation benefits both in the core Asset Management business as well as supporting enablement functions, partially offset by cost inflation
- Net flows improvement is driven by continued growth in Managed Accounts solution, resurgence in traditional diversified managed funds, improvement in the domestic fixed income capability from large institutional mandate win in late 1H25

Notes: (1) All FY24 comparisons represent the restated pro forma segments.

1H25 Segment Performance and Commentary

Corporate[1]

$m	1H25	2H24 Pro forma	1H24 Pro forma	1H25 v 1H24
Corporate – Other	4.9	6.0	11.5	(57.4%)
Rhombus & Divested Advice	(4.3)	23.6	22.9	(large)
Net Revenue	0.6	29.6	34.4	(98.3%)
Operating Expenses	(54.7)	(62.5)	(63.3)	13.6%
EBITDA	(54.1)	(32.9)	(28.9)	(87.2%)
UNPAT	(60.0)	(38.9)	(43.0)	(39.5%)

- Net revenue (Corporate – Other) was impacted by lower legacy Advice revenue (insurance related revenue) and the release of provisions in 1H24
- Net revenue (Rhombus & Divested Advice) and operating expenses impacted by the separation of Rhombus Advisory on 1 July 2024, FY24 Advice divestments, including 1H25 deconsolidation loss
- Operating expenses additionally impacted by optimisation benefits, partially offset by inflationary impacts on centralised costs and higher BAU project costs

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Notes: (1) All FY24 comparisons represent the restated pro forma segments.

Balance Sheet

$m	31 Dec 2024	30 Jun 2024	% Change
Cash and cash equivalents[1]	411.8	421.7	(2.3%)
Receivables	360.1	269.3	33.7%
Other financial assets	218.4	204.5	6.8%
Other assets	130.0	125.0	4.0%
Assets classified as held for sale	-	26.7	(100.0%)
Property and equipment	210.6	109.1	93.0%
Intangible assets	2,390.2	2,424.8	(1.4%)
Deferred tax assets	65.7	7.6	large
Total Assets	**3,786.8**	**3,588.7**	**5.5%**
Payables	282.6	171.9	64.4%
Other financial liabilities	46.5	12.2	large
Provisions	251.2	427.5	(41.2%)
Liabilities for Assets held for sale	-	15.2	(100.0%)
Lease liabilities	233.5	138.7	68.3%
Borrowings	942.1	778.8	21.0%
Total Liabilities	**1,755.9**	**1,544.3**	**13.7%**
Net Assets	**2,030.9**	**2,044.4**	**(0.7%)**

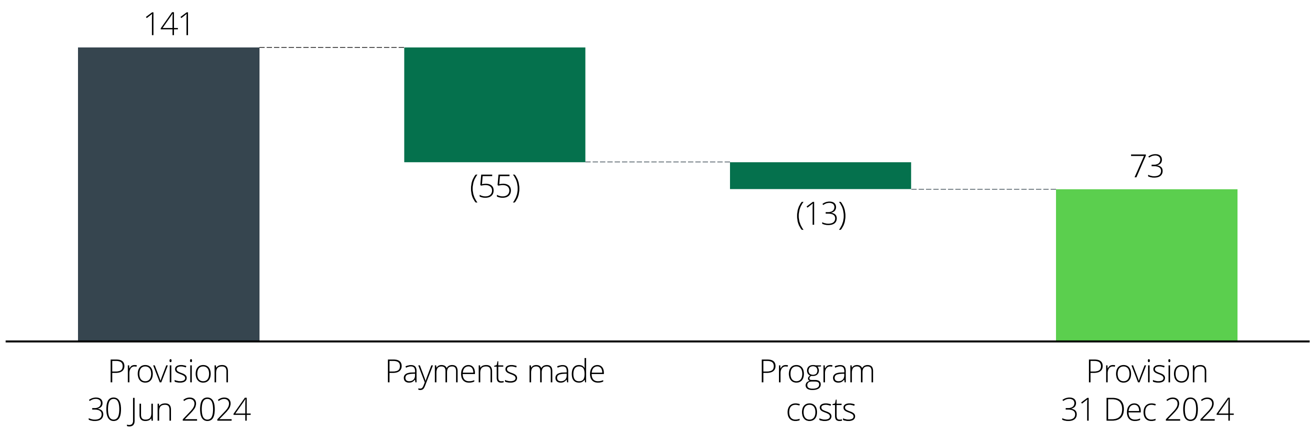
- Receivables & Payables increase due to offset arrangements from legal settlements
- Other financial assets largely relates to ORFR assets held on behalf of superannuation funds
- Decrease in assets and liabilities held for sale mainly due to the divestment of Rhombus Advisory
- Property and equipment and lease liability increase driven by lease for new Sydney premises
- DTA increase due to carry forward tax losses and offsets
- Other financial liabilities increase due to the revaluation of the SLN embedded derivative
- Provisions decrease driven by remediation payments and program costs and a net decrease in employee entitlement provisions
- Borrowings increased to fund transformation and separation, and remediation payments

Notes: (1) Includes capital held for Operational Risk Financial Requirement (ORFR) reserve ($125m), restricted cash ($50m) and other regulatory requirements ($36m).

Remediation Programs

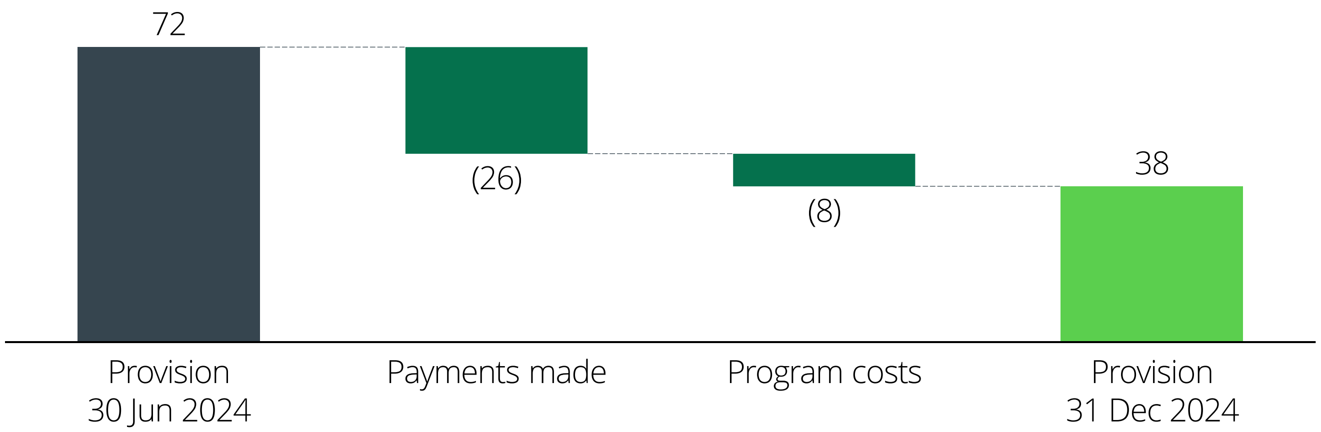
No additional provisions required in 1H25

Advice remediation[1]: pre-tax ($m)



- $55m in cash payments made to clients during 1H25 and $13m in program costs
- Nil provisions raised during 1H25
- Provision excludes possible benefit of any professional indemnity insurance claims

Product remediation: pre-tax ($m)



- $26m in cash payments made to clients during 1H25 and $8m of program costs
- Nil provisions raised during 1H25
- Provision excludes potential benefit of professional indemnity insurance claims

Notes: (1) Includes balances relating to structured historic remediation programs only.

Glossary

Term	Definition	Term	Definition
1H25	Half Year ended 31 December 2024	k	Thousand
1H24	Half Year ended 31 December 2023	m	Million
B	Billion	MSA	Master Services Agreement
Bps	Basis points	NCI	Non-Controlling Interest
CEU	Court Enforceable Undertakings	NPAT	Net Profit after Tax
Cps	Cents per share	Opex	Operating Expenses
CTI	Cost-To-Income	ORFR	Operational Risk Financial Requirement
DPS	Dividend per share	pcp	Prior Comparative Period
DRP	Dividend Reinvestment Plan	PE	Private Equity Firms
EBITDA	Earnings before interest, tax, depreciation & amortisation	PF	Pro Forma
EPS	Earnings per share	RSE	Registrable superannuation entity
FUA	Funds under Administration	SLN	Subordinated Loan Notes
FUM	Funds under Management	SMA	Separately Managed Accounts
FUMA	Funds under Management and Administration	TSA	Transitional Services Agreement
FY	Financial Year	UNPAT	Underlying Net Profit after Tax
HoH	Half on Half	YoY	Year on Year

Important Information

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- Advice

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- Master Trust

  As one of the largest superannuation and pension providers in Australia, we offer a number of award-winning solutions used by many of Australia's largest employers and independent advisers.

- Wrap

  We have built a strong and contemporary technology platform and remain committed to investing in technology and our services to support the changing needs of advisers and their clients.

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  We offer access to a broad suite of investment capabilities across a range of multi-asset and single asset classes, designed to suit a wide range of investor needs and risk profiles.

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Further information about Insignia Financial can be found at www.insigniafinancial.com.au

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