ASX Release – 21 August 2025

Insignia Financial 2025 Full-Year Results

Unlocking strategic potential: delivering operational efficiency and growth

Overview

- Underlying net profit after tax (UNPAT[1]) of $255 million, up 18% on the prior corresponding period (pcp).
- Statutory net profit after tax (NPAT) of $16 million, improved by $201m from pcp.
- Net revenue up 4.7% on pcp on an ongoing business basis, driven by strong markets, and up 0.9% after the impact of Rhombus and related Advice business divestments.
- Expenses decreased by $60 million (5.9%) from pcp to $952 million: optimisation program delivered $60 million net reduction in operating expenses on pcp, after accelerated reinvestment costs of $12 million.
- Average FUMA increased by $22 billion (7.1%) on pcp to $323 billion.
- Separation from NAB completed, with formal exit of the TSA in May 2025.
- Master Trust Technology & Operations transition to SS&C Technologies (SS&C) completed in July 2025, to simplify our business and continue improving customer experience.
- MLC brand refresh launched in 2H25 with *Financial Clarity Money View* and *Expand What's Possible* campaigns, ahead of a wider relaunch of the MLC brand in 1H26.
- No FY25 final dividend has been declared, per the terms of the Scheme Implementation Deed with CC Capital.

FY25 Financial Key Metrics

$m	FY25	FY24	% Change
Net Revenue	1,404.7	1,392.8	0.9%
Operating Expenses	(951.5)	(1,011.5)	5.9%
EBITDA	453.2	381.3	18.9%
Cost to Income	67.7%	72.6%	4.9%pts
UNPAT	254.8	216.6	17.6%
Statutory NPAT	16.1	(185.3)	large%
Average Funds under Management and Administration (FUMA)	322.6	301.2	7.1%
Closing FUMA	330.3	311.3	6.1%

[1] A reconciliation of NPAT to UNPAT is included in slide 30 of the Results Presentation.

Insignia Financial Ltd (ASX: IFL) ("Insignia Financial" or the "Company") today announced UNPAT for the 2025 financial year (FY25) of $255 million, an increase of 17.6% on FY24 driven by benefits of the cost optimisation program. NPAT in FY25 was $16 million (FY24: loss of $185 million), reflecting the remediation provision in prior year.

Commenting on the result, **Insignia Financial Chief Executive Officer, Scott Hartley, said**:

"We're pleased to deliver a strong result, with Underlying Net Profit After Tax (UNPAT) up 17.6% on the prior year, while the early delivery of our FY24-26 strategy has allowed us to accelerate delivery of our 2030 strategic plan.

"FY25 was a pivotal year of transformation for Insignia Financial as we launched our 2030 Vision and Strategy, welcomed a refreshed executive team and embedded a new operating model, with clear accountabilities across four distinct lines of business.

"Delivery of several key strategic initiatives during the financial year contributed to the ongoing simplification of our business. This included the separation of MLC from NAB – one of the largest wealth management separations in Australian financial services history, and the establishment of an industry-first partnership with SS&C, successfully transitioning our Master Trust Technology and Operations functions, including nearly 1,300 people, to SS&C.

"Our Wrap business, including MLC Expand, has continued to go from strength-to-strength, exceeding $100 billion of FUA at the end of the financial year. The improvement follows stabilisation and growth post MLC Wrap to Expand migration at the end of FY24.

"We also recently announced the launch of MLC Retirement Boost™, an innovative retirement income solution on the MLC Expand platform in partnership with TAL and Challenger.

"In our Advice business, which includes our two advice brands Bridges and Shadforth, our strong focus on advice efficiency and on higher value clients has lifted revenue per adviser by 14%.

"In Asset Management, our Managed Accounts FUM grew to over $3.3 billion, supported by strong performance with 85% of Multi-Asset FUM outperforming the benchmark.

"As announced in July, following careful consideration, Insignia Financial entered a Scheme Implementation Deed with CC Capital. The Insignia Financial Board unanimously recommends that shareholders vote in favour of the Scheme. The bid is subject to satisfaction of a number of regulatory conditions which are currently in progress, as well as, ultimately, shareholder approval.

"In the meantime, we remain focussed on our 2030 Vision and Strategy, confident in our ability to execute on it, and committed to delivering long-term value for customers and shareholders.

"As we enter FY26, we're looking forward to focussing on our 2030 vision to be Australia's largest and most efficient diversified wealth management company. We have established a strong foundation for this, supported by a simplified operating model and a clear focus on execution.

"Our priorities for the year ahead are to continue reducing costs, leveraging our partnership with SS&Cto simplify our Master Trust business, continue the roll-out of MLC Retirement Boost™, relaunch the MLC brand, and develop ways to further utilise AI in the delivery of our strategy."

Business Unit Update

Advice

Advice key metrics ($m)	FY25	FY24 pro forma[2]	% Change
Net Revenue	160.6	150.0	7.1%
Operating Expenses	(114.0)	(120.0)	5.0%
EBITDA	46.6	30.0	55.3%
UNPAT	27.0	15.6	73.1%
Advisers (#)	188	200	(6.0%)

Advice delivered a 55.3% improvement in EBITDA and 73.1% improvement in UNPAT compared to pcp. Net Revenue increased 7.1% on pcp primarily as a result of strong new client growth and higher asset-based fee income in Shadforth, partially offset by lower insurance commissions.

Operating expenses reduced due to the realisation of optimisation benefits from simplification post-Rhombus Advisory separation, partially offset by increases in salaries and Adviser incentives. Adviser numbers declined in Bridges due to resizing of the adviser footprint.

Wrap

Wrap key metrics ($m)	FY25	FY24 pro forma[2]	% Change
Net Revenue	283.2	275.3	2.9%
Operating Expenses	(154.1)	(174.3)	11.6%
EBITDA	129.1	101.0	27.8%
UNPAT	83.2	65.4	27.2%
Closing FUA ($b)	102.9	94.4	9.0%
Average FUA ($b)	98.8	90.5	9.2%
Net Flows ($b)	2.1	0.7	large%

Wrap Net Revenue increased due to the impact of higher average FUA from market growth and positive net flows, partly offset by a decline in margin from the migration of FUA to Expand from MLC Wrap. Operating expenses decreased due to the realisation of optimisation benefits post-MLC Wrap migration to Expand, partially offset by cost inflation.

Net flows improved by $1.4 billion due to stabilisation and growth following the MLC Wrap migration to Expand in 4Q24. FY24 net flows include the one-off $1.8 billion transition of FUA to Insignia Financial's private label (Rhythm). Excluding this one-off transition, underlying net flows improved by $3.2 billion.

Master Trust

Master Trust key metrics ($m)	FY25	FY24 pro forma[2]	% Change
Net Revenue	735.5	693.5	6.1%
Operating Expenses	(463.9)	(472.8)	1.9%
EBITDA	271.6	220.7	23.1%
UNPAT	184.4	153.4	20.2%
Closing FUA ($b)	135.2	127.6	6.0%
Average FUA ($b)	131.5	123.2	6.7%
Net Flows ($b)	(2.1)	(2.2)	4.5%

Master Trust UNPAT improved by 20.2%, driven by higher revenue and lower costs. Net Revenue increased due to the impact of higher average FUA from market growth. Net flows improved compared to FY24, with a strong uplift in the Advised channel, reflecting the positive impact of price reductions to the MasterKey suite of products, which were effective from 1 October 2024. This had no impact on revenue margin in FY25, due to Trustee-approved funding.

Operating expenses decreased due to the realisation of optimisation benefits, partially offset by software licenses, brand and digital costs.

[2] All FY24 segment comparisons represent the restated pro forma segments to reflect the new business structure in FY25

Asset Management

Asset Management key metrics ($m)	FY25	FY24 pro forma[2]	% Change
Net Revenue	218.7	210.0	4.1%
Operating Expenses	(100.5)	(118.6)	15.3%
EBITDA	118.2	91.4	29.3%
UNPAT	81.4	64.1	27.0%
Closing FUM ($b)	92.2	89.4	3.1%
Average FUM ($b)	92.3	87.5	5.5%
Net Flows ($b)	1.6	(1.9)	large%

Asset Management UNPAT improved by 27.0% compared to pcp. The increase in Net Revenue was driven by the impact of higher average FUM from market growth, strong net inflows within Multi-Asset, and higher performance fees in the unlisted asset capabilities.

Net flows improved substantially during FY25 due to strong growth in Multi-Asset FUM from both MLC's contemporary managed accounts and traditional diversified funds, as well as improved Direct Capability flows following the funding of a large new institutional mandate within the fixed income capability.

Operating expenses decreased due to the realisation of optimisation benefits in core Asset Management functions and supporting enablement functions, partially offset by cost inflation.

Corporate

Corporate key metrics ($m)	FY25	FY24 pro forma[2]	% Change
Corporate – Other	11.0	17.5	(37.1%)
Rhombus & Divested	(4.3)	46.5	(large)
Net Revenue	**6.7**	**64.0**	**(89.5%)**
Base	(106.8)	(125.8)	15.1%
Reinvestment	(12.2)	-	(large)
Operating Expenses	**(119.0)**	**(125.8)**	**5.4%**
EBITDA	(112.3)	(61.8)	(81.7%)
UNPAT	(121.2)	(81.9)	(48.0%)

Net Revenue for Corporate – Other was impacted by lower legacy Advice revenue (insurance related revenue) and movements in BAU provisions, partially offset by gains on sale from small divestments.

Net Revenue was impacted by the separation of Rhombus Advisory on 1 July 2024 and Advice divestments in FY24. Net Revenue – Rhombus & Divested in FY25 includes the deconsolidated loss on sale for Rhombus Advisory.

Operating expenses decreased due to the realisation of optimisation benefits, partially offset by the acceleration of Reinvestment spend in FY25 and inflationary impacts on centralised costs.

Remediation

There was no net increase to provisions in FY25, and the provision balance of $87 million at 30 June 2025 was a 59% reduction from the 30 June 2024 balance of $213 million.

FY26 Outlook & Guidance

The Company expects to deliver the following in FY26, as it builds on the early momentum towards its 2030 Vision:

- **Group Net Revenue Margin** of 40.5 bps – 41.5 bps, which reflects expected margin impacts in Master Trust from repricing initiatives.
- **Group Base Operating Expenses** of $880 – $890 million which reflects $50 - $60 million in cost optimisation benefits.
- **Group Reinvestment Operating Expenses** of $80 million representing ongoing investment to improve and enhance the business, including Master Trust simplification costs. This amount will be reported within EBITDA and UNPAT as above the line reinvestment spend.

This announcement was approved for release by the Board of Insignia Financial Ltd.

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About Insignia Financial Ltd

With origins dating back to 1846, today Insignia Financial is a leading Australian wealth manager. Insignia Financial provides financial advice, superannuation, wrap platforms and asset management services to members, financial advisers and corporate employers.

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

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