



ASX Announcement 22 May 2023
Income Asset Management Group (IAM)

Income Asset Management Group Limited (ASX:IAM) ("IAM" or "Group") is pleased to provide an update with regard to the Group business.

New Business

IAM has agreed to acquire the River Capital Liquid Credit Fund and Credit Mandate totalling \$72M AUM for an upfront cash payment of \$350,000, representing River Capital's transition costs, plus a deferred revenue sharing arrangement during Years 1 and 2 of IAM's ownership, currently estimated at approximately \$70,000 per annum and payable by way of IAM securities.

As part of this transaction, IAM will employ the River Capital Credit Investment Team, comprising:

- Daniel Saldanha, Head of Credit and Fixed Income; and
- Anthony Swan, Director, Senior Investment Analyst.

Daniel and Anthony will add to IAM's existing inhouse capabilities, which currently oversee approximately \$600M in non-discretionary model bond portfolios.

Jonathan Baird, CEO of IAM Funds, a subsidiary of IAM, said: "Daniel and Anthony have a proven track record, defending investors' capital during the most challenging of environments for Fixed Income. Adding such high calibre investors to the team and a differentiated and compelling Fund, will help IAM continue to grow recurring revenue through internal investment management."

Existing Business

IAM also today confirms that it has exited its 25% interest in Fortlake Asset Management (**Fortlake**), receiving the total amount of \$3,541,666, being \$2,500,000 consideration for the Fortlake shares plus repayment of the loan of \$1,041,666, provided to Fortlake for working capital purposes. IAM will also cancel the ten million (10,000,000) performance rights issued to associates of Fortlake.

Jon Lechte, CEO of IAM, said: "The announcements made today make a lot of sense for IAM stakeholders. We have exited the 25% investment in an external fund manager, significantly reduced future dilution by cancelling the issued performance rights, for a consideration that reasonably compensates the Group for the time and energy put into that business. We now begin the journey to owning and managing our wholly owned funds and can concentrate on building assets for the benefit of our investors and other stakeholders."

Executive Chair Remuneration

IAM further advises that the annual remuneration of Executive Chair, John Nantes has been increased by \$50,000, to \$248,000 per annum. Craig Swanger, Chair of IAM's Remuneration and Nomination Committee, said: "The nature and complexity of the rapid growth in strategy and required execution of IAM's performance, combined with the changes to capital markets' funding of agreed important initiatives,



have both meant that the Chair has had to operate within the business as an Executive and remain of critical strategic value to the Company, especially in the areas of governance and AFSL compliance. For these reasons, and in recognising the value Mr Nantes continually brings to IAM, we have increased the salary component for the Executive Chair.”

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

For more information, please contact:

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About IAM:

Income Asset Management (IAM:ASX) delivers leading financial product solutions in: Cash, Bonds, and Funds Management to wholesale and sophisticated clients and professional investors. Additionally, IAM owns Trustees Australia Limited, a trustee business that provides RE, Custody and Trustee services internally. IAM has scaled its business in the following markets:

- **Cash with over \$1.5b in AUA.**
- **Capital Markets with over \$1.4b in AUA**, which delivers DCM mandates, Bond Solutions for our 1,200+ clients and model portfolio mandates.
- **Funds Management** with 25% ownership in TGM asset managers.
- **Trustees Australia Limited**, our profitable and scaling trustee business providing services to our Funds Management and Capital Markets businesses.

IAM delivers: Cash and Cash Product related solutions, Fixed Income investments in all Global Currencies, Debt Origination, Debt Advisory, Fund Distribution services, Responsible Entity and Trustee services for our businesses, Funds Management, Block Trades, Special Situation Transactions, Refinancing Existing Corporate Debt services, Acquisition Finance, and Financial Product Innovation to:

- Wholesale, Sophisticated and Professional investors.
- Institutional and Fund Managers.
- Stockbrokers, Financial Advisers, Banks, Superannuation Funds, Corporates, Not-For-Profit Entities, and Financial Services Platforms.

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 ACN 010 579 058 | AFSL 260038; and

IAM Funds Pty Ltd ACN 643 600 088 corporate authorised representative (no. 001296921) of AFSL 260038.