

## ASX Announcement 27 February 2023

### Income Asset Management (IAM) Trading Update

**Income Asset Management Group Ltd** (ASX:IAM) (**IAM** or **Company**) is pleased to announce a strong first half result.

**IAM announces 1H FY23 Total Revenue of \$6.8m, up 75% from 1H FY22. EBITDA of -\$0.9m, a 78% improvement from -\$4.2m in 1H FY22. IAM profitable in 2Q FY23.**

**Over 1,000 direct bond clients and Assets under Administration increased 51% to \$2.7bn.**

**Strong start to Q3 with three secondary loan trades, across three different credits. IAM grows Model Bond AuA to over \$400m with strong pipeline for Q3.**

### 1H FY23 Highlights

- **Total Revenue increased 75%** from 1H FY22. The main driver was a **164% increase in secondary trading revenue.**
- **EBITDA of -\$0.9m, a 78% improvement from -\$4.2m in 1H FY22.**
- **51% increase in Assets under Administration (AuA) to 2.7bn.**
- **30% increase in Cash AuA, and Cash Brokerage Revenue grows 45% to \$0.7m.**
- **Trustees Australia Limited (TAL) our Responsible Entity and Custodian business has reached operating profitability** and has been able to support the issuance of new products including acting as Bare Trustee for Corporate Loans.
- **\$10m IAM Note** successfully placed to institutional and sophisticated investors.

The quarterly results are shown in chart 2, to emphasise the ramp-up in revenue in Q2 versus the previous four quarters. As highlighted, the rising interest rate environment kept investors at bay for much of 2022, the environment changed dramatically from October 22 onwards.

CHART 1: HALF YEARLY REVENUE & EBITDA

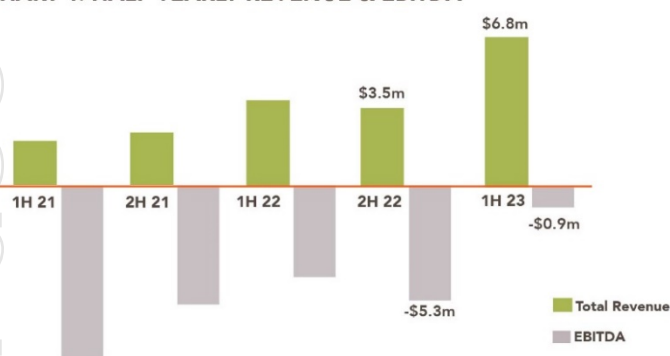
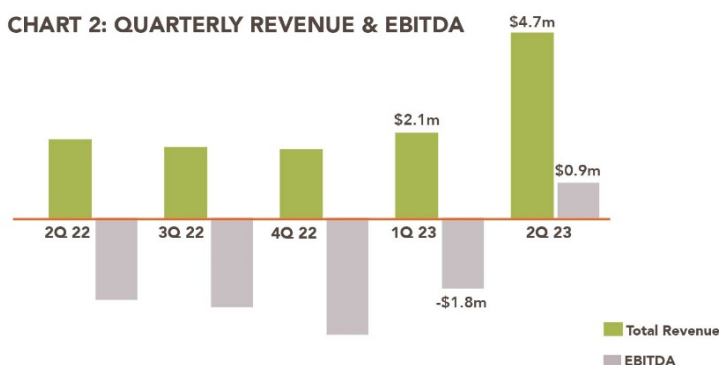


CHART 2: QUARTERLY REVENUE & EBITDA



## CEO Statement

CEO Jon Lechte said, "The environment for income investing is a good one, with Investment Grade bonds representing great value for those looking for a good return. At the other end of the yield spectrum, we are finding 'special situation' trades for our more sophisticated investors to consider. Our model bond offering is seeing great demand from advisory firms and private banks, and we expect this initiative to slowly build into a great source of reliable recurring income for the group.

We are buoyed by the opportunities facing our Funds division, who are getting closer to agreement on a number of Funds distribution opportunities. Our Cash business is growing slightly in AuA but significantly in revenue, as we continue to target to larger investment pools. Finally, the ability to bring our Responsible Entity, Trustees Australia Limited, to the table on Debt Captil Market and secondary loan transactions, has been the difference in IAM executing transactions that others cannot.

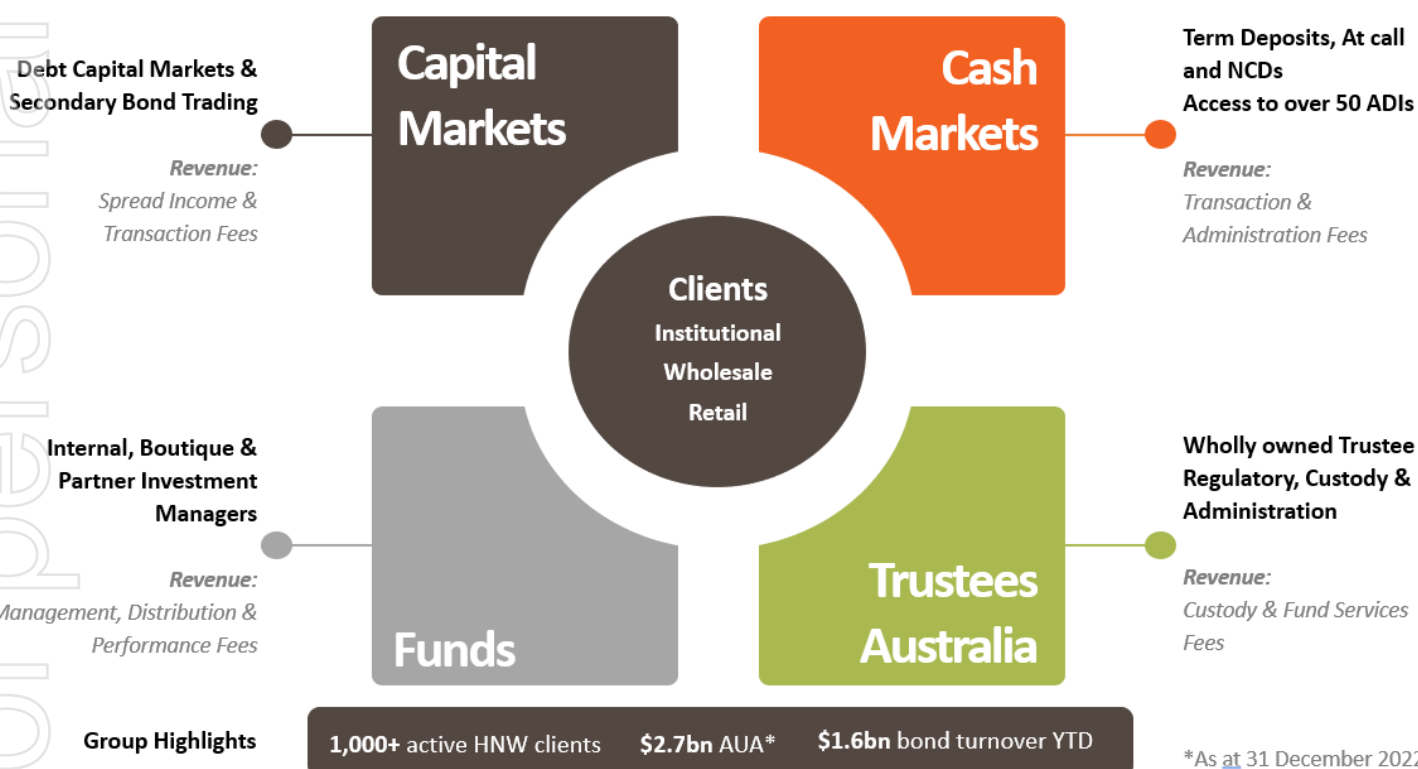
3Q FY23 has started strongly with a very good February, leading into an expected sound revenue line in March. Given our pipeline, management and the Board remain confident in both the quarterly outlook as well as the full year result. "

## Outlook for 2H FY23

As the increasing yields and stability of fixed income returns continue to attract new investors to IAM, in our next half we are looking forward to continuing to grow our client base and AuA generally. Specifically, we will look to build strongly on the model bond funds under administration – and bring to market a listed alternative for investment grade bonds. This latter initiative will enable IAM to market to issuers wishing to tap retail investors and investors wanting a simple way to access corporate bonds.

## IAM Business Model

IAM was established to provide market leading infrastructure to both issuers and investors in the sub-institutional (sub \$500m) transaction size.



This announcement was approved for release by the Executive Chairman.

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## **About Income Asset Management Group Ltd (IAM) (ASX: IAM)**

Income Asset Management Group Ltd (ASX: IAM), (IAM), has seen tremendous growth into a sophisticated investing solution provider. The Group delivers unique solutions in 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 and broader 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.

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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 of AFSL 260038