

2020-2021

A N N U A L I N V E S T O R U P D A T E

For financial year ending 30 June 2021



ASX Market Announcement

1 September 2021

Income Asset Management Group Limited (ASX:INY)

This announcement was approved for release by the Board of Directors

For more information please contact:

Jon Lechte – CEO

e: shareholders@incomeam.com

w: incomeam.com

The Group consists of;

Income Asset Management Group Ltd ACN 010 653 862

IAM Capital Markets Limited ACN 111 273 048 AFSL 283119

IAM Cash Markets Pty Ltd ACN 164 806 357 AFSL 459645

IAM Funds Pty Ltd ACN 643 600 088

Trustees Australia Limited ABN 63 010 579 058 AFSL 260038

66 Clarence Street

SYDNEY NSW 2000

GPO Box 6, Brisbane, QLD 4000

T: 1300 784 132

IAM Group | Income Asset Management Group Limited ABN 42 010 653 862 | IAM Cash Markets Pty Ltd ABN 70 164 806 357 AFSL 459645 | IAM Capital Markets Ltd ABN 86 111 273 048 AFSL 283119 | Trustees Australia Limited ABN 63 010 579 058 AFSL 260038 | IAM Funds Pty Ltd ACN 643 600 088. This Presentation contains general information only and is, or is based upon, information that has been released to ASX. This document is not an invitation, offer or recommendation (expressed or implied) to apply for or purchase or to take any other action in respect of securities and is not a prospectus, product disclosure statement or disclosure document for the purposes of the Corporations Act 2001 (Cth) and has not been lodged with ASIC.

Investment Risk

An investment in Income Asset Management Group Limited ('IAM' or 'Group'), is subject to known and unknown risks both specific to IAM and of a general nature, some of which are beyond the control of the Group. Such risks either may individually or in combination adversely affect the future operating and financial performance of IAM, its investment return and value of its securities. There can be no guarantee, and the directors and management give no assurances, (notwithstanding that they will use their conscientious best endeavours), that IAM will achieve its stated objectives or that any forward-looking statement or forecast will eventuate.

Forward-Looking Statements

This Presentation contains certain statements that may constitute forward-looking statements or information ("forward-looking statements"), including statements regarding the use of proceeds of any funds available to the Group. These forward-looking statements are based on certain key expectations and assumptions, including assumptions regarding the general economic conditions in Australia and globally, industry conditions in Australia and the intended operations of the Group. These factors and assumptions are based upon currently available information and the forward-looking statements contained herein speak only as of the date thereof. Although the expectations and assumptions reflected in the forward looking statements are reasonable in the view of the Group's directors and management, reliance should not be placed on such statements, as there is no assurance that they will prove correct. This is due to forward-looking statements being subject to known and unknown risks, uncertainties and other factors that could influence actual results or events and cause actual results or events to differ materially from those stated, anticipated or implied in the forward-looking statements. These risks include, but are not limited to: uncertainties and other factors that are beyond the control of the Group; global economic conditions; risks associated with the financial markets; interest rates; bond prices; operational and seasonal risks associated with customer's cashflow requirements; delays or changes in plans; specific risks associated with the ability to meet software development commitments and capital expenditures; and risks associated with securities market volatility. Except to the extent implied by law, no representation or warranty as to the validity, certainty or completeness of any of the assumptions or the accuracy of the information, opinions, estimates or forecast contained in this document is made by the Issuer or its advisors or any of their respective officers, employees, agents or advisors.

The Group assumes no obligation to update any forward-looking statements or to update the reasons why actual results could differ from those reflected in the forward-looking statements, except as required by Australian securities laws and ASX Listing Rules.

2021 Highlights

In the 2021 financial year, Income Asset Management Group (IAM) has continued its evolution to deliver investors and portfolio managers a wider range of income investments, while positioning itself for accelerated revenue growth.

Our vision

“To provide investors and portfolio managers with the most trustworthy and capable platform for research, execution and management of their income investments.”

Our new brand

We have recently changed our name from Cashwerkz Ltd to Income Asset Management Group Ltd, reflecting the broader scope of income and asset management services we now deliver.

Capital management

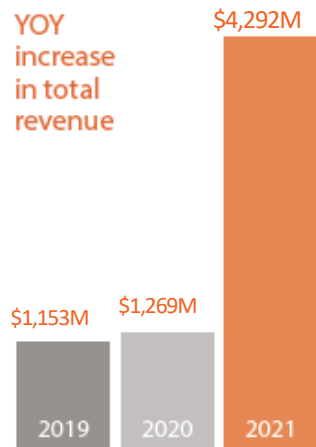
\$14M Successful capital raise

Successful issuance of our own CWZ Note
6% coupon + attaching 50c option



- Our first incubator fund
- Providing clients with access to world-leading fixed income capability in a boutique firm
- Access to infrastructures of JP Morgan, TGM and Link Market Services
- Early stage out performance

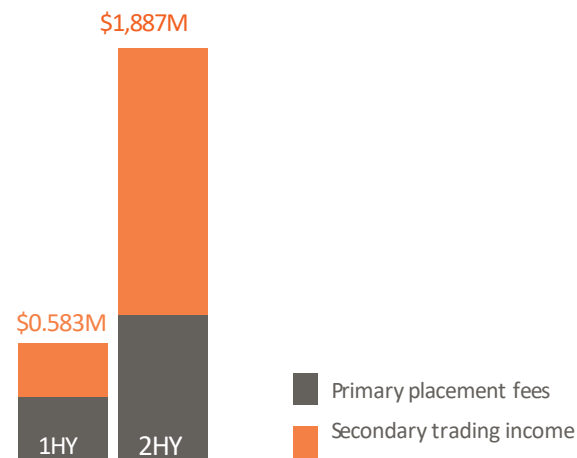
238%



IAM Capital Markets Fund Under Advice



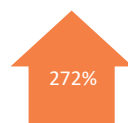
IAM Capital Markets Revenue



Tactical Global Management Ltd

Shareholder approved proposed investment in Tactical Global Management Ltd (TGM), expanding our equity investments and FX capability

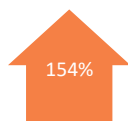
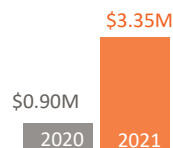
Operating Results



Operating Revenue

Operating revenue increased 272% to \$3.35m (2020: \$0.90m)

Total revenue has increased 238% to \$4.29m (2020: \$1.27m)

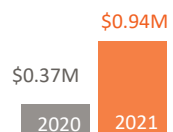


Other Source of Revenue

Other sources of revenue increased 154% to \$0.94m (2020: \$0.37m)

R&D grants aligned with the development of our proprietary technology increased 100% to \$0.88m (2020: \$nil)

JobKeeper support decreased 82% to \$0.06m (2020: \$0.33m)



Operating Cashflows

Net operating cash outflows increased 34% to \$7.39m (2020: \$5.53m)

- This increase reflects significant one-off costs in establishing the new businesses infrastructure and new experienced staff to drive the revenue growth.

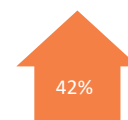
Financial Position

Net Assets

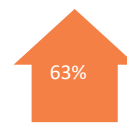
Net assets decreased 3% to \$11.83m (2020: \$12.14m)

The key assets and liabilities in the statement of financial position are:

- Increase in cash and cash equivalents to \$6.030m (2020: \$4.234m).
- Post 30 June 2021, a further \$8.03m for the second tranche of our capital raising has been received
- Increase in investments of \$1.020m (2020: \$nil) in corporate bonds
- Value of investment of \$2.15m (2020: \$nil) in associates (Fortlake Asset Management)
- Intangible assets of \$6.60m (2020: \$7.65m) primarily relating to our proprietary technology platform
- Total borrowings of \$3.49m (2020: \$0.02m) primarily relating to issued notes.



Cash & Equivalents



Expenses

Total expenses increased 127% to \$19.59m (2020: \$8.62m). Cash expenses increased 63%

- Total expenses include non-cash costs of \$7.36m (2020: \$1.8m) that consist of:
 - Depreciation and amortisation of \$1.42m (2020: \$1.46m)
 - Share based payments of \$5.94m (2020: \$0.32m)

The share-based payments have been issued to preserve cash whilst attracting market leading talent. All payments have performance and service hurdles to align remuneration with the Group's performance and shareholder returns.

The increase to core business operating costs in the year is predominantly from:

- Employment expenses as the Group changed the structure of its personnel with an increased number of experienced people who have the capacity to promote and grow the business. Some staff were exited as part of restructuring, which assisted in mitigating some of these incremental labour costs.
- Non-recurring costs for the restructuring of existing businesses and the set-up of technology, legal and compliance support for the new businesses.

Medium term growth opportunities

IAM Cash Markets

- Focused on large non-organic mandates
- TMS business development underway, early win with NFP mandate providing opportunities across cash and bonds

IAM Capital Markets

- Enhanced marketing opportunities
- DCM – Enhancing our distribution capability and new issue pipeline is strong
- Daily secondary trading is consistently growing
- Providing wealth platforms with Bond execution

IAM Funds

- New CEO joining October '21
- Fortlake - Partnership with millennial platform Blossom driving retail flow
- TGM – launching new products focused on ESG

BUSINESS OVERVIEW

Income investors

SMSF, Wholesale, Corporates,
Local Government, Not-For-Profits (NFPs)



CASH MARKETS

- 60+ ADI Term Deposits & At Call
- Omnibus Cash Account
- Cash optimisation
- Proprietary technology to support advisors and intermediaries



CAPITAL MARKETS

- Australian and international bonds
- Rated & unrated bonds
- High yield
- Bond optimisation
- Research & education



FUNDS

- Tier-one infrastructure
- Broad universe of funds
- Bespoke MDA and IMA
- Responsible Entity services



Treasury Management Services

Business Overview

IAM Capital Markets (formerly BondIncome)



IAM Capital Markets has rapidly evolved into providing direct investors with access to the OTC and listed bond market as well as leading many debt capital management mandates.

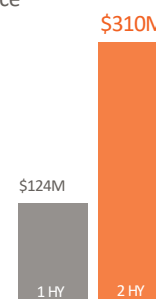
Our business model

- A revenue model based on brokerage commission and primary issuance fees
- Our clients include wholesale investors, corporates and family offices
- We have a team of fixed income professionals skilled in structuring and facilitating unrated debt for Australian corporates with a strong focus on the non-bank sector

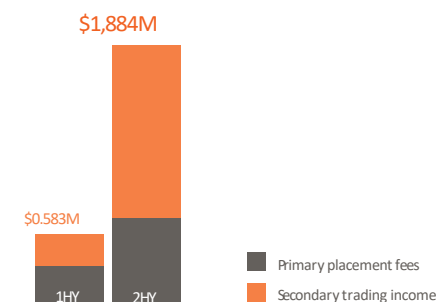
Our services

- Bond trading
- Primary issuance of bonds
- Collaborating with major investment banks
- Portfolio optimisation
- Independent research – BondAdvisor
- Flexible funding structures, including secured, subordinated and inflation-linked debt securities
- Tenors out to 7 years without the requirement for a credit rating
- Specialist in midcap issues for public and private companies
- Partnered syndicate approach to expand distribution base and broaden secondary liquidity
- Cornerstone participation to reduce deal risk
- Regular post-deal interaction to assist with future capital plans, such as refinancing

IAM Capital Markets Fund Under Advice



IAM Capital Markets Revenue



Medium term outlook

IAM Capital Markets is positioned to benefit from transaction activity. It continues to tailor the business offering to current opportunities and market conditions including providing flexible capital solutions across sectors. It also continues to pursue opportunities for enhancements to the underlying services and products to ensure investors gain access to fair and transparent markets.



Business Overview

IAM Cash Markets (formerly Cashwerkz Platform)



CASH MARKETS

Our active cash management solutions remain a key pillar of our services model and an important enabler of growth across the business through our newly introduced Treasury Management Services solution and access to an established customer base seeking new income investment opportunities.

IAM Cash Markets — FUM

FUM increased 7.8% to \$1.192bn - a pleasing result given low interest rate market and margin compression.

Our business model

- A revenue model based on brokerage commission and management fees
- Our clients include corporates, Not-For-Profits (NFPs), family offices and semi-government authorities
- 170+ middle market clients, multiple platforms and over 40 advisor groups
- Our team have worked together for over ten years, headed by Bianca Burt, a senior executive with over 15 years in the deposit broking industry

Our services

- Cash Management Account - offering up to 0.40% interest at call
- Risk management
- Liquidity management
- Bespoke financial instruments providing enhanced yield
- Legal structures to support investment mandates
- Access to 60+ global and domestic ADIs, both rated and unrated
- Deposit portfolio optimisation and managed portfolio services

IAM Funds (formerly FundIncome)



FUNDS

IAM Funds provides incubation and growth services that enable highly rated fund managers to quickly grow their businesses or establish their own unique funds.

We work with multiple global suppliers of custody, legal and compliance, finance, and technology. Using our experience, we provide a compelling proposition to fund managers to leverage our financial services licence structures, distribution, technology and infrastructure assets.

Our model ensures a new fund can be launched in months to gain critical mass sooner. We provide the infrastructure, regulatory compliance and distribution capability, so investment managers can focus on managing a high-performance fund.

Our business model

- Trustees Australia has been providing responsible entity services since 1987
- We provide a bespoke service for top-tier investment managers looking to establish their own funds
- We partner with global providers to empower fund managers to succeed
- We take care of day-to-day management allowing fund managers to focus on what they do best
- We support new managers with working capital and equity investors so they can scale up quickly
- We target 25% investment in fund managers to ensure we have a meaningful alignment with the fund manager

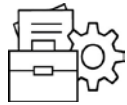
Our services

- Responsible entity services for managed investment schemes (MIS)
- IMA, MDAs
- Custody services
- Extensive AFSL capabilities across a variety of asset classes
- Multiple cash management account structures to suit early-stage fund managers
- Established distribution network

Treasury Management Services (TMS)

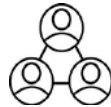
An innovative solution unlocking new opportunities.

Designed for corporates, family offices and not-for-profits, TMS brings together institutional-grade products, management and governance to create a comprehensive solution for managing and optimising cash management, liquidity and income investment. A partnership of three specialist businesses, TMS combines a suite of innovative services to help clients plan, implement and manage cash, income investments and currency exposures



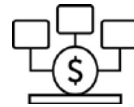
Cross product functionality

Giving you access to a broad range of specialist services.



Relationship management

Unlocking the best opportunities for placements with a broad panel of providers.



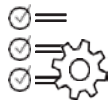
Funding management

Cash laddering, liquidity ratios, and concentration management.



Real time portfolio management

Enabling you to dynamically manage your cash allocation and currency exposures to harness emerging opportunities.



Compliance management

Including investment mandate compliance, concentration checks and benchmarking.



Operations and finance support

Including documentation, settlements, corporate actions.



Risk management

Helping you seamlessly manage liquidity risk, market risk and credit risk.



Legal structures

Giving you and your clients control and security through a managed account and experienced responsible entity.

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