



Quarterly Activities Report for Q2 FY2026

Income Asset Management Group Limited presents its quarterly activities report in respect of the three months to 31 December 2025.

Performance of the business and reporting in this period includes the known impacts of the fraudulent activity disclosed to the market on 22 September 2025.

As the Group expects some revisions or restatements in previous accounts within the half-year Interim Report, we have chosen to present these quarterly numbers without reference to previous quarters.

Key Points:

- **Operating revenue for Q2 FY2026 was \$3.8m.**
 - **This number does not include \$1m in revenue that was contracted in November 2025 but remains subject to regulatory approval with an expected settlement at the end of Q3 FY26.**
- **IAM Group's unaudited EBITDA (excluding extraordinary direct losses and costs associated with fraud of \$1.5m) for Q2 FY2026 is negative \$0.9m.**
- **IAM's total cash at the end of Q2 FY2026 was \$3.7m - plus holdings of liquid assets of \$0.4m. The total of cash and liquid bonds was \$4.1m.**
- **In December 2025, IAM raised \$2m in debt, resulting in a cash drain for the quarter of \$1.7m prior to raising the debt.**
- The Group estimates the total direct loss and costs of the fraud total more than \$3.5m. Until the outcomes of legal proceedings and ongoing negotiations of the insurance claims are finalised, the Group has addressed its ability to fund its operations through the raising of debt, future receipts and stabilisation of expenses.

A snapshot of P&L and Cash for Q2 FY26:

	\$m
Revenue	3.8
Normalised Expenses	(4.8)
EBITDA	(0.9)
Interest & Depreciation	(0.4)
Net Operating Loss (Normalised)	(1.3)
Fraud Costs	(1.5)
Net Operating Loss	(2.9)
Opening Cash	3.4
Net operating cash flows (Normalised)	(0.8)
Net investing cash flows (Normalised)	0.1
Net financing cash flows (Normalised)	(0.1)
Effect of movements in exchange rates on cash held	0.0
Debt Facility	2.0
Closing Cash (Normalised)	4.6
Extraordinary cash flows	
Net operating cash flows (Fraud Costs)	(1.4)
Net investing cash flows (Q1 FY26 Adj)	0.6
Closing Cash	3.7

Client impact.

Through the fraud investigation, IAM has remained in close contact with its clients. **There are no client losses or complaints from this matter as IAM has taken immediate steps in responding to all matters.**

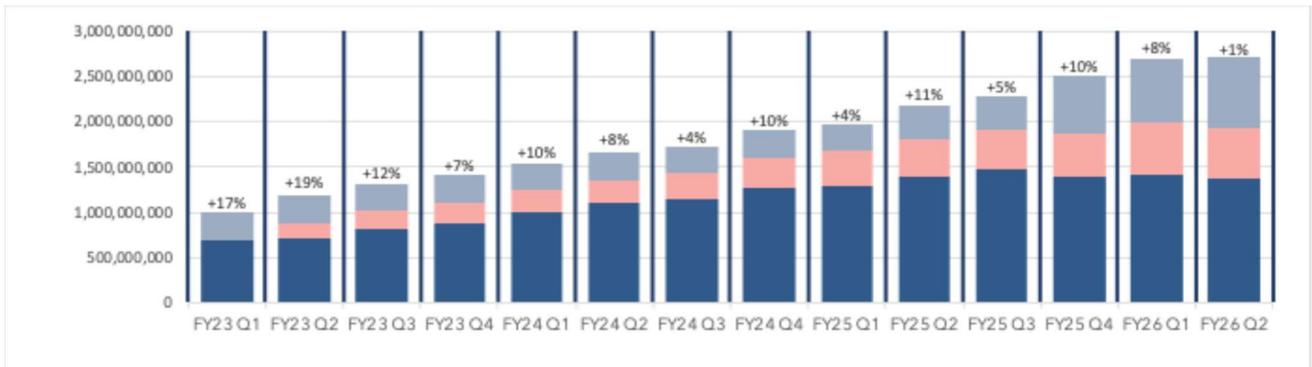
Number of Trades



Dollar volume of Trades



Funds under Advice



Cashflow Overview

- IAM's total cash at the end of Q2 FY2026 was \$3.7m plus bond holdings of \$0.4m.
- With a **negative \$2.3m of operating cash flow**, this equates to 3.82 quarters of available cash, in accordance with Section 8 of the attached Appendix 4C. This negative cashflow is partially due to extraordinary factors associated with the fraud event and partially due to the \$1m fee contracted in Q2 FY26 for a transaction that requires regulatory approval and is not expected to settle until late in Q3 FY26.
- Total cash receipts from customers and interest earned were \$4.9m in Q2 FY2026.
- Total cash operating outflows and finance costs were \$7.2m in Q2 FY2026, comprised of:
 - Normalised outflows and finance costs \$5.8m
 - Outflows related to the fraud and investigation costs of \$1.4m

Related Party Transactions

With reference to payments to related parties (Section 6 of the attached Appendix 4C), item 1 comprises payments to related parties and their associates, including directors and key management personnel. The total is comprised of directors' fees of \$128,580 and salaries (including superannuation) of \$82,500.

Items to note:

All numbers are unaudited.

This announcement was approved for lodgement with ASX by the IAM Board of Directors.

For more information, please contact:

Jon Lechte, CEO

E: info@incomeam.com

W: incomeam.com

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 of (no. 001296921) of AFSL 260038;
 ETB Pty Ltd ACN 670 409 462 corporate authorised representative (no. 001305688) of AFSL 260038.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Income Asset Management Group Limited

ABN

42 010 653 862

Quarter ended ("current quarter")

31 December 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1.1 Receipts from customers – brokerage and fees	1,928	2,690
1.1.2 Receipts from customers – securities trading	3,000	6,598
1.1.3 Net in/(out)flows for settlement of financial instruments held on balance sheet	28	626
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(1,450)	(2,923)
(c) advertising and marketing	(24)	(105)
(d) leased assets	(60)	(117)
(e) staff costs	(2,871)	(5,758)
(f) administration and corporate costs	(1,227)	(2,210)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	9	51
1.5 Interest and other costs of finance paid	(170)	(522)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – fraud costs	(1,440)	(3,131)
1.9 Net cash from / (used in) operating activities	(2,277)	(4,801)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) intangibles	(10)	(18)
	(g) other non-current assets	574	241
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	100	100
2.3	Cash flows from loans to related party	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	664	323

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	2,159	2,383
3.6	Repayment of borrowings	(119)	(172)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – repayments of lease principal	(176)	(353)
3.10	Net cash from / (used in) financing activities	1,864	1,858

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,438	6,291
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,277)	(4,801)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	664	323
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,864	1,858
4.5	Effect of movement in exchange rates on cash held	17	35
4.6	Cash and cash equivalents at end of period	3,706	3,706

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,706	3,438
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,706	3,438

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(211)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facility	2,000	2,000
7.2 Credit standby arrangements	-	-
7.3.1 Other – bond trading settlement (DVP) facility	5,000	-
7.3.2 Other – Supplier funding	149	149
7.3.3 Other – Insurance funding	96	96
7.4 Total financing facilities	7,245	2,245
7.5 Unused financing facilities available at quarter end		5,000
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	
	<p>7.1 Debt Facility – Unsecured facility. Interest rate of 15% and repayment date July 2027.</p> <p>7.3.1 Bond trading settlement (DVP) facility – Secured over the traded securities. Interest rate of 5%, settled up to T+5.</p> <p>7.3.2 Flexi Commercial – Unsecured facility. Interest rate of 10.34% and repayment date of August 2026.</p> <p>7.3.3 Clearmatch – Unsecured facility. Interest rate of 4.12% and repayment date of June 2026.</p>	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(2,277)
8.2 Cash and cash equivalents at quarter end (item 4.6)	3,706
8.3 Unused finance facilities available at quarter end (item 7.5)	5,000
8.4 Total available funding (item 8.2 + item 8.3)	8,706
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	3.82
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?
	Answer:
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
	Answer:

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 January 2026

Authorised by: The Board of Directors

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.