



ASX Announcement: 30 July 2025
Income Asset Management (IAM)

IAM UPDATE

Income Asset Management Group Limited (ASX:IAM) ("IAM" or "Group") has sold its Term Deposit Broking Business to Perpetual Corporate Trust to both parties' benefit and completes the \$4m cost out initiative as a result. The sale was for a nominal amount but generates considerable savings for IAM.

IAM is pleased to announce the sale of our term deposit broking business to Perpetual Corporate Trust (**PCT**), a division of Perpetual Limited (ASX:PPT), effective 1 October 2025.

As part of the transaction, PCT will employ four members of the IAM team who have been instrumental in building the deposit book over the past four years. This ensures existing clients will have a seamless transition to PCT and continuity of their relationship manager. At the time of this announcement, IAM's term deposit platform manages \$1.58 billion in client funds.

The term deposit business has reached a scale that requires further investment in technology and marketing to drive continued growth. Given the highly competitive, low-margin nature of the deposit broking market, IAM has determined that such investment would be better suited to an operator of greater scale. PCT, with over \$8 billion in deposit and fixed income funds under administration and a strong technology platform, is well positioned to take the business forward.

Benefits to IAM as a result of this transaction include:

- \$1.4m of annual costs and a \$400k net loss-making business removed as part of the previously announced IAM cost out initiative.
- Reduced expected re-structuring costs as a result of PCT taking on the four staff and their entitlements. IAM will still pay some entitlements for other staff no longer required but this is less than what was originally anticipated.
- Reduced business and cyber security risk from not owning and operating a technology solution that is now sub-scale, whereas PCT have already invested in their scale and technology to fulfill the needs for cash-based clients. IAM would have to spend more capital over time when interest rates are expected to fall and therefore margins likely



compress. IAM's savings include not only the current loss-making amount, but further additional costs likely required over time if it maintained this asset.

- Negligible impact on our core bond and loan offering business given an historically low cross-over between these two books and continued facilitation for clients through the transfer to PCT
- Broader benefits from the IAM/PCT relationship to flow into our core activities in bonds and loans. This includes growing IAM's annual recurring revenue from our revised client custody model connected to our bond and loan offering where margins are more ideal for IAM.

This announcement was approved for release by the IAM Chair.

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About Income Asset Management:

Income Asset Management aims to provide investors, advisers and portfolio managers with the most capable platform to research, execute, and manage their income investments.

With a wealth of specialised industry experience and with more than \$2 billion funds under administration, our business covers a broad spectrum of income investments including bonds, loans, and treasury management services.