

**CHAIRMAN'S ADDRESS**  
**29<sup>th</sup> Annual General Meeting of Fiducian Group**  
**9 October 2025**

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Dear Shareholders,

As Executive Chairman and on behalf of the directors who are in attendance, I am pleased to present this report on the consolidated operating performance of Fiducian Group Limited and its controlled operating entities for the year ended 30 June 2025.

## **HIGHLIGHTS**

In a year characterized by geopolitical uncertainty, a Federal Election and US tariff threats, all of which make investors nervous about committing to an investment plan, we have delivered a net profit after tax of \$18.6 million which is 23% up on the prior year.

Our three operating segments, Financial Planning, Platform Administration and Investment Management, have remained resilient over the past year and generated higher income streams. This is despite the 17% peak-to-trough fall in the Australian and United States share markets between February and April, which truncated our monthly revenue for those months.

Compared with the previous year, net revenue increased by 13%, and Underlying Net Profit After Tax (UNPAT), our cash generation capability grew by 19%. This was reflected in the underlying earnings per share increasing 19% from 56.3 cents in 2024 to 66.9 cents in the current financial year.

On other salient matters, Funds Under Management, Advice and Administration (FUMAA) grew from \$13.51 billion to \$14.84 billion over the year. It was \$15.62 billion as at end September 2025. Gross Operating Revenue rose 11% to \$89.37 million and after the payment of fees and charges, Net Revenue rose 13% to \$68.23 million in the 2025 financial year. The Group remains debt free in a positive working capital and cashflow position. There is sufficient retained capital if required for an acquisition or other approved expenditure.

## **FINANCIAL PLANNING**

Funds under advice grew from \$4.8 billion to \$5.1 billion over the year. Net Inflows from our financial planning activities was \$343 million, the highest on record, even as the total number of affiliated Fiducian financial advisers was down from 79 to 77 across Australia. 38 financial advisers are salaried and employed by Fiducian, while 39 financial advisers operate as franchisees under our

banner, follow our models and procedures and receive our practice management support and compliance oversight. Our focus will remain on generating inflows through organic and inorganic growth, further acquisitions of client bases that we believe can be quickly assimilated, and onboarding of franchised offices that exhibit a strong cultural fit with the existing network. A number of such tuck in initiatives, where client bases are purchased and introduced to our current salaried advisers, are being pursued by the Business Development Team and around \$94 million of assets are in the process of being acquired.

Fiducian continues to place a strong emphasis on training, compliance and quality control monitoring of its financial advisers' activities. It is expensive, but we believe it is necessary. Face to face meetings with clients are now starting to blend with digital engagement and video conferencing, which saves clients having to travel, allows financial advisers to lift productivity and may also increase the number of clients they can service efficiently. More recently, we have introduced AI in Statement of Advice preparation, technical research and record keeping.

## **SUPERANNUATION**

The Superannuation Trustee Board established for Fiducian Superannuation Fund, our public offer superannuation wrap fund in March 2015 with a majority of independent directors, operates professionally and with independence. The Trustee Board with an independent Chairperson, Drew Vaughan is functioning well and carrying out its duties diligently. The Board is supported by the Office of Superannuation Trustee. The tenure of some directors will end in 2027, so in preparation for this transition, two persons have already been appointed to the board and have begun attending meetings to familiarise themselves with the operations of the fund. It outsources key operational processes to specialist service providers and in particular to ensure accuracy in reporting, has recently engaged a big four accounting firm and installed new reporting software to review and prepare data to be reported to the Regulator. As always, Cybersecurity remains front of mind.

## **SUPPORT SERVICES**

The success of a financial services business can be measured by the quality and reliability of its support services. These services are provided by Fiducian Services Pty Ltd. I think it is appropriate for me to ask Rahul Guha who is the executive Chairperson of FSL to present his summary of how he saw the services delivered and what he sees for the immediate future.

FSL provides support services to our group's external clients and internally to other parts of the business. These services include platform administration, IT, finance & HR, marketing, legal & compliance, risk management and the office of superannuation trustee.

At Fiducian we have always acknowledged staff as our most important and valuable asset, and we continue to nurture and help them grow personally, professionally and into positions of responsibility. Fiducian is proud to be an equal opportunity employer with staff from 27 different countries of origin. It endorses diversity and currently has a number of employees that bring different skill sets from their countries of origin. Our strategy to view our staff as a large Fiducian family standing alongside each other in difficult times has held us in good stead. Management has accepted the world-wide transformation to a work from home environment. We also understand the pressures posed by the cost-of living crisis our employees are facing and have provided increases in salaries and bonuses to help them cope.

Platform Administration offers portfolio wrap administration for superannuation and investment services to financial advisers and as well, Separately Managed Accounts (SMAs) which offer investors direct access to a selected number of shares and funds that are managed separately for them. We strive to differentiate ourselves from our peers through the quality of service we provide to the financial advisers accessing our platform and their end clients. Over the years we have built a scalable platform that aims to deliver a service level exceeding industry standards and functionalities that increase adviser and client efficiencies and productivity. Our administration system is comfortably servicing the different requirements of external Independent Financial Advisers who have chosen our IFA product, Auxilium instead of the established players.

The Fiducian Information Technology development and business analysis team of approximately 15 internal staff have been busily working from both home and head office to provide system enhancements that deliver efficiency and wide-ranging functionality to our proprietary systems - FORCE our financial planning system, 'FasTrack', our platform administration system and Fiducian Online, our front-end system and client account reporting tool. We have recently launched the Fiducian app and have a number of key projects in train to enhance our SMA capabilities and client functionalities. The use of AI integrated in our system and processes has resulted in improved productivity in our development releases and advice delivery life-cycle. Cybersecurity and protection of our systems remain in front of mind with two-factor authentication, stringent password policies and several other security measures in place.

Fiducian does not capitalise IT expenses, thus mitigating the risk of higher amortisation costs in future years that may otherwise adversely affect the profitability of the Group.

The Finance and HR teams are responsible for the financial and regulatory reporting, payments of adviser and other supplier payments, analysis of all acquisition and other business expansion opportunities, recruitment and people aspects for the Group. We have recently strengthened the regulatory reporting process through additional resources, implementation of a new reporting system and appointing a big-4 accounting firm to review reports prior to lodgement with the regulator.

The Marketing team, together with the Practice Managers, are focussing on helping our financial advisers lift their revenue, attract more clients and build their businesses. We have seen increasing success in generating organic leads through our local area campaigns and sponsorships, social media activities, targeted direct marketing and by building brand awareness.

Managing risk and compliance remains one of our top-most priorities and the in-house legal and compliance and the risk management teams, complemented by external specialist resources from top-tier firms where required, are fully focussed to protect the business and comply with the prudential standards and other regulatory requirements.

The Office of Superannuation Trustee headed by our new General Manager is the conduit between the Trustee Board and rest of the group and is functioning effectively to provide the ongoing support to the Trustees and assisting in meeting regulator expectations.

While we are on a continuing journey to enhance our services, we may not get everything right every single time, but we act proactively to rectify and remediate matters when things don't go as planned. Our objectives have been to put clients' best interest first, work collaboratively with the regulators and most of all, learn from our experiences to make our organisation stronger and better prepared for the future.

Thank you Rahul.

## FUNDS MANAGEMENT

Our in-house Manage-the-Manager system of investment continues to attract the majority of retail funds placed with us. Conrad Burge, who is Chairperson of Fiducian Investment Management Services and chief investment officer, provides oversight and has done an excellent job and caused us to deliver to our promise. Our clients can be defined as long-term investors since they are invested to build over many years, their superannuation and investment assets with us. We are not ones to boast or advertise investment performance, but for the first time, I have presented in my Director's Report with the Financial Statements, a Table showing our performance against global and Australian funds. It shows that we have delivered better than most, if not almost all competing funds at times, over rolling 7 and 10 years.

### Rolling 7-Year Rankings:

|              | Fiducian<br>Capital<br>Stable Fund | Fiducian<br>Balanced<br>Fund | Fiducian<br>Growth Fund |
|--------------|------------------------------------|------------------------------|-------------------------|
| 30 June 2025 | 26/80                              | 7/74                         | 23/139                  |
| 30 June 2024 | 8/35                               | 5/100                        | 9/138                   |
| 30 June 2023 | 14/90                              | 22/150                       | 2/150                   |
| 30 June 2022 | 14/105                             | 9/169                        | 3/169                   |
| 30 June 2021 | 6/97                               | 3/161                        | 1/161                   |
| 30 June 2020 | 5/101                              | 4/163                        | 1/163                   |
| 30 June 2019 | 10/103                             | 5/161                        | 1/161                   |
| 30 June 2018 | 8/98                               | 11/153                       | 4/153                   |
| 30 June 2017 | 20/102                             | 16/157                       | 5/157                   |
| 30 June 2016 | 31/98                              | 21/154                       | 4/154                   |
| 30 June 2015 | 19/91                              | 37/139                       | 29/139                  |

### Rolling 10-Year Rankings:

|              | Fiducian<br>Capital<br>Stable Fund | Fiducian<br>Balanced<br>Fund | Fiducian<br>Growth Fund |
|--------------|------------------------------------|------------------------------|-------------------------|
| 30 June 2025 | 14/73                              | 2/63                         | 3/131                   |
| 30 June 2024 | 4/30                               | 2/85                         | 4/126                   |
| 30 June 2023 | 8/84                               | 6/142                        | 2/142                   |
| 30 June 2022 | 11/99                              | 9/162                        | 2/162                   |
| 30 June 2021 | 7/89                               | 8/146                        | 2/146                   |
| 30 June 2020 | 11/83                              | 14/133                       | 2/133                   |
| 30 June 2019 | 21/82                              | 13/130                       | 3/130                   |
| 30 June 2018 | 15/82                              | 9/127                        | 5/127                   |
| 30 June 2017 | 14/88                              | 27/141                       | 31/141                  |
| 30 June 2016 | 15/88                              | 23/140                       | 29/140                  |
| 30 June 2015 | 13/74                              | 36/116                       | 29/116                  |

**NOTE:** Rolling 7 and 10 years rankings were sourced from Morningstar from 30 June 2015 to 30 June 2023 and from FE fundinfo from 30 June 2024 up to 30 June 2025.

Conrad Burge was to deliver the following section of the presentation. He is unfortunately taken ill and apologised for not being here. So, I shall present the investment and economic outlook on his behalf.

Fiducian diversified funds have performed well over the medium to long-term in their respective categories. We diversify their assets through a range of carefully selected and blended underlying fund managers to reduce risk and volatility. We aim to deliver above average returns, with below average risk through the combination of some 26 different underlying fund managers in our flagship diversified funds which hold around 60% of our funds under management.

## ECONOMIC AND FINANCIAL MARKETS

On the current economic environment, the Australian economy grew by a modest 1.8% over the year to 30 June 2025. Much of this growth came from Government consumption spending (up 4.0%). Household spending rose by 2.0%. Clearly, cost of living pressures have continued to weigh on households, with still rising housing prices, sustained by high levels of immigration, posing a challenge for young families.

On a per capita basis, the economy has shown 9 quarters of contraction out of the last 12 quarters. Assuming that inflation remains contained and given the weak state of the economy, with no productivity growth, further rate cuts appear likely over the coming year.

According to the latest estimates provided by the International Monetary Fund (IMF), global growth is holding steady and is forecast to be 3.0% this year and 3.1% in 2026 largely driven by developing economies and this is in spite of escalation of trade tensions and policy uncertainty. Growth in the advanced economies is forecast to be a moderate 1.5% this year.

In the case of the US, the 'Fed' has recently cut interest rates and should inflation remain controlled, more cuts could occur. The IMF is forecasting growth of 1.9% for the whole of 2025 and 2.0% for 2026, although the US administration is aiming for a higher rate of growth through new fiscal stimulus, reduced regulation and incentives for investment. Growth for the euro zone and Japan is forecast to remain weak.

In anticipation of future interest rate cuts to come, most major share markets rose last financial year until the March quarter when tariff increases were announced, causing a sharp fall. Subsequently these tariff increases were paused and share markets rebounded strongly. By 30 June 2025, most markets were well up over the half-year. As a result, client portfolios have in many cases risen in value. This year could also bring positive results for clients, if interest rates continue to trend downwards in most jurisdictions, inflation rates continue to drop back towards central bank targets and average corporate earnings continue to grow. In these circumstances, yields on fixed interest securities (bonds) could also decline and deliver capital growth and positive returns for investors.

As always, we recommend that investors should consult a Fiducian financial adviser to develop financial plans with the aim of achieving diversified investment strategies that over time could help investors realize their financial goals.

## **CIVIL PROCEEDING**

As announced on 3 October 2025, ASIC has commenced civil proceedings against Fiducian Investment Management Services Limited as the responsible entity of the Fiducian Diversified Social Aspirations Fund. The Fund ceased to operate in May 2024 due to a lack of scale. The Fund invested client monies in two underlying funds and upon closure, investors with two-thirds of funds invested elected to be transferred to these underlying funds, where FIMS bore the cost of the buy/sell differential. At the time of closure, the Fund had \$15.57 million under management and 158 investors and delivered an annualised return of 7.62% p.a. over the 9 years and 86.61% total return since inception.

FIMS has fully cooperated with ASIC's investigations to date.

Other than the information provided in the announcement, there is no further update on this matter at this time since the matter is at the court.

## **ADVISERS COUNCIL**

The Advisers' Council is comprised of franchised and salaried financial advisers who provide their services to the council voluntarily. It has made a significant contribution to the Company during the past year as a sounding board for the Company's management and Boards and is a valuable resource and forum to alert us to financial planning issues and improving FORCE, FasTrack and Fiducian Online functionalities.

## **BOARD OF DIRECTORS**

The Board of Directors and Management has worked together cohesively as a team with respect and candor for each other but with a clear mutual understanding of each other's roles and responsibilities in achieving optimal performance.

## **GIVING BACK TO THE COMMUNITY**

Fiducian has continued providing support to community organisations and sporting teams linked to our financial planning network. We currently sponsor 40 sporting clubs and educational associations across Australia. For the last five years we have supported the junior development program at Avondale Golf Club in Sydney. While our contribution is modest, we are proud that a couple of young lady golfers have qualified for the USLPGA, and one of them has recently won a major title overseas.



Others are representing Australia and NSW as amateurs and have become national champions or are turning professional.

Vision Beyond AUS (VBA), a charity supported by the Fiducian Group, has continued its services in hospitals in India, Myanmar, Nepal and Cambodia. Around 60,000 men, women and children who live in abject poverty have had their eyesight restored. In addition, surgical equipment has been donated to overseas hospitals. 18,000 children have been screened for eye disabilities in rural areas of Nepal. Fiducian staff voluntarily provide accounting, administration and marketing support to VBA to ensure that every single dollar contributed by generous donors goes towards eliminating sickness and visual impairment for some of the poorest and financially disadvantaged on our planet.

## OUTLOOK

Consistent with our strategy over the last 29 years our focus remains the establishment of a business with a rock-solid foundation and growth strategies to enable upscaling on existing capacity and leveraging our controlled, relatively low fixed cost base. This strategy has benefited us in difficult and uncertain times with increasing revenues and growing profits.

The Board's aim remains to build scale and deliver consistent double-digit earnings growth over the long term and Management is determined to stay committed and focused, to try and achieve this goal.

On behalf of the Board, I would like to thank all participants for their individual contributions to the growth and success of Fiducian.



Inderjit (Indy) Singh OAM

Executive Chairman

Sydney

9 October 2025