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# Condensed consolidated interim financial report

31 December 2025

Insignia Financial Ltd

ABN 49 100 103 722



Insignia<sup>®</sup>  
Financial

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# Directors' Report

Operating and financial review

## About Insignia Financial Ltd

Insignia Financial Ltd is listed on the Australian Securities Exchange (ASX: IFL) and the consolidated group includes the parent entity and its controlled entities (Insignia Financial or the Group).

With origins dating back to 1846, today Insignia Financial is a leading Australian wealth manager, providing financial advice, wrap platforms, superannuation and asset management services to members, clients, financial advisers and corporate employers.

## Principal activities

The principal activities of the Group are:

- **Advice:** Insignia Financial's employed advice businesses, Shadforth and Bridges, provide comprehensive financial advice to clients;
- **Wrap:** Insignia Financial's proprietary platform, MLC Expand, provides investment, superannuation and pension administration solutions for financial

advisers and their clients, including access to a broad range of investment options and consolidated reporting;

- **Master Trust:** Insignia Financial provides superannuation and retirement products and solutions to many of Australia's largest employers and independent advisers; and
- **Asset Management:** The Asset Management segment offers access to a broad suite of investment capabilities across a range of multi-asset and single asset classes, designed to suit a wide range of investor needs and risk profiles and available to retail and institutional clients.

## Strategic review

### 2030 Vision and Strategy

In November 2024, Insignia Financial announced its vision and strategy to become Australia's leading and most efficient diversified wealth management company by 2030. An overview of the 2030 Vision and Strategy is set out in the diagram below.

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# Directors' Report

Operating and financial review

## Strategic review (continued)

During the half year ended 31 December 2025, Insignia Financial has made progress on a number of key deliverables in its 2030 Vision and Strategy, including the following.

### Advice

In September 2025, Shadforth completed the acquisition of client files and client relations from PMD Financial Advisers, a boutique financial advice firm based in Victoria specialising in high-net-worth clients. The acquisition has added almost 400 clients to Shadforth's network and more than \$700 million to its funds under advice. The acquisition supports Shadforth's broader strategy to build national scale and complements its strong organic growth driven by client referrals and increasing demand for quality financial advice.

In November 2025, 27 advisers from Shadforth Financial Group were recognised in Barron's Top 150 Financial Advisers in Australia, the highest representation of any firm nationwide. In addition, five Shadforth advisers were also named in Financial Standard's annual FS Power50 list recognising the most influential financial advisers in Australia.

### Wrap

In July 2025, Insignia Financial announced its partnership with TAL Life Limited and Challenger Ltd to bring MLC Retirement Boost™, a new innovative retirement income solution, to scale and to create a retirement centre-of-excellence.

In August 2025, Insignia Financial launched the MLC Retirement Boost on the MLC Expand platform and a new investment menu for its low-cost super, pension and investment wrap platform, Essential+, including Term Deposits and Exchange Traded Funds, complementing the existing suite of MLC managed funds and separately managed accounts model portfolios.

In November 2025, Insignia Financial migrated MLC MasterKey Investment Services and MLC MasterKey Investment Services Fundamentals to Expand, involving 9,601 customer accounts and around \$1.9 billion in funds under administration (FUA), resulting in fee savings for customers and access to a contemporary, efficient and innovative platform.

## Master Trust

During the period, Insignia Financial commenced a three-year program to simplify and transform the Master Trust business by simplifying the offering, consolidating platforms and enhancing customer outcomes.

In February 2025, Insignia Financial and SS&C Administration Services (Australia) Pty Ltd (SS&C) entered into an agreement whereby SS&C will provide certain administration and technology services to Insignia Financial. The agreement became effective 1 July 2025 when approximately 1,300 people within the administration, technology and digital teams that support the Master Trust business along with associated technology, processes and premises were transitioned from Insignia Financial to SS&C. The first significant transfer of technology occurred in November 2025 when the Master Trust Contact Centre was migrated from Insignia Financial's telephony system, Genesys, to SS&C's cloud-based platform, NiCE, thereby improving operational efficiency through simplified systems and creating opportunities to enhance customer experience with modern, scalable tools.

Coinciding with the relaunch of the MLC brand and aligned with its commitment to build a direct digital channel, Insignia Financial launched in October 2025 a new and improved direct-to-consumer offering for MLC Super, including a refreshed website with digital join functionality.

## Asset Management

In December 2025, several MLC funds were recognised for outstanding performance in the 2026 Money Magazine Best of the Best Awards, including MLC Wholesale Property Securities Fund, MLC MultiActive Balanced and Antares Diversified Fixed Income Fund. These awards reflect Insignia Financial's continued commitment to deliver strong investment performance through its high conviction, best-in-class investment strategies.

As at 31 December 2025, MLC Managed Accounts had funds under management (FUM) of \$4.1 billion with net inflows of \$530 million in the period, demonstrating the continued adviser take up of that contemporary solution which is a key element of Insignia Financial's strategy to accelerate the growth of its multi asset offerings.

# Directors' Report

Operating and financial review

## Strategic review (continued)

### Custody simplification

In October 2025, Insignia Financial completed the transition of certain custody services from NAB Asset Servicing to BNP Paribas, which involved the migration of 473 investment funds and superannuation portfolios, representing \$150 billion in FUM. The transition follows the migration in May 2025 of other custody services from JP Morgan to BNP Paribas involving \$35 billion in FUM and marks the completion of Insignia Financial's custody simplification program which has centralised custodian relationships, thereby reducing duplication and enhancing scalability, and introduced standardised reporting, thereby reducing operational risk and complexity across investment administration.

### MLC brand

In October 2025, Insignia Financial relaunched the MLC brand with a new creative campaign and tagline focused on a *A Lifetime in the Making*, in line with its strategy to reposition MLC as Insignia Financial's go-forward consumer brand.

### Artificial intelligence

In September 2025, Insignia Financial announced that it had selected Google Cloud to modernise its digital infrastructure and deploy AI capabilities across many of its offerings, including its MLC superannuation member experience platforms, in order to enhance personalisation, efficiencies and service delivery for its customers.

### High performance culture

In September 2025, Insignia Financial launched *Our Leadership Promise*, which is:

- a promise by leaders throughout the organisation in relation to their teams, customers and the community;
- a commitment for leaders to hold themselves accountable to a consistent standard of leadership; and
- a tool for reflection and growth.

*Our Leadership Promise*, which has been shaped by many of the leaders across the organisation, is designed to create an environment where leaders and all employees thrive and are inspired to help customers achieve a fulfilling retirement. There are six dimensions within *Our Leadership Promise*, each of which is designed to strengthen a different aspect of the high performance culture which Insignia Financial is committed to building.

### Risk and governance

Insignia Financial continues to strengthen its risk and governance policies and practices. Key activities completed during the period include uplifts to conflicts management frameworks, consequence management policies and remuneration frameworks. Those activities also align with Insignia Financial's continued commitment to undertake the activities required by the Rectification Action Plan and the Court Enforceable Undertaking as discussed in the Risk Management section.

### Scheme of arrangement

The Group is well advanced in the work required to bring the proposed acquisition by Daintree Bidco Pty Limited (a Company established by CC Capital Partners, LLC and its affiliates) (CC Capital) to a shareholder vote.

CC Capital, which is responsible for lodging various regulatory applications including with the Australian Prudential Regulation Authority (APRA) and the Foreign Investment Review Board (FIRB), has been encouraged by its regulatory engagement process to date and anticipates the required regulatory conditions precedent to be resolved in a timeframe to allow for the Insignia Financial Ltd's shareholders to vote on the Scheme in the first half of 2026.

Insignia Financial has now submitted the Scheme Booklet to the Australian Securities and Investments Commission (ASIC) and the Australian Securities Exchange (ASX) for review.

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# Directors' Report

Operating and financial review

## Financial highlights

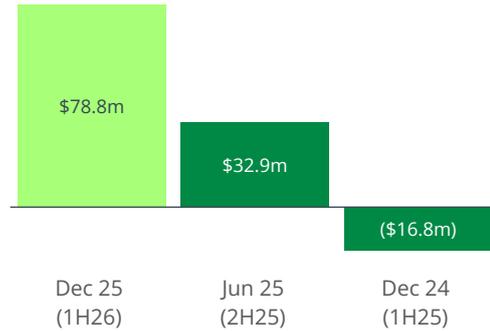
### Underlying net profit after tax (UNPAT)

Growth driven by markets and cost optimisation initiatives



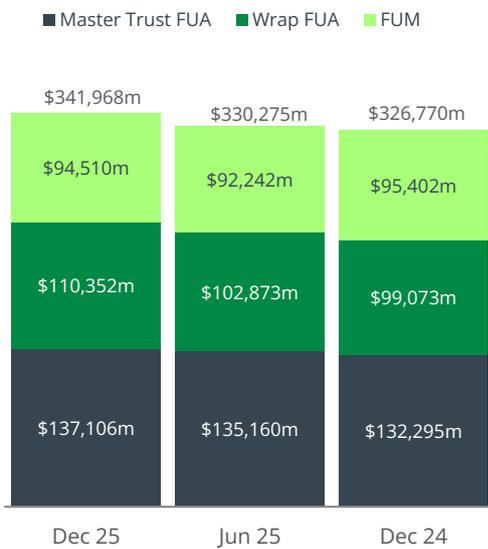
### Net profit after tax (NPAT)

Lower expenses driven by cost optimisation and lower transformation costs



### Closing funds under management and administration (FUMA)

Increase driven by markets and improved flows



### Net flows

Improved flows in Wrap FUA, partially offset by outflows in Master Trust



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# Directors' Report

Operating and financial review

## Financial performance

### Net profit after tax

Net profit after tax (NPAT) for the half year ended 31 December 2025 (1H26) was \$78.8m (half year ended 31 December 2024 (1H25): \$16.8m loss). The improvement in NPAT is primarily driven by:

- \$60.1m increase in revenue driven by favourable fair value movement and management and service fees revenue; and
- \$117.0m decrease in expenses mainly driven by cost optimisation and transformation costs; partially offset by
- \$17.3m higher impairment expense; and
- \$66.2m increase in income tax expenses.

### Underlying net profit after tax

Underlying net profit after tax (UNPAT) is a non-International Financial Reporting Standards (IFRS) metric that is used by management to monitor the performance of the Group. In calculating UNPAT, the Group reverses the impact on profit of certain, predominantly non-recurring items, to enable a better understanding of its underlying operational result. It is the UNPAT result that will be analysed in detail in this section of the *Directors' Report*.

UNPAT for 1H26 was \$132.1m (1H25: \$124.3m), an increase of \$7.8m mostly driven by higher average FUMA and lower operating expenses.

### Reconciliation of UNPAT to NPAT

For the six months ended	31 Dec 25	31 Dec 24
	\$m	\$m
<b>Profit/(loss) for the period</b>	<b>78.8</b>	<b>(16.8)</b>
<i>UNPAT adjustments</i>		
Transformation costs	15.8	114.7
Amortisation of acquired intangibles	35.8	34.1
Net (gains)/losses on financial instruments	(0.2)	33.0
Transaction costs	4.6	-
Remediation recoveries	(3.7)	(3.0)
Legal settlement expenses	2.4	41.3
Impairment expense	17.6	-
Gains on divestment of assets	(3.2)	-
Income tax attributable	(15.8)	(79.0)
<b>UNPAT</b>	<b>132.1</b>	<b>124.3</b>

**Transformation costs:** In 1H25, this includes expenses associated with platform simplification, separation of the MLC business, MLC Wrap migration and initiatives supporting cost optimisation. These expenses include project labour costs, redundancy and termination costs, information technology and other consultancy fees, and outsourced hosting services directly related to these activities. In 1H26, this includes cost optimisation initiatives only.

**Amortisation of acquired intangibles:** Amortisation of acquired intangible assets over their useful lives.

**Remediation recoveries:** Indemnities and costs recovered via professional indemnity insurance in relation to the Group's structured remediation provisions.

**Legal settlement expenses:** Expenses recognised for legal settlements during the period relating to historic class actions and court proceedings.

**Net (gains)/losses on financial instruments:** Includes (gains)/losses from the revaluation of financial instruments. 1H25 included a \$34.8m fair value loss recognised in relation to the embedded derivative associated with the NAB subordinated loan notes.

**Transaction costs:** Expenses incurred by the Group in relation to the proposed acquisition of all of the issued shares of the Company by CC Capital.

**Impairment expense:** Relates to the \$17.6m impairment of investment in associate, Intermede Investment Partners Limited.

**Gains on divestment of assets:** Accounting gains and losses recognised on the divestment of businesses and non-core assets including transaction costs.

**Income tax attributable:** Income taxes on UNPAT adjusted items.

### Funds under management and administration

As at	31 Dec 25	30 Jun 25
	\$m	\$m
Master Trust FUA	137,106	135,160
Wrap FUA	110,352	102,873
Asset Management FUM	94,510	92,242
<b>FUMA</b>	<b>341,968</b>	<b>330,275</b>

The growth in FUMA was driven by \$12.8b market movement and \$0.9b net inflows, partially offset by \$2.0b pension payments.

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# Directors' Report

Operating and financial review

## Financial performance (continued)

### Key financial results

For the six months ended	31 Dec 25 1H26	30 Jun 25 2H25	31 Dec 24 1H25	Movement 1H26 vs 2H25	Movement 1H26 vs 1H25
	\$m	\$m	\$m	%	%
Net revenue	718.2	698.9	705.8	2.8%	1.8%
Base operating expenses	(449.2)	(459.3)	(480.0)	(2.2%)	(6.4%)
Reinvestment operating expenses	(30.8)	(10.0)	(2.2)	large	large
Net financing costs	(21.6)	(22.3)	(20.5)	(3.1%)	5.4%
Net non-cash items	(29.7)	(26.5)	(27.1)	12.1%	9.6%
Income tax expense	(54.8)	(50.3)	(51.7)	8.9%	6.0%
<b>UNPAT for the period</b>	<b>132.1</b>	<b>130.5</b>	<b>124.3</b>	<b>1.2%</b>	<b>6.3%</b>
Transformation costs	(15.8)	(83.3)	(114.7)	(81.0%)	(86.2%)
Amortisation of acquired intangibles	(35.8)	(36.2)	(34.1)	(1.1%)	5.0%
Net gains/(losses) on financial instruments	0.2	(14.6)	(33.0)	large	large
Transaction costs	(4.6)	(12.3)	-	(62.6%)	large
Remediation recoveries	3.7	8.5	3.0	(56.5%)	23.3%
Legal settlement expenses	(2.4)	-	(41.3)	large	(94.2%)
Impairment expense	(17.6)	-	-	large	large
Gains on divestment of assets	3.2	-	-	large	large
Income tax attributable	15.8	40.3	79.0	(60.8%)	(80.0%)
<b>Profit/(loss) for the period</b>	<b>78.8</b>	<b>32.9</b>	<b>(16.8)</b>	<b>large</b>	<b>large</b>

### Net revenue



Net revenue is a non-IFRS measurement. It represents management and service fees revenue and share of profits of associates, net of service fees and other direct costs, net of related UNPAT adjustment items.

Net revenue in 1H26 was \$19.3m higher than 2H25 and \$12.4m higher than 1H25 driven by higher average FUMA and higher share of profits of associates, partially offset by the impacts of declines in margins.

### Base operating expenses

Base operating expenses is a non-IFRS measurement. It comprises operating expenses incurred in the ordinary course of business, net of related UNPAT adjustments.

1H26 base operating expenses were \$10.1m lower than 2H25 primarily due to lower employee expenses, substantially offset by higher information technology and outsourcing costs and marketing expenses.

1H26 base operating expenses were \$30.8m lower than 1H25 primarily due to lower employee expenses, office support and administration expenses and professional fees, partially offset by higher information technology and outsourcing costs and marketing expenses.

### Reinvestment operating expenses

Reinvestment operating expenses is a non-IFRS measurement. It comprises expenses incurred as part of investment initiatives to grow the business. It includes salaries and related employee expenses, information technology and outsourcing costs, administrative expenses and other sundry expenses.

1H26 reinvestment operating expenses were \$20.8m higher than 2H25 and \$28.6m higher than 1H25 primarily due to the timing of reinvestment initiatives.

# Directors' Report

Operating and financial review

## Financial performance (continued)

### Key financial results (continued)

#### Net financing costs

Net financing costs is a non-IFRS measurement. It includes interest income, interest expenses, commitment fees and other bank charges.

1H26 net financing costs were \$0.7m lower in comparison with 2H25 due to lower debt, partially offset by lower interest-bearing cash balances held during the period.

1H26 net financing costs were \$1.1m higher than 1H25 due to lower interest-bearing cash balances held during the period.

#### Net non-cash items

Net non-cash items is a non-IFRS measurement. It includes amortisation expenses, depreciation expenses, share-based payments expenses and impairment expenses.

The 1H26 net non-cash items are \$3.2m higher than 2H25 and \$2.6m higher than 1H25 driven by higher share-based payments expenses, partially offset by lower depreciation expenses.

#### UNPAT adjustments

UNPAT adjustment is a non-IFRS measurement. Details of these adjustments are discussed in the underlying net profit after tax section on page 7.

The 1H26 UNPAT adjustments are \$44.3m lower than 2H25 driven by lower transformation costs and lower net losses on financial instruments, partially offset by higher impairment expense.

The 1H26 UNPAT adjustments are \$87.8m lower than 1H25 driven by lower transformation costs, lower legal settlement expenses and lower net losses on financial instruments, partially offset by higher impairment expense.

### Shareholder returns

For the six months ended	31 Dec 25	31 Dec 24	% change
Profit/(Loss) attributable to the shareholders of Insignia Financial Ltd (\$m)	78.8	(16.8)	large
Basic EPS (cents per share)	11.8	(2.5)	large
Diluted EPS (cents per share)	11.8	(2.5)	large
UNPAT (\$m)	132.1	124.3	6.3%
UNPAT EPS (cents per share)	19.8	18.6	6.5%
Dividends declared (\$m)	-	-	n/a
Dividends per share (cents per share)	-	-	n/a
Opening share price as at 1 July	\$3.63	\$2.29	58.5%
Closing share price as at 31 December	\$4.56	\$3.55	28.5%
NPAT return on equity (statutory measure, annualised) <sup>(1)</sup>	7.44%	(1.64%)	large
UNPAT return on equity (non-statutory measure, annualised) <sup>(1)</sup>	12.48%	12.10%	3.1%

<sup>(1)</sup> Return on equity is calculated by dividing profit or loss (NPAT) and UNPAT attributable to the shareholders of Insignia Financial Ltd by the average equity attributable to the shareholders on an annualised basis.

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# Directors' Report

Operating and financial review

## Financial performance (continued)

### Financial position

	Dec 25	Jun 25	Change
	\$m	\$m	%
<b>Assets</b>			
Cash and cash equivalents	416.4	476.3	(12.6%)
Receivables	327.0	356.0	(8.1%)
Contract assets	1.1	-	large
Other financial assets	181.2	185.4	(2.3%)
Other assets	120.1	132.5	(9.4%)
Assets classified as held for sale	-	10.6	(100.0%)
Property, equipment and right-of-use assets	189.2	192.7	(1.8%)
Intangible assets	2,331.2	2,353.7	(1.0%)
Deferred tax assets	21.3	61.2	(65.2%)
<b>Total assets</b>	<b>3,587.5</b>	<b>3,768.4</b>	<b>(4.8%)</b>
<b>Liabilities</b>			
Payables	219.8	301.6	(27.1%)
Other financial liabilities	11.8	7.7	53.2%
Provisions	200.5	289.0	(30.6%)
Liabilities associated with assets classified as held for sale	-	6.5	(100.0%)
Lease liabilities	237.4	234.7	1.2%
Borrowings	784.1	863.3	(9.2%)
<b>Total liabilities</b>	<b>1,453.6</b>	<b>1,702.8</b>	<b>(14.6%)</b>
<b>Net assets</b>	<b>2,133.9</b>	<b>2,065.6</b>	<b>3.3%</b>
Number of ordinary shares (million)	670.7	670.7	-
<b>Net assets per ordinary share (\$ per share)</b>	<b>3.18</b>	<b>3.08</b>	<b>3.3%</b>

**Cash and cash equivalents** decreased \$59.9m primarily driven by \$673.2m payments to suppliers and employees, \$80.0m net principal repayment of borrowings, \$46.0m payment for remediation costs and transformation costs and \$62.5m other financing activities, partially offset by \$792.8m receipts from customers.

**Receivables** decreased \$29.0m driven by the collection of \$64.3m legal settlement receivable, partially offset by \$20.4m increase in trade receivable and \$13.1m increase in sublease receivable.

**Contract assets** increased \$1.1m driven by capitalised cost of obtaining contracts with customers.

**Other financial assets** decreased \$4.2m mostly driven by \$5.4m sale of fixed income financial assets held as part of the operational risk financial requirement on behalf of superannuation funds, partially offset by the

recognition of deferred sales consideration from businesses divested.

**Other assets** decreased by \$12.4m primarily driven by \$15.8m decrease in associates, \$1.4m decrease in net defined benefit plan asset and \$0.1m decrease in current tax assets, partially offset by \$4.9m increase in prepayments.

**Assets and liabilities classified as held for sale** have decreased by \$10.6m and \$6.5m respectively due to the sale of assets.

**Property, equipment and right-of-use assets** decreased by \$3.5m which was driven by \$19.8m depreciation expenses and \$8.3m disposals, partially offset by \$24.6m additions.

**Intangible assets** decreased by \$22.5m driven by \$37.3m amortisation expenses, partially offset by \$14.8m addition of adviser books.

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# Directors' Report

Operating and financial review

## Financial performance (continued)

**Payables** decreased by \$81.8m primarily due to the \$64.3m legal settlements paid.

**Other financial liabilities** increased by \$4.1m primarily driven by deferred purchase consideration payable relating to the purchase of adviser books.

**Provisions** decreased by \$88.5m driven by \$34.1m remediation payments and program costs paid and \$54.2m net decrease in employee entitlement provisions.

**Lease liabilities** increased by \$2.7m driven by \$14.4m additions and \$6.9m interest expenses, partially offset by \$18.6m lease payments net of incentives.

**Borrowings** decreased by \$79.2m due to \$117.2m principal and interest repayments, partially offset by \$23.0m accrued interest and \$15.0m drawdowns.

**Net deferred tax assets** decreased by \$39.9m mainly driven by the timing associated with the payment of provisions and accrued expenses.

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# Directors' Report

Operating and financial review



## Advice

Our employed advice businesses, Bridges and Shadforth, provide comprehensive financial advice.

### Financial performance

\$m	1H26	2H25	1H25
UNPAT	18.4	15.2	11.8
Net revenue	85.9	82.6	78.0
Operating expenses*	55.7	56.9	57.1
NPAT	12.2	8.4	4.7

\* Operating expenses include base and reinvestment operating expenses.

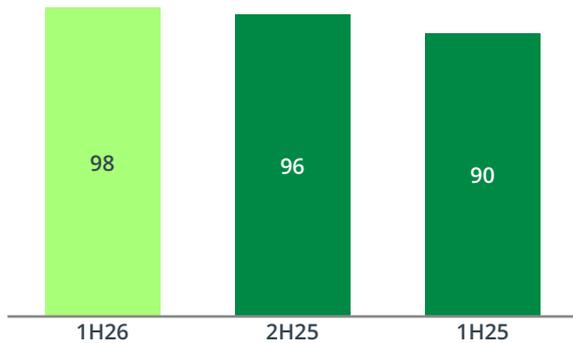
The increase in UNPAT in comparison with 1H25 is driven by higher net revenue and lower operating expenses.

The increase in net revenue in comparison with 1H25 is mainly due to higher average advice fees, new client growth and modest growth in asset-based fee income in Shadforth.

The reduction in operating expenses in comparison with 1H25 is driven by cost optimisation benefits, partially offset by salary increases.

The increase in NPAT in comparison with 1H25 is primarily driven by the improvement in UNPAT.

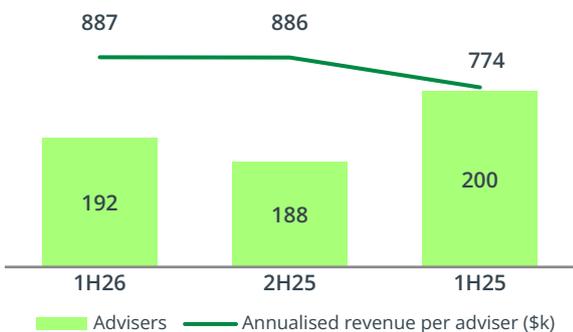
### Clients per adviser



The growth in clients per adviser in comparison with 1H25 is driven by:

- new client growth; and
- improved adviser efficiency.

### Revenue per adviser



The growth in annualised revenue per adviser in comparison with 1H25 is driven by:

- focus on higher value clients; and
- higher asset-based fee income reflecting favourable market performance.

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# Directors' Report

Operating and financial review



## Wrap

We have built a strong and contemporary technology platform and remain committed to investing in technology and our services to support the changing needs of advisers and their clients.

### Financial performance

\$m	1H26	2H25	1H25
UNPAT	48.7	43.5	39.7
Net revenue	147.2	140.7	142.5
Operating expenses*	70.9	73.5	80.6
NPAT	40.9	31.3	24.5
Closing FUA (\$b)	110.4	102.9	99.1
Net flows (\$m)	2,829	1,537	594

\* Operating expenses include base and reinvestment operating expenses.

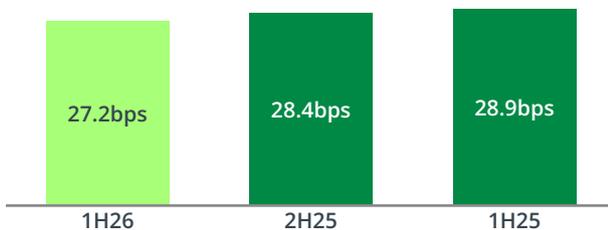
The increase in UNPAT in comparison with 1H25 is predominantly driven by growth in revenue as a result of higher average FUA over the period along with a decrease in operating expenses.

The increase in net revenue in comparison with 1H25 is a result of higher average FUA driven by strong net flows, performance and market growth, partially offset by margin decline.

The decline in operating expenses in comparison with 1H25 is largely driven by cost optimisation benefits, partially offset by cost inflation.

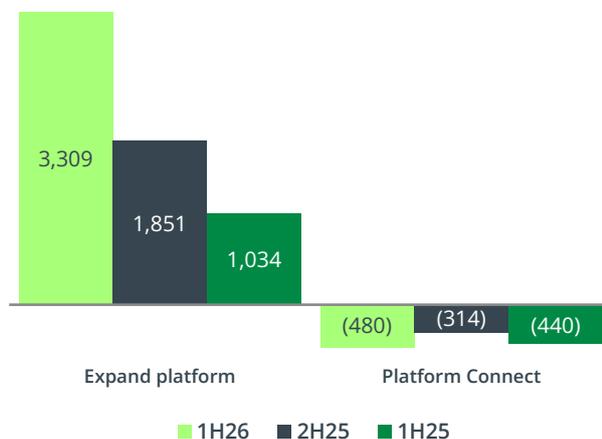
The increase in NPAT in comparison with 1H25 is primarily driven by a reduction in transformation costs along with the uplift in UNPAT.

### Net revenue margin



The decrease in net revenue margin in comparison with 1H25 is largely driven by the repricing of Expand and IOOF Employer Super (including Personal) on 1 June 2025 and product mix changes.

### FUA net flows \$m



Net flows improved significantly in comparison with 1H25 driven by strong performance on the Expand platform.

The growth on the Expand platform is driven by the continued strong momentum in the Expand Advised suite of products.

The decline in Platform Connect (external and in-house white labelled platform offerings) is largely driven by softening of inflows.

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# Directors' Report

Operating and financial review



## Master Trust

As one of the largest superannuation and pension providers in Australia, we offer a number of award-winning solutions used by many of Australia's largest employers and independent advisers.

### Financial performance

\$m	1H26	2H25	1H25
UNPAT	97.0	93.8	90.6
Net revenue	370.3	362.7	372.8
Operating expenses*	222.8	224.7	239.2
NPAT	81.0	56.5	31.3
Closing FUA (\$b)	137.1	135.2	132.3
Net flows (\$m)	(1,543)	(671)	(1,433)

\* Operating expenses include base and reinvestment operating expenses.

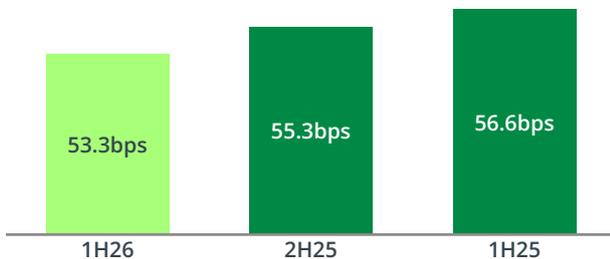
The increase in UNPAT in comparison with 1H25 is driven by a reduction in operating expenses, while net revenue has decreased.

Net revenue decreased in comparison with 1H25 due to margin decline driven by pricing impacts, partially offset by the impact of higher average FUA.

The decrease in operating expenses in comparison with 1H25 is largely due to the realisation of optimisation benefits across both Master Trust Platforms and supporting enablement functions, including the impacts from the new administration partnership with SS&C.

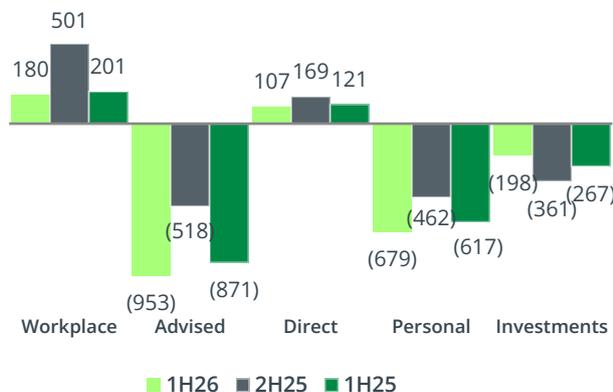
The increase in NPAT in comparison with 1H25 is primarily driven by a reduction in remediation costs and transformation costs along with the uplift in UNPAT.

### Net revenue margin



The decrease in net revenue margin in comparison with 1H25 is driven by pricing impacts from initiatives, including the reductions to the MasterKey and Plum products effective from 1 October 2024 along with reduced Trustee approved funding. An increase in investment costs due to portfolio asset allocation changes has also reduced margin.

### FUA net flows \$m



Net flows have experienced a small decline on 1H25 across all channels except Investments.

The Workplace and Direct channels continue to attract net inflows while net outflows continue in the Advised and Personal channels, which remain a challenge. Execution has begun on strategic initiatives to regain momentum and strengthen our product proposition, including the re-launch of the MLC brand, the new direct-to-consumer offering and working on enhancing the adviser service experience.

Investments have shown improvement but remain in net outflow.

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# Directors' Report

Operating and financial review



## Asset Management

We offer access to a broad suite of investment capabilities across a range of multi-asset and single asset classes, designed to suit a wide range of investor needs and risk profiles.

### Financial performance

\$m	1H26	2H25	1H25
UNPAT	39.5	39.2	42.2
Net revenue	108.7	106.8	111.9
Operating expenses*	51.3	49.9	50.6
NPAT	17.6	30.2	31.3
Closing FUM (\$b)	94.5	92.2	95.4
Net flows (\$m)	(371)	(506)	2,078

\* Operating expenses include base and reinvestment operating expenses.

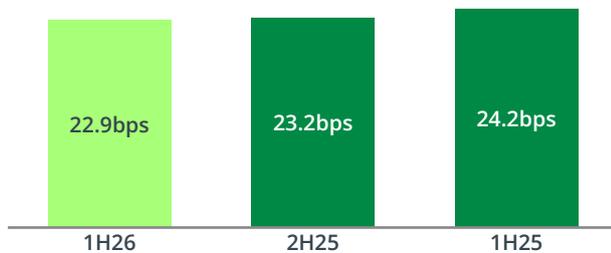
UNPAT decreased by \$2.7m in comparison with 1H25 driven primarily by a decline in net revenue and an increase in operating expenses.

Net revenue decreased due to sale of the UK commercial property investment manager in October 2025 and the repricing of the MLC Multi Series suite of diversified funds in June 2025, partially offset by underlying growth in average FUM from markets.

Operating expenses increased marginally due to cost inflation and higher marketing expenses, partially offset by the realisation of cost optimisation benefits.

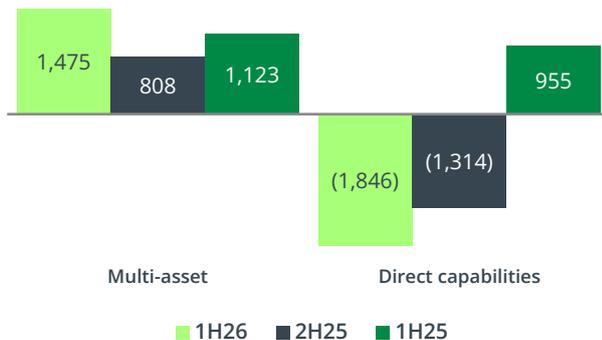
NPAT decreased \$13.7m versus 1H25 driven primarily by the impairment of an investment in associate (Intermede), partially offset by a reduction in transformation costs and the completion of separation activities.

### Net revenue margin



Net revenue margin reduced by 1.3bps versus 1H25 primarily as a result of repricing of the MLC Multi Series suite of diversified funds in June 2025.

### FUM net flows \$m



Net flows declined compared to 1H25 despite an increase in net inflows in multi-asset (\$1.5bn for 1H26) from MLC's managed accounts and traditional diversified funds.

Net outflows of \$1.8bn in direct capabilities were predominantly due to institutional rebalancing in the fixed income capability versus positive net inflows in 1H25 following the funding of a new institutional mandate.

Closing FUM declined despite strong market growth due to the sale of the UK commercial property investment manager in 1H26.

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# Directors' Report

Operating and financial review

## Corporate

The Corporate segment comprises group functions required to support the Group and operating segments. Activities performed by the segment are of a strategic, shareholder or governance nature and reflect centralised corporate expenses. The segment also includes the financial results from the Group's divestment program.

### Financial performance

\$m	1H26	2H25	1H25
UNPAT	(71.5)	(61.2)	(60.0)
Net revenue	6.1	6.1	0.6
Base operating expenses	48.5	54.3	52.5
Reinvestment operating expenses	30.8	10.0	2.2
NPAT (loss after tax)	(72.9)	(93.5)	(108.6)

Net revenue has increased in comparison with 1H25 primarily due to the loss on the divestment of Rhombus Advisory in 1H25.

Base operating expenses have decreased due to the realisation of cost optimisation benefits, partially offset by impact of inflation.

Reinvestment operating expenses are now reported within UNPAT and include transformation related costs, including those associated with the Master Trust transformation, as well as additional investment in Wrap capabilities, AI and data. Prior period costs relate to early reinvestment in 2030 strategy initiatives.

The favourable movement in NPAT (loss after tax) in comparison with 1H25 is mainly driven by the 1H25 unrealised fair value loss on the embedded derivative associated with the SLNs and completion of NAB separation.

### Capital and liquidity management

Capital and liquidity positions are assessed on a monthly basis to ensure licence requirements and lending covenants are met at all times. As part of this process any capital or liquidity surplus/needs across the Group are identified and addressed. Existing balance sheet capacity is expected to remain sufficient for the coming years.

#### Capital management

The Group's capital management principles are to maximise returns to shareholders through enabling the execution of the Group's strategy whilst remaining compliant with the Group's Risk Appetite Statement (RAS) and working and regulatory capital requirements.

As part of its capital management strategy, the Group continually assesses whether it is optimising its use of capital and may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or adjust debt levels. The Group monitors capital through the Group's risk appetite framework, managing it as investment, working and regulatory capital.

#### Liquidity management

The Group actively manages liquidity risk by maintaining an appropriate framework of liquidity sources to satisfy current and forecast liquidity needs and continual monitoring of consolidated forecast and actual cash flows. Surplus funds are generally only invested in instruments that are tradeable in highly liquid markets. In addition, a 3-year forecast of cash flows is prepared on a monthly basis to assist in ensuring there is sufficient liquidity within the Group.

The subordinated loan notes (SLNs) issued by the Group are due to be redeemed on 31 May 2026. The Group intends to use available cash and tranche E of the Syndicated Facility Agreement (SFA) to redeem the SLNs when due.

At 31 December 2025, the Group has \$488.0m (30 June 2025: \$401.4m) available out of a total SFA facility limit of \$1,055.0m (30 June 2025: \$1,055.0m). The SFA had a debt duration profile of approximately 2.5 years (calculated on a facility limit basis) (30 June 2025: 3.0 years). The Group complied with all facility covenants throughout the period.

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# Directors' Report

Operating and financial review

## Capital and liquidity management (continued)

### Dividends

No dividend has been declared for the interim period ended 31 December 2025 per the terms of the Scheme Implementation Deed (SID) with CC Capital for the acquisition of all of the issued shares of the Company by way of a scheme of arrangement (the Scheme). If the Scheme has not become effective by 22 July 2026, the Company is permitted to pay a special cash dividend, based on a 50% payout of the UNPAT for each calendar month that has elapsed from (and including) 22 July 2026 to (and including) the date of the Scheme meeting, conditional on the Scheme becoming effective and other conditions as set out in the SID (Special Dividend). If a Special Dividend is paid, it will not reduce the Scheme consideration. Any such special dividend will be considered by the Board closer to the time, but prior to implementation, of the Scheme. Dividends will otherwise remain paused.

## Environmental, social and governance

At Insignia Financial, we recognise that sustainability and impact are not standalone initiatives, they are embedded in how we operate, make decisions, and deliver value. We seek to create sustainable, long-term value for our customers, people, and shareholders through the incorporation of environmental, social and governance (ESG) factors into our decision-making processes across the organisation.

### Environmental sustainability

We continue to strengthen our approach to climate-related risk management and disclosure. In August 2025, we released the FY25 Climate Report (unaudited) which demonstrates considerable progress towards compliance with the Australian Sustainability Reporting Standards (ASRS) AASB S2. The report outlines our governance, strategy, risk management, and metrics and targets for climate-related risks and opportunities, including operational greenhouse gas emissions reduction targets for Scope 1 and 2.

In October 2025, we published our FY25 Sustainability & Impact Report, providing a comprehensive update on progress against ESG targets and activities across material topics, including environmental sustainability, social impact, and governance practices.

Work is underway to implement systems and collate data to calculate financed emissions across our investment portfolios, a key step in meeting emerging regulations and stakeholder expectations. This forms part of our broader approach to assessing climate-related financial risks and opportunities.

### Community sustainability - Reconciliation

Our first Innovate Reconciliation Action Plan concluded earlier in the year with 100% of all actions completed. With strong learnings from the past three years, our second Innovate Reconciliation Action Plan was launched in October 2025 with a sharper focus on economic participation for customers and suppliers, as well as cultural learning for our employees. The Reconciliation Action Plan will be delivered in conjunction with First Nations-led partners.

### Upcoming ESG developments

The Group has commenced the process of assessing the financial and non-financial ESG impacts on our business. This will inform a planned refresh of our Sustainability Strategy. This assessment strengthens our understanding of both financial and non-financial ESG impacts to our business and will guide future ASRS-aligned disclosures, ensuring we meet evolving stakeholder expectations and regulatory requirements.

Following the delivery of the IFL FY25 Climate Report, the Group is well positioned to deliver on its mandatory climate disclosure requirements in FY26, in alignment with AASB S2.

## Risk management

The Board is responsible for establishing and overseeing the Group's Risk Management Framework (RMF) and has delegated authority for the oversight and monitoring of the RMF to the Group Risk and Compliance Committee and the Chief Executive Officer (or their delegate).

# Directors' Report

Operating and financial review

## Risk management (continued)

The RMF constitutes a clearly defined framework of proactive risk identification, assessment and targeted management of risk across all Insignia Financial's business operations.

The key pillars of the RMF include:

- The Group Risk Management Strategy (RMS) which articulates the Group's approach to the implementation of its strategic objectives and the key elements of the RMF that give effect to the strategy. It also includes a description of each material risk, including key roles and responsibilities for managing the risk, and outlines the risk governance structure;
- The Group RAS, which sets out the Board's expectations regarding the degree of risk that the Group is prepared to accept in pursuit of strategic and business objectives, giving consideration to the interests of customers, shareholders and other stakeholders;
- The Group Risk Management Policy (RMP) which sets out the methodology to identify, assess, manage, analyse, monitor and report on those risks that could impact the achievement of strategic objectives, impact core processes and/or result in non-compliance with obligations;
- A Three Lines of Accountability (3LoA) model to govern risk management and compliance activities across the Group. The 3LoA model represents the three lines of risk management that facilitate the effective operation of the RMF. The overarching principle is that the management of risk is primarily a business accountability; and
- The Risk Culture principles, which are essential for effective risk management outcomes that support the Group's financial and operational resilience.

In November 2022, APRA imposed additional licence conditions on the Registrable Superannuation Entity Licensees (RSELS). These conditions included:

- Enhancement of the RSELS' governance in relation to member outcomes, oversight of service providers, risk, compliance and managing conflicts of interest;

- Appointment of an independent expert to examine the operational effectiveness of the RSELS' governance, accountability and risk management frameworks and practices; and
- Rectification of areas of concern with input from the independent expert.

Additionally, APRA required:

- I.O.O.F Investment Management Limited to comply with its legal obligation in relation to the transfer of member benefits; and
- OnePath Custodians Pty Limited (OPC) to appoint an independent expert to provide root cause analysis and assurance in relation to the breach of APRA's direction.

A Rectification Action Plan was developed and the Group has made significant progress in addressing rectification activities, with over 90% of milestones completed to date. The Rectification Action Plan is expected to be completed in December 2026.

In July 2024, APRA agreed to accept a court enforceable undertaking (CEU) from OPC pledging to rectify compliance deficiencies and compensate members. The CEU is publicly available and relates to the conduct for which APRA issued the infringement notices as well as the ongoing remediation of a breach relating to accrued default amounts.

OPC has acknowledged APRA's concerns in the CEU and has committed to:

- identify, rectify, and remediate all members adversely affected by the breaches with input from an independent expert;
- allocate additional resources to replenish the Operational Risk Financial Requirement to 100% of the target balance of 0.25% of funds under management; and
- hold \$40m<sup>1</sup> of its existing Operational Risk Financial Requirement assets as an overlay until OPC has satisfied the terms of the CEU.

<sup>1</sup> Included as cash – restricted as part of ORFR in Note 9 *Cash and cash equivalents* of the financial statements.

# Directors' Report

The Directors present their report together with the interim financial report of the Insignia Financial Group for the six months ended 31 December 2025 and the independent auditor's review report thereon. The operating and financial review is part of the Directors' report.

## Directors

The names and details of the Directors of Insignia Financial Ltd holding office during the six months to 31 December 2025 and as at the date of this report are listed below. Directors were in office for this entire period unless otherwise stated.

Name	Role
Mr Allan Griffiths	Independent Non-Executive Director and Chairman
Mr Scott Hartley	Chief Executive Officer and Executive Director
Mr Andrew Bloore	Independent Non-Executive Director
Ms Jodie Hampshire	Independent Non-Executive Director
Ms Gai McGrath	Independent Non-Executive Director
Mr John Selak	Independent Non-Executive Director, resigned effective 20 November 2025
Ms Michelle Somerville	Independent Non-Executive Director

The Group Nominations Committee reviews the balance of skills, experience, independence, knowledge and diversity of Directors. This involves the creation of a board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.

## Events occurring after balance date

The Directors are not aware of any matter or circumstance not otherwise dealt with in this report, or the accompanying financial statements and notes thereto, that has arisen since 31 December 2025 that has significantly affected, or may significantly affect:

- the Group's operations in future financial periods; or
- the results of those operations in future financial periods; or
- the Group's state of affairs in future financial periods.

## Lead auditor's independence declaration

The lead auditor's independence declaration is included on page 20 of the interim financial report and forms part of the Directors' Report for the six months ended 31 December 2025.

## Rounding off of amounts

The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, and in accordance with that instrument amounts in the financial report are rounded off to the nearest one hundred thousand dollars, unless otherwise stated.

## Authorisation

The Directors' Report is signed in accordance with a resolution of the Directors made pursuant to s306(3) of the *Corporations Act 2001*.



Mr Allan Griffiths  
Chairman  
Melbourne  
19 February 2026

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**Shape the future  
with confidence**

Ernst & Young  
200 George Street  
Sydney NSW 2000 Australia  
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555  
Fax: +61 2 9248 5959  
ey.com/au

## Auditor's independence declaration to the directors of Insignia Financial Ltd

As lead auditor for the review of the half-year financial report of Insignia Financial Ltd for the half-year ended 31 December 2025, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Insignia Financial Ltd and the entities it controlled during the financial period.

*Ernst & Young*

Ernst & Young

*APC*

Andrew Price  
Partner  
19 February 2026

# Condensed consolidated statement of comprehensive income

For the six months ended 31 December 2025

For the six months ended		31 Dec 25	31 Dec 24
	Note	\$m	\$m
Revenue	3	830.0	769.9
Expenses	4	(675.6)	(792.6)
Interest income on financial assets measured at amortised cost		8.8	9.0
Impairment expense	5	(17.5)	(0.2)
Share of profits of associates accounted using the equity method		5.2	3.5
Finance costs		(33.1)	(33.6)
<b>Profit/(loss) before tax</b>		<b>117.8</b>	<b>(44.0)</b>
Income tax (expense)/benefit	6	(39.0)	27.2
<b>Profit/(loss) for the period</b>		<b>78.8</b>	<b>(16.8)</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of defined benefit plan asset		(1.8)	1.2
Income tax benefit/(expense) on other comprehensive income		0.5	(0.4)
		(1.3)	0.8
<b>Items that may be reclassified to profit or loss</b>			
Exchange differences on translating foreign operations		(0.7)	1.0
Income tax benefit/(expense) on other comprehensive income		0.2	(0.3)
		(0.5)	0.7
<b>Other comprehensive income for the period, net of tax</b>		<b>(1.8)</b>	<b>1.5</b>
<b>Total comprehensive income for the period</b>		<b>77.0</b>	<b>(15.3)</b>
Profit/(loss) attributable to:			
Owners of the Company		78.8	(16.8)
<b>Profit/(loss) for the period</b>		<b>78.8</b>	<b>(16.8)</b>
Total comprehensive income attributable to:			
Owners of the Company		77.0	(15.3)
<b>Total comprehensive income for the period</b>		<b>77.0</b>	<b>(15.3)</b>
<b>Earnings per share</b>			
Basic earnings per share (cents per share)	8	11.8	(2.5)
Diluted earnings per share (cents per share)	8	11.8	(2.5)

Notes to the condensed consolidated financial statements are included on pages 26 to 44.

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# Condensed consolidated statement of financial position

As at 31 December 2025

	Note	31 Dec 25	30 Jun 25
		\$m	\$m
<b>Assets</b>			
Cash and cash equivalents	9	416.4	476.3
Receivables	10	327.0	356.0
Contract assets	11	1.1	-
Other financial assets	12	181.2	185.4
Current tax assets		1.0	1.1
Prepayments		53.6	48.7
Assets classified as held for sale		-	10.6
Property, equipment and right-of-use assets	13	189.2	192.7
Net defined benefit plan asset		19.8	21.2
Associates		45.7	61.5
Intangible assets	14	2,331.2	2,353.7
Deferred tax assets	6	21.3	61.2
<b>Total assets</b>		<b>3,587.5</b>	<b>3,768.4</b>
<b>Liabilities</b>			
Payables	15	219.8	301.6
Other financial liabilities	16	11.8	7.7
Provisions	17	200.5	289.0
Liabilities associated with assets classified as held for sale		-	6.5
Lease liabilities		237.4	234.7
Borrowings	18	784.1	863.3
<b>Total liabilities</b>		<b>1,453.6</b>	<b>1,702.8</b>
<b>Net assets</b>		<b>2,133.9</b>	<b>2,065.6</b>
<b>Equity</b>			
Share capital	19	3,042.3	3,052.3
Reserves		14.5	14.7
Accumulated losses		(922.9)	(1,001.4)
<b>Total equity</b>		<b>2,133.9</b>	<b>2,065.6</b>

Notes to the condensed consolidated financial statements are included on pages 26 to 44.

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# Condensed consolidated statement of changes in equity

	Ordinary shares	Treasury shares	Share-based payments reserve	Foreign currency translation reserve	Accumulated losses	Total equity
	\$m	\$m	\$m	\$m	\$m	\$m
<b>For the six months ended 31 December 2025</b>						
Balance at 1 July 2025	3,061.6	(9.3)	13.1	1.6	(1,001.4)	2,065.6
<b>Total comprehensive income for the period</b>						
Profit for the period	-	-	-	-	78.8	78.8
Other comprehensive income net of tax	-	-	-	(0.5)	(1.3)	(1.8)
<b>Total comprehensive income</b>	-	-	-	(0.5)	77.5	77.0
<b>Transactions with owners directly in equity</b>						
Purchase of treasury shares	-	(14.6)	-	-	-	(14.6)
Share-based payments expense net of tax	-	-	6.9	-	-	6.9
Share-based payments reserve transfer	4.6	-	(4.6)	-	-	-
Treasury shares transferred to recipients	(4.7)	4.7	-	-	-	-
Lapsed performance rights transfer	-	-	(1.0)	-	1.0	-
Reclassified to profit or loss upon disposal	-	-	-	(1.0)	-	(1.0)
<b>Total transactions with owners</b>	<b>(0.1)</b>	<b>(9.9)</b>	<b>1.3</b>	<b>(1.0)</b>	<b>1.0</b>	<b>(8.7)</b>
<b>Balance at 31 December 2025</b>	<b>3,061.5</b>	<b>(19.2)</b>	<b>14.4</b>	<b>0.1</b>	<b>(922.9)</b>	<b>2,133.9</b>

Notes to the condensed consolidated financial statements are included on pages 26 to 44.

# Condensed consolidated statement of changes in equity

	Ordinary shares	Treasury shares	Share-based payments reserve	Foreign currency translation reserve	Accumulated losses	Total equity attributable to shareholders	Non-controlling interest	Total equity
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>For the six months ended 31 December 2024</b>								
Balance at 1 July 2024	3,062.3	(8.3)	5.5	0.8	(1,015.4)	2,044.9	(0.5)	2,044.4
<b>Total comprehensive income for the period</b>								
Loss for the period	-	-	-	-	(16.8)	(16.8)	-	(16.8)
Other comprehensive income	-	-	-	0.7	0.8	1.5	-	1.5
<b>Total comprehensive income</b>	-	-	-	0.7	(16.0)	(15.3)	-	(15.3)
<b>Transactions with owners directly in equity</b>								
Purchase of treasury shares	-	(2.3)	-	-	-	(2.3)	-	(2.3)
Share-based payments expense	-	-	4.0	-	-	4.0	-	4.0
Share-based payments reserve transfer	2.0	-	(2.0)	-	-	-	-	-
Treasury shares transferred to recipients	(2.7)	2.7	-	-	-	-	-	-
Lapsed performance rights transfer	-	-	(0.9)	-	0.9	-	-	-
Disposal of non-controlling interests	-	-	-	-	(0.4)	(0.4)	0.5	0.1
<b>Total transactions with owners</b>	<b>(0.7)</b>	<b>0.4</b>	<b>1.1</b>	<b>-</b>	<b>0.5</b>	<b>1.3</b>	<b>0.5</b>	<b>1.8</b>
Balance at 31 December 2024	3,061.6	(7.9)	6.6	1.5	(1,030.9)	2,030.9	-	2,030.9

Notes to the condensed consolidated financial statements are included on pages 26 to 44.

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# Condensed consolidated statement of cash flows

For the six months ended 31 December 2025

For the six months ended		31 Dec 25	31 Dec 24
	Note	\$m	\$m
<b>Cash flows from operating activities</b>			
Receipts from customers		792.8	784.4
Payments to suppliers and employees		(673.2)	(682.8)
Dividends from associates		3.4	4.1
Remediation costs		(30.2)	(103.7)
Transformation costs		(15.8)	(112.5)
Transaction costs		(4.6)	-
Insurance recoveries		13.0	3.0
Legal settlements received		64.3	28.0
Legal settlements paid		(64.3)	-
Income tax paid		(0.9)	(31.8)
Net cash provided by/(used in) operating activities		84.5	(111.3)
<b>Cash flows from investing activities</b>			
Interest received		11.5	13.1
Proceeds on divestment of subsidiaries		0.3	4.3
Payments for intangible assets		(12.7)	-
Net proceeds/(payments) for financial instruments		7.2	(14.6)
Payments for property and equipment		(10.0)	(28.1)
Receipts for disposal of property		1.5	-
Lease incentive received		-	19.8
Net cash used in investing activities		(2.2)	(5.5)
<b>Cash flows from financing activities</b>			
Drawdown of borrowings		15.0	158.0
Repayment of borrowings (principal)		(95.0)	-
Interest and other costs of finance paid		(24.7)	(24.6)
Repayment of lease liabilities		(23.2)	(23.7)
Acquisition of treasury shares		(14.6)	(2.3)
Net cash (used in)/provided by financing activities		(142.5)	107.4
Net decrease in cash and cash equivalents		(60.2)	(9.4)
Cash and cash equivalents at the beginning of the period	9	476.3	421.7
Effects of exchange rate movements		0.3	(0.5)
<b>Cash and cash equivalents at the end of the period</b>	<b>9</b>	<b>416.4</b>	<b>411.8</b>

Notes to the condensed consolidated financial statements are included on pages 26 to 44.

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# Notes to the financial statements

For the six months ended 31 December 2025

## Section 1 – Basis of preparation

This section sets out the Group's accounting policies that relate to the financial statements as a whole. This section also shows new accounting standards, amendments and interpretations, and whether they are effective in financial year 2026 or later reporting periods.

### 1 Basis of preparation

#### Reporting entity

Insignia Financial Ltd (the 'Company') is a public company listed on the Australian Securities Exchange (trading under the symbol 'IFL'), domiciled in Australia. The interim financial report for the six months ended 31 December 2025 comprises the Company and its controlled entities (collectively, the Group or the Insignia Financial Group).

The Insignia Financial Group is a for-profit entity. The principal activities of the Group are:

- **Advice:** the Group's employed advice businesses, Bridges and Shadforth, provide comprehensive financial advice.
- **Wrap:** the Group has built a strong and contemporary technology platform and remains committed to investing in technology and services to support the changing needs of advisers and their clients.
- **Master Trust:** As one of the largest superannuation and pension providers in Australia, the Group offers a number of award-winning solutions used by many of Australia's largest employers and independent advisers.
- **Asset Management:** the Group offers access to a broad suite of investment capabilities across a range of multi-asset and single asset classes, designed to suit a wide range of investor needs and risk profiles.

The annual financial report of the Group for the year ended 30 June 2025 is available upon request from the Company's registered office or at [www.insigniafinancial.com.au](http://www.insigniafinancial.com.au).

The Company's registered office and its principal place of business are Level 1, 800 Bourke Street, Docklands Victoria 3008.

#### Basis of preparation

##### (a) Statement of compliance

The condensed consolidated interim financial report for the half-year reporting period ended 31 December 2025 has been prepared in accordance with *AASB 134 Interim Financial Reporting* and the *Corporations Act 2001*. This interim report does not include all the notes of the type normally included in an annual financial report.

Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2025. This interim financial report was approved by the Board of Directors on 19 February 2026.

##### (b) Use of estimates and judgements

Management is required to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Areas of estimation uncertainty and the basis of key judgements applied by management in preparing the condensed consolidated interim financial report are consistent with those that were applied and disclosed in the annual financial report for the year ended 30 June 2025.

##### (c) Rounding of amounts

The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* and in accordance with that instrument amounts in the Directors' report and the interim financial report are rounded off to the nearest \$100,000, unless otherwise stated.

##### (d) Comparatives

Where necessary, comparative information has been restated to conform to changes in presentation in the current period.

# Notes to the financial statements

For the six months ended 31 December 2025

## 1 Basis of preparation (continued)

### Other material accounting policies

The accounting policies applied in this condensed consolidated interim financial report are consistent with those applied in the Group's annual financial report for the year ended 30 June 2025.

### New accounting standards and amendments to accounting standards issued but not yet effective

A number of new standards and amendments to accounting standards have been issued but are not yet effective, have not been early adopted by the Group. These standards and amendments to accounting standards, when applied in future periods, are not

expected to have a material impact on the financial position or financial performance of the Group other than discussed below:

#### ***AASB 18 Presentation and Disclosure in Financial Statements***

*AASB 18 Presentation and Disclosure in Financial Statements* will be applicable to the Group for the 30 June 2028 financial year. The standard will replace *AASB 101 Presentation of Financial Statements*. The standard establishes key presentation and disclosure requirements including newly defined subtotals in the statement of profit or loss, the disclosure of management-defined performance measures and enhanced requirements for grouping information.

# Notes to the financial statements

For the six months ended 31 December 2025

## Section 2 – Results for the period

This section focuses on the results and performance of the Group. The following pages explain the Group's results for the period, segment information, dividends, taxation and earnings per share.

### 2 Operating segments

The Chief Executive Officer is the Group's chief operating decision maker (CODM) for the purpose of segment reporting. The Group's operating model consists of five operating segments which are also the Group's reportable segments: Advice, Wrap, Master Trust, Asset Management and Corporate. Segment measures, as reported to the CODM, are net of inter-segment transactions.

Segment performance is measured on an underlying profit after income tax (UNPAT) basis as discussed in the Operating and Financial Review section of the Directors' Report. Management believes that UNPAT is the most relevant measurement in evaluating the performance of each segment.

#### Advice

The Advice segment includes the Group's employed advice businesses, Bridges and Shadforth. These businesses provide comprehensive financial advice.

#### Wrap

The Wrap segment offers a strong and contemporary technology platform and remains committed to investing in technology and services to support the changing needs of advisers and their clients.

#### Master Trust

As one of the largest superannuation and pension providers in Australia, the Master Trust segment offers a number of award-winning solutions used by many of Australia's largest employers and independent advisers.

#### Asset Management

The Asset Management segment offers access to a broad suite of investment capabilities across a range of multi-asset and single asset classes, designed to suit a wide range of investor needs and risk profiles.

#### Corporate

The Corporate segment comprises group functions required to support the Group and operating segments. Activities performed by the segment are of a strategic, shareholder or governance nature and reflect centralised corporate expenses. The segment also includes the financial results from the Group's divestment program.

# Notes to the financial statements

For the six months ended 31 December 2025

## 2 Operating segments (continued)

For the six months ended 31 December 2025	Advice	Wrap	Master Trust	Asset Management	Corporate	Total
	\$m	\$m	\$m	\$m	\$m	\$m
Management and service fees revenue	86.7	158.6	395.3	156.3	4.4	801.3
Other revenue	-	1.2	19.6	-	1.9	22.7
Share of profits of associates	-	-	-	4.6	0.6	5.2
Service fees and other direct costs	(0.8)	(12.6)	(44.6)	(52.2)	(0.8)	(111.0)
<b>Net revenue</b>	<b>85.9</b>	<b>147.2</b>	<b>370.3</b>	<b>108.7</b>	<b>6.1</b>	<b>718.2</b>
Base operating expenses	(55.7)	(70.9)	(222.8)	(51.3)	(48.5)	(449.2)
Reinvestment operating expenses	-	-	-	-	(30.8)	(30.8)
Share-based payments expense	(1.1)	(1.3)	(2.4)	(0.7)	(3.0)	(8.5)
Depreciation of property, equipment and right-of-use assets	(2.2)	(3.7)	(9.5)	(1.7)	(2.7)	(19.8)
Amortisation of intangible assets (other than acquisition related)	-	(1.0)	(0.4)	(0.1)	-	(1.5)
Impairment recovery	0.1	-	-	-	-	0.1
Finance income	0.2	0.7	6.9	0.2	3.5	11.5
Finance costs	(0.8)	(1.4)	(3.5)	(0.6)	(26.8)	(33.1)
Income tax (expense)/benefit	(8.0)	(20.9)	(41.6)	(15.0)	30.7	(54.8)
<b>UNPAT</b>	<b>18.4</b>	<b>48.7</b>	<b>97.0</b>	<b>39.5</b>	<b>(71.5)</b>	<b>132.1</b>
Transformation costs	-	(3.5)	(7.9)	(1.3)	(3.1)	(15.8)
Amortisation of acquired intangibles	(9.4)	(7.6)	(14.0)	(4.8)	-	(35.8)
Net gains/(losses) on financial instruments	-	-	0.7	-	(0.5)	0.2
Transaction costs	-	-	-	-	(4.6)	(4.6)
Remediation recoveries	0.8	-	-	-	2.9	3.7
Legal settlement expenses	-	-	(1.8)	-	(0.6)	(2.4)
Impairment expense	-	-	-	(17.6)	-	(17.6)
Gains on divestment of assets	-	-	-	-	3.2	3.2
Income tax attributable	2.4	3.3	7.0	1.8	1.3	15.8
<b>Profit/(loss) for the period</b>	<b>12.2</b>	<b>40.9</b>	<b>81.0</b>	<b>17.6</b>	<b>(72.9)</b>	<b>78.8</b>

# Notes to the financial statements

For the six months ended 31 December 2025

## 2 Operating segments (continued)

For the six months ended 31 December 2024	Advice	Wrap	Master Trust	Asset Management	Corporate	Total
	\$m	\$m	\$m	\$m	\$m	\$m
Management and service fees revenue	79.4	153.0	393.1	144.5	5.4	775.4
Other revenue	-	1.9	21.8	0.1	(3.7)	20.1
Share of profits of associates	(0.1)	-	-	3.5	0.1	3.5
Service fees and other direct costs	(1.3)	(12.4)	(42.1)	(36.2)	(1.2)	(93.2)
<b>Net revenue</b>	<b>78.0</b>	<b>142.5</b>	<b>372.8</b>	<b>111.9</b>	<b>0.6</b>	<b>705.8</b>
Base operating expenses	(57.1)	(80.6)	(239.2)	(50.6)	(52.5)	(480.0)
Reinvestment operating expenses	-	-	-	-	(2.2)	(2.2)
Share-based payments expense	(0.5)	(0.6)	(0.9)	(0.5)	(1.5)	(4.0)
Depreciation of property, equipment and right-of-use assets	(3.2)	(4.3)	(10.1)	(1.7)	(3.2)	(22.5)
Amortisation of intangible assets (other than acquisition related)	-	(0.1)	(0.2)	-	(0.1)	(0.4)
Impairment (expenses)/recovery	(0.2)	0.1	(0.1)	-	-	(0.2)
Finance income	0.3	0.3	8.7	0.1	3.7	13.1
Finance costs	(0.4)	(0.6)	(1.6)	(0.4)	(30.6)	(33.6)
Income tax (expense)/benefit	(5.1)	(17.0)	(38.8)	(16.6)	25.8	(51.7)
<b>UNPAT</b>	<b>11.8</b>	<b>39.7</b>	<b>90.6</b>	<b>42.2</b>	<b>(60.0)</b>	<b>124.3</b>
Transformation costs	-	(18.8)	(50.6)	(10.8)	(34.5)	(114.7)
Amortisation of acquired intangibles	(9.3)	(8.5)	(11.4)	(4.8)	(0.1)	(34.1)
Net gains/(losses) on financial instruments	-	-	1.8	-	(34.8)	(33.0)
Remediation recoveries/(expenses)	-	5.4	(2.4)	-	-	3.0
Legal settlement expenses	-	-	(41.3)	-	-	(41.3)
Income tax attributable	2.2	6.7	44.6	4.7	20.8	79.0
<b>Profit/(loss) for the period</b>	<b>4.7</b>	<b>24.5</b>	<b>31.3</b>	<b>31.3</b>	<b>(108.6)</b>	<b>(16.8)</b>

# Notes to the financial statements

For the six months ended 31 December 2025

## 3 Revenue

For the six months ended	31 Dec 25	31 Dec 24
	\$m	\$m
<b>Management and service fees revenue</b>		
Management and administration fees	608.0	603.7
Financial planning revenue	91.0	84.8
Other management and service fees revenue	102.3	86.9
<b>Management and service fees revenue</b>	<b>801.3</b>	<b>775.4</b>
<b>Other revenue</b>		
Interest income on financial assets measured at fair value	2.5	4.1
Net fair value gain/(loss) on financial instruments at fair value through profit or loss	0.2	(33.0)
Gain on disposal of assets	5.1	-
Sundry income	20.9	23.4
<b>Other revenue</b>	<b>28.7</b>	<b>(5.5)</b>
<b>Total revenue</b>	<b>830.0</b>	<b>769.9</b>

## 4 Expenses

### Expenses by function

The table below provides a breakdown of expenses by function.

For the six months ended	31 Dec 25	31 Dec 24
	\$m	\$m
Service fee expense	74.8	64.4
Other direct costs	36.2	28.8
<b>Service fees and other direct costs</b>	<b>111.0</b>	<b>93.2</b>
Salaries and related employee expenses (excluding superannuation)	267.7	303.8
Employee defined contribution plan expense	19.4	29.9
Share-based payments expense	8.5	4.0
<b>Salaries and related employee expenses</b>	<b>295.6</b>	<b>337.7</b>
Information technology and outsourcing costs	123.9	78.0
<b>Information technology and outsourcing costs</b>	<b>123.9</b>	<b>78.0</b>
Transformation costs	15.8	114.7
Transaction costs	4.6	-
<b>Transformation and transaction costs</b>	<b>20.4</b>	<b>114.7</b>
Depreciation of property, equipment and right-of-use assets	19.8	22.5
Amortisation of intangible assets	37.3	34.5
<b>Amortisation and depreciation expenses</b>	<b>57.1</b>	<b>57.0</b>
Professional fees	25.6	25.1
Office support and administration	19.6	27.9
Occupancy related expenses	8.2	8.2
Marketing	10.5	5.2
Travel and entertainment	3.8	3.1
<b>Administrative expenses</b>	<b>67.7</b>	<b>69.5</b>
Legal settlement expenses	2.4	41.3
Structured remediation recovery	(3.7)	(3.0)
<b>Remediation costs</b>	<b>(1.3)</b>	<b>38.3</b>
Net loss on disposal of assets	-	3.3
Other	1.2	0.9
<b>Other expenses</b>	<b>1.2</b>	<b>4.2</b>
<b>Total expenses</b>	<b>675.6</b>	<b>792.6</b>

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# Notes to the financial statements

For the six months ended 31 December 2025

## 4 Expenses (continued)

### Expenses by nature

The table below provides a breakdown of expenses by nature:

For the six months ended	31 Dec 25	31 Dec 24
	\$m	\$m
Salaries and related employee expenses (excluding superannuation)	289.8	361.5
Employee defined contribution plan expense	19.4	29.9
Share-based payments expense	8.5	4.0
Investment management and other services expense	74.8	64.4
Custodian fees	13.1	11.7
Funds administration fees	6.2	7.1
Other funds related costs	6.8	3.7
Legal settlement expenses	2.4	41.3
Remediation (recovery)/costs	(0.9)	1.8
Amortisation of intangible assets	37.3	34.5
Depreciation of property, equipment and right-of-use assets	19.8	24.6
Information technology and outsourcing costs	123.9	119.3
Professional fees	31.1	39.6
Office support and administration	19.6	28.4
Occupancy related expenses	8.2	8.2
Marketing	10.5	5.6
Travel and entertainment	3.8	3.2
Net loss on disposal of assets	-	3.3
Other	1.3	0.5
<b>Total expenses</b>	<b>675.6</b>	<b>792.6</b>

### Other direct costs by nature

The table below provides a breakdown of other direct costs by nature:

For the six months ended	31 Dec 25	31 Dec 24
	\$m	\$m
Custodian fees	13.1	11.7
Funds administration fees	6.2	7.1
Remediation costs	3.3	4.8
Other funds related costs	6.7	3.2
Salaries and related employee expenses	6.6	1.5
Other	0.3	0.5
<b>Other direct costs</b>	<b>36.2</b>	<b>28.8</b>

### Transformation costs by nature

The table below provides a breakdown of transformation costs by nature:

For the six months ended	31 Dec 25	31 Dec 24
	\$m	\$m
Salaries and related employee expenses	15.5	56.2
Information technology costs	-	41.3
Professional fees	4.8	14.5
Depreciation of property, equipment and right-of-use assets	-	2.1
General administration and other	0.1	0.6
<b>Transformation and transaction costs</b>	<b>20.4</b>	<b>114.7</b>

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# Notes to the financial statements

For the six months ended 31 December 2025

## 5 Impairment expense

	31 Dec 25	31 Dec 24
	\$m	\$m
Impairment of investment in associates	17.6	-
Bad debts (recovery)/expense	(0.1)	0.2
<b>Total impairment expense</b>	<b>17.5</b>	<b>0.2</b>

Impairment of investment in associates relates to the Group's investment in Intermede Investment Partners Limited (Intermede), represented by the difference between its carrying amount of \$55.1m and its recoverable amount of \$37.5m. The impairment has been driven by Intermede experiencing lower cash flows as a result of net outflows in its funds under management.

## 6 Income taxes

### Income taxes

For the six months ended	31 Dec 2025		31 Dec 2024	
	%	\$m	%	\$m
<b>Reconciliation of effective tax rate</b>				
Profit/(loss) before tax		117.8		(44.0)
Income tax expense/(benefit) at 30%	30.0	35.3	30.0	(13.2)
<i>Tax effect of:</i>				
Non-assessable income from legal settlement		(0.2)		(13.5)
Non-deductible impairment expense		5.3		0.2
Other non-deductible expenses		0.6		0.4
Non-assessable income from the share of profits of associates		(1.6)		(1.0)
Assessable associate dividends		1.0		0.5
Imputation and foreign tax credits		(1.0)		(0.5)
Foreign tax rate differential		(0.1)		(0.9)
Tax on disposal of subsidiaries		(0.6)		1.3
Other		0.3		(0.5)
<b>Income tax expense/(benefit)</b>	<b>33.1</b>	<b>39.0</b>	<b>61.8</b>	<b>(27.2)</b>

### Deferred tax assets and liabilities

	31 Dec 25	30 Jun 25
	\$m	\$m
<b>Deferred tax assets from temporary differences</b>		
Employee entitlements	41.4	57.0
Provisions and accruals	21.7	39.1
Carry forward capital and revenue losses	70.0	68.5
Lease liability	71.2	70.4
Legal settlement	1.8	19.3
Other	9.3	17.4
<b>Deferred tax assets before set-off</b>	<b>215.4</b>	<b>271.7</b>
Set-off of deferred tax liabilities	(194.1)	(210.5)
<b>Net deferred tax assets</b>	<b>21.3</b>	<b>61.2</b>
<b>Deferred tax liabilities</b>		
Unrealised gains	5.9	6.4
Intangible assets	132.4	146.7
Property, equipment and right-of-use assets	45.8	52.8
Other	10.0	4.6
<b>Deferred tax liabilities</b>	<b>194.1</b>	<b>210.5</b>
Set off of deferred tax assets	(194.1)	(210.5)
<b>Net deferred tax liabilities</b>	<b>-</b>	<b>-</b>

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# Notes to the financial statements

For the six months ended 31 December 2025

## 7 Dividends

No interim dividend has been declared for the interim period ended 31 December 2025 (half year ended 31 December 2024: \$nil).

No dividend was paid during the period (half year ended 31 December 2024: \$nil).

On 22 July 2025, the Company entered into a Scheme Implementation Deed (SID) with Daintree Bidco Pty Limited, an entity established by CC Capital Partners, LLC and its affiliates for the acquisition of all of the issued shares of the Company by way of a scheme of arrangement (the Scheme). If the Scheme has not become effective by 22 July 2026, the Company is permitted to pay a special cash dividend, based on a 50% payout of the UNPAT for each calendar month that has elapsed from (and including) 22 July 2026 to (and including) the date of the Scheme meeting, conditional on the Scheme becoming effective and other conditions as set out in the SID (Special Dividend). If a Special Dividend is paid, it will not reduce the Scheme consideration. Any such Special Dividend will be considered by the Board closer to the time, but prior to implementation, of the Scheme. Any dividends will otherwise remain paused.

### Dividend franking account

	31 Dec 2025	30 Jun 2025
	\$m	\$m
Amount of franking credits available to shareholders of Insignia Financial Ltd for subsequent reporting periods	2.8	1.3

The ability to utilise the franking credits is dependent upon there being sufficient available profits to declare dividends.

## 8 Earnings per share

For the six months ended	31 Dec 25	31 Dec 24
	Cents per share	Cents per share
Basic earnings per share	11.8	(2.5)
Diluted earnings per share	11.8	(2.5)

### Basic and diluted earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

For the six months ended	31 Dec 25	31 Dec 24
	\$m	\$m
Profit/(loss) attributable to the shareholders of Insignia Financial Ltd	78.8	(16.8)
Earnings used in the calculation of basic and diluted EPS	78.8	(16.8)

For the six months ended	31 Dec 25	31 Dec 24
	No. m	No. m
Weighted average number of ordinary shares (basic)	668.3	668.5
Weighted average number of ordinary shares (diluted)	668.3	668.5

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# Notes to the financial statements

For the six months ended 31 December 2025

## Section 3 – Operating assets and liabilities

This section shows the assets used to generate the Group's operating performance and the liabilities incurred as a result. Liabilities relating to the Group's financing activities are addressed in Section 4.

### 9 Cash and cash equivalents

	31 Dec 25	30 Jun 25
	\$m	\$m
Cash	240.8	263.4
Cash - restricted for legal settlement*	51.9	50.0
Cash - restricted as part of ORFR**	123.7	162.9
<b>Total cash</b>	<b>416.4</b>	<b>476.3</b>

\*Restricted for class action settlement. Refer to Note 20 *Commitments and contingencies* for details.

\*\* Held as part of the operational risk financial requirement (ORFR) on behalf of superannuation funds. The ORFR is not available for distribution to the shareholders of the Company.

### 10 Receivables

	31 Dec 25	30 Jun 25
	\$m	\$m
Trade receivables	300.3	279.9
Sublease receivables	14.1	1.0
Legal settlement receivable	-	64.3
Other receivables	20.3	18.5
Loss allowance	(7.7)	(7.7)
<b>Total receivables</b>	<b>327.0</b>	<b>356.0</b>

### 11 Contract assets

Contract assets relate to incremental costs of obtaining contracts with customers. These costs relate directly to contracts or anticipated contracts that can be specifically identified, generate resources that will be used in satisfying performance obligations in the future and are expected to be recovered. Contract assets recognised are amortised over a 7-year period and are subject to impairment testing. Determination of the amount of the costs incurred to obtain contracts and the related amortisation period require significant judgement and making assumptions about the future contract length and values.

	31 Dec 25	30 Jun 25
	\$m	\$m
Contract assets	1.1	-
<b>Total contract assets</b>	<b>1.1</b>	<b>-</b>

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# Notes to the financial statements

For the six months ended 31 December 2025

## 12 Other financial assets

	31 Dec 25	30 Jun 25
	\$m	\$m
<b>Financial assets mandatorily measured at fair value through profit or loss</b>		
Fixed income*	171.5	176.9
Derivative assets	0.2	0.1
Unlisted unit trusts	0.4	0.4
Other unlisted investments	4.3	5.5
<b>Financial assets designated at fair value through profit or loss</b>		
Deferred sales consideration	4.8	2.5
<b>Total other financial assets</b>	<b>181.2</b>	<b>185.4</b>

\* Held as part of the ORFR on behalf of superannuation funds. The ORFR is not available for distribution to shareholders of the Company.

## 13 Property, equipment and right-of-use assets

	31 Dec 25	30 Jun 25
	\$m	\$m
Cost	359.7	379.6
Accumulated depreciation	(170.5)	(186.9)
	<b>189.2</b>	<b>192.7</b>

	Office equipment	Leasehold improvements	IT assets	Right-of-use assets	Total
	\$m	\$m	\$m	\$m	\$m
Balance at 1 July 2025	3.1	28.7	8.6	152.3	192.7
Additions	0.4	14.1	-	10.1	24.6
Depreciation expense	(0.5)	(2.6)	(2.8)	(13.9)	(19.8)
Disposals	-	-	-	(8.3)	(8.3)
<b>Balance at 31 December 2025</b>	<b>3.0</b>	<b>40.2</b>	<b>5.8</b>	<b>140.2</b>	<b>189.2</b>

## 14 Intangible assets

	31 Dec 25	30 Jun 25
	\$m	\$m
Cost	3,263.7	3,248.9
Accumulated amortisation	(932.5)	(895.2)
	<b>2,331.2</b>	<b>2,353.7</b>

	Goodwill	Software and IT development	Customer relationships	Brand names	Adviser relationships	Total
	\$m	\$m	\$m	\$m	\$m	\$m
As at 1 July 2025	1,779.8	19.0	378.5	163.4	13.0	2,353.7
Additions	-	-	-	-	14.8	14.8
Amortisation expense	-	(2.8)	(29.4)	(3.4)	(1.7)	(37.3)
<b>As at 31 December 2025</b>	<b>1,779.8</b>	<b>16.2</b>	<b>349.1</b>	<b>160.0</b>	<b>26.1</b>	<b>2,331.2</b>

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# Notes to the financial statements

For the six months ended 31 December 2025

## 14 Intangible assets (continued)

### Indefinite life intangible assets

The Group has four cash-generating units (CGUs): Advice, Wrap, Master Trust and Asset Management. These CGUs are consistent with the Group's operating segments. Intangible assets with indefinite lives are allocated to the CGUs as follows:

CGUs	Goodwill		Brand names with indefinite lives	
	31 Dec 25	30 Jun 25	31 Dec 25	30 Jun 25
	\$m	\$m	\$m	\$m
Advice	-	-	39.5	39.5
Wrap	477.5	477.5	6.6	6.6
Master Trust	972.2	972.2	80.2	80.2
Asset Management	330.1	330.1	22.7	22.7
	1,779.8	1,779.8	149.0	149.0

### CGU impairment testing

All CGU assets are tested for impairment as at 31 December 2025. Determination of the recoverable amounts of the CGUs requires significant judgement and making assumptions about the future cash flows of each CGU, discount rate and terminal growth rate.

CGUs	Annualised average growth rate	Pre-tax discount rate	Terminal growth rate	Estimated future cash flows
Advice	10.1%	16.7%	2.5%	Based on the five-year business plan. In developing the cash flows, considerations were given to the macroeconomic conditions and the expected performance of each CGU.
Wrap	7.8%	16.8%	2.5%	
Master Trust	7.5%	16.8%	2.5%	
Asset Management	9.0%	16.8%	2.5%	

The impairment assessment results in headroom in the Advice, Wrap, Master Trust and Asset Management CGUs.

## 15 Payables

	31 Dec 25	30 Jun 25
	\$m	\$m
Trade payables	78.3	79.1
Adviser fees payable	44.9	39.7
Legal settlement payable	51.9	114.3
Employee benefits and other payables	44.7	68.5
<b>Total payables</b>	<b>219.8</b>	<b>301.6</b>

Legal settlement payable includes payables for a class action settlement as discussed in Note 20 *Commitments, contingent assets and contingent liabilities*.

## 16 Other financial liabilities

	31 Dec 25	30 Jun 25
	\$m	\$m
<b>Financial liabilities mandatorily measured at fair value through profit or loss</b>		
Derivative liabilities	8.5	7.7
<b>Financial liabilities designated at fair value through profit or loss</b>		
Deferred purchase consideration	3.3	-
<b>Total other financial liabilities</b>	<b>11.8</b>	<b>7.7</b>

# Notes to the financial statements

For the six months ended 31 December 2025

## 17 Provisions

	31 Dec 25	30 Jun 25
	\$m	\$m
Employee entitlements	136.4	190.6
Advice remediation	38.3	47.3
Structured product remediation	8.5	29.5
Other product remediation	7.6	10.4
Other provisions	9.7	11.2
	200.5	289.0

### Advice remediation provision

The Group has historically had a significant number of self-employed and salaried financial advisers in its Advice business, and it has been conducting a review of whether the provision of advice by advisers was in compliance with regulatory and internal policy requirements. The review determines whether fee paying clients under its licenses were:

- provided with agreed services and/or advice;
- supported with documentation evidencing appropriate provision of service and/or advice; and
- received advice appropriate to their circumstances.

Where client compensation is probable and able to be reliably estimated, provisions are raised. Compensation costs include return of service fees, estimated client loss as a result of inappropriate advice, interest for time value of money and committed costs to resource the compensation program. The provision is reduced by client remediation payments and program costs paid.

### Product remediation provision

Product remediation provisions includes remediation projects acquired as part of historic acquisitions.

Product remediation provisions are reduced by client remediation payments and program costs paid.

### Other provisions

Other provisions include the present value of management's best estimates of legal settlements, make good provisions and other matters. The information usually required by AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*, is not disclosed on the grounds that it may prejudice the outcome of certain other litigation.

### Estimation uncertainty

Determining the amount of a provision, which represents management's best estimate of the costs of settling the identified matters, requires the exercise of significant judgement. It will often be necessary to form a view on a number of different assumptions, including the number of impacted clients, the average refund per client, and associated remediation costs. Consequently, the appropriateness of the underlying assumptions is reviewed on a regular basis against actual experience and other relevant evidence, and adjustments are made to the provisions where appropriate.

	Employee entitlements	Advice remediation	Structured product remediation	Other product remediation	Other provisions	Total
	\$m	\$m	\$m	\$m	\$m	\$m
Balance at 1 July 2025	190.6	47.3	29.5	10.4	11.2	289.0
Charged to right of use asset*	-	-	-	-	1.4	1.4
Charged/(credited) to profit or loss	93.2	-	-	1.1	2.3	96.6
Amounts used during the period	(147.4)	(9.0)	(21.0)	(3.9)	(5.2)	(186.5)
Balance at 31 December 2025	136.4	38.3	8.5	7.6	9.7	200.5

\*Other provisions charged to right-of-use assets relate to make good provisions raised for leases.

# Notes to the financial statements

For the six months ended 31 December 2025

## Section 4 – Capital management and financing

This section outlines how the Group manages its capital structure and related financing costs, including its balance sheet liquidity and access to capital markets.

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits to other stakeholders, and to maintain an optimal structure to reduce the cost of capital.

### 18 Borrowings

	Syndicated facility agreement	Subordinated loan notes	Total borrowings
	\$m	\$m	\$m
Opening balance 1 July 2025	608.8	254.5	863.3
Repayments (principal and interest)	(112.1)	(5.1)	(117.2)
Drawdowns	15.0	-	15.0
Interest expense	18.0	5.0	23.0
<b>Closing balance 31 December 2025</b>	<b>529.7</b>	<b>254.4</b>	<b>784.1</b>

The Group's interest-bearing liabilities are measured at amortised cost.

#### Syndicated facility agreement (SFA)

The SFA is a multi-tranche facility with a group of lenders. At 31 December 2025, the SFA is comprised of the following tranches:

- a \$340m tranche A facility maturing 16 February 2029. During the period, the Group made \$15.0m drawdown and \$95.0m principal repayment under this facility. As at 31 December 2025, \$80.0m of this facility was available (30 June 2025: fully utilised);
- a \$290m tranche B facility maturing 16 February 2028. During the period, the Group made no drawdown or principal repayment under this tranche. As at 31 December 2025, \$290.0m of this facility was available (30 June 2025: \$290.0m available);
- a \$270m tranche C facility maturing 16 February 2028. During the period, the Group made no

drawdown or repayment under this facility. As at 31 December 2025, this facility was fully utilised (30 June 2025: fully utilised);

- a \$55m tranche D facility maturing 16 February 2029. As at 31 December 2025, \$18.0m of this facility was available (30 June 2025: \$11.4m available). Utilisation of this facility is in the form of rental bond guarantees and AFSL guarantees included in Note 20 *Commitments and contingent liabilities*; and
- a \$100m tranche E facility maturing 30 June 2028. During the period, the Group did not drawdown under this tranche (30 June 2025: nil). As at 31 December 2025, \$100m of this tranche was available (30 June 2025: \$100m). Tranche E has been established primarily for the purpose of settling the SLN payment of \$253.5m with NAB in May 2026.

# Notes to the financial statements

For the six months ended 31 December 2025

## 19 Share capital

The Company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

	31 Dec 25	30 Jun 25
	\$m	\$m
670,726,143 fully paid ordinary shares (30 June 2025: 670,726,143)	3,061.5	3,061.6
4,658,236 treasury shares (30 June 2025: 3,169,828)	(19.2)	(9.3)
	3,042.3	3,052.3

For the six months ended	31 December 2025	
	No.m	\$m
<i>Ordinary shares</i>		
On issue at 1 July 2025	670.7	3,061.6
Transfer from share-based payment reserve	-	4.6
Treasury shares transferred to recipients	-	(4.7)
<b>On issue at 31 December 2025</b>	<b>670.7</b>	<b>3,061.5</b>
<i>Treasury shares</i>		
On issue at 1 July 2025	(3.2)	(9.3)
Purchase of treasury shares	(3.2)	(14.6)
Treasury shares transferred to recipients	1.7	4.7
<b>On issue at 31 December 2025</b>	<b>(4.7)</b>	<b>(19.2)</b>
	666.0	3,042.3

## 20 Commitments, contingent assets and contingent liabilities

### Commitments

	31 Dec 25	30 Jun 25
	\$m	\$m
Rental bond guarantees	30.9	37.6
AFSL guarantee	6.0	6.0
Capital commitment	1.4	0.4
Other guarantees	0.1	0.1

### Contingent assets

Contingent assets of the Group exist in relation to insurance recoveries and/or possible claims which at the date of signing these accounts, have not yet been resolved. It is not practicable to estimate the financial effects of the contingent assets. Receivables are recognised in respect of identified claims only when recovery is considered virtually certain.

### Contingent liabilities

Contingent liabilities of the Group exist in relation to claims and/or possible claims which, at the date of signing these accounts, have not been resolved. The likely loss to the Group in respect of each identified claim where possible has been assessed on a claim-by-

claim basis and specific provision has been made where appropriate.

### Class actions

In October 2024, OnePath Custodians Pty Limited (OPC), together with Zurich Australia Limited and ANZ Banking Group Limited, agreed with the plaintiffs to settle the class action commenced by Slater and Gordon in December 2020 for a total of \$50.0m, of which OPC's contribution was \$22.0m. The settlement is subject to Federal Court approval and is made without any admission or liability or wrongdoing by OPC or any of the other respondents. The class action was filed on behalf of certain members of the former OnePath Master Fund and Retirement Portfolio Service. It relates to historical issues regarding interest rates paid on members' investments in certain cash investment options in the period prior to January 2020 and the payment of grandfathered commissions to financial advisers in the period prior to April 2019. The Group has \$51.9m (including the three respondents' contributions and \$1.9m accrued interest) restricted cash and a corresponding payable on the balance sheet.

# Notes to the financial statements

For the six months ended 31 December 2025

## 20 Commitments, contingent assets and contingent liabilities (continued)

### Contingent liabilities (continued)

#### Class actions (continued)

In December 2024, NULIS Nominees (Australia) Limited (NULIS) and MLC Nominees Pty Ltd (MLCN) agreed with the plaintiffs to settle the “MySuper” class action commenced by Maurice Blackburn in January 2020 for a total of \$64.3m. It relates to a historical issue regarding the timing of transfers in 2016 and 2017 of “accrued default amounts” to a MySuper product. The Victorian Supreme Court approved the settlement in May 2025 without any admission or liability or wrongdoing by the respondents. On 23 July 2025, settlement proceeds of \$64.3m were received from NAB and passed to the plaintiffs, Maurice Blackburn and the MLC Super Fund. NULIS is in the process of distributing the settlement proceeds to impacted group members.

In December 2024, the Federal Court of Australia ruled in favour of NULIS in the matter of Brady v NULIS, a class action being run by Williams Roberts Lawyers and funded by Omni Bridgeway. The plaintiff has appealed the decision. The potential outcomes and total costs associated with this matter remains uncertain. Any potential liabilities, if any, will be indemnified by NAB under the Share Sale and Purchase Agreement dated 31 August 2020. The appeal hearing is listed for March 2026.

#### Other legal matters

The Group continues to defend an action by the Finance Sector Union against NAB and MLC Wealth Limited (MLCW) in the Federal Court alleging the defendants had breached provisions of the Fair Work Act in respect of four “group 3” and “group 4” employees (3 NAB employees and 1 MLCW employee). The potential outcomes and total costs associated with this matter remain uncertain. The trial is listed for April and May 2026.

#### Warranties on businesses sold

Standard warranties apply to businesses divested by the Group. No specific provisions have been made in relation to these warranties.

#### Liabilities associated with the SS&C transaction

On 1 July 2025, the Group completed the transition of its Master Trust administration and technology services to SS&C Administration Services (Australia) Pty Ltd (SS&C). This included the transition of approximately 1,300 people from Insignia Financial to SS&C.

Under the transfer deed, the Group must pay SS&C the statutory redundancy costs of the transferred employees within the first 3 years of the transaction completion (should they be made redundant).

#### Scheme transaction costs

As a result of entering into the SID with Daintree Bidco Pty Limited (a company established by CC Capital Partners, LLC and its affiliates), the Group will incur certain transaction costs as it conducts activities in preparation for a potential Scheme of Arrangement for Daintree BidCo Pty Limited to acquire all of the issued shares of the Company.

This includes legal fees, advisory fees, independent expert fees, insurance costs and other administrative transaction related costs. The quantum of the costs incurred will differ depending on whether a Scheme is entered into or not and therefore may range from approximately \$6.8m to \$35.3m. \$4.6m fees have been recognised in 1H26 and are disclosed as ‘Transaction costs’ in the profit and loss.

#### Other remediation matters

There are a number of remediation matters under investigation. The potential outcomes and total costs associated with these matters remain uncertain.

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# Notes to the financial statements

For the six months ended 31 December 2025

## Section 5 – Other disclosures

### 21 Fair value of financial assets and liabilities

The fair value of financial assets and liabilities traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets is the closing price. Where no quoted prices in an active market exist, the Group uses valuation techniques to estimate the fair value of financial assets and liabilities.

For investments in fixed income and derivatives where no quoted prices in an active market exist, valuation

techniques using observable market inputs for financial assets with similar credit risk, maturity and yield characteristics are used.

The fair value of other unlisted investments is determined by referencing to the financial information of the underlying investments.

The fair value of deferred sales or deferred purchase consideration is determined by referencing to the performance of the businesses sold or acquired.

	Level 1	Level 2	Level 3	Total
	\$m	\$m	\$m	\$m
<b>31 December 2025</b>				
<b>Financial assets measured at fair value</b>				
Fixed income	-	171.5	-	171.5
Derivative assets	-	0.2	-	0.2
Unlisted unit trusts	-	0.4	-	0.4
Other unlisted investments	-	-	4.3	4.3
Deferred sales consideration	-	-	4.8	4.8
<b>Financial assets measured at fair value</b>	<b>-</b>	<b>172.1</b>	<b>9.1</b>	<b>181.2</b>
<b>Financial liabilities measured at fair value</b>				
Derivative liabilities	(0.2)	(7.7)	(0.6)	(8.5)
Deferred purchase consideration	-	-	(3.3)	(3.3)
<b>Financial liabilities measured at fair value</b>	<b>(0.2)</b>	<b>(7.7)</b>	<b>(3.9)</b>	<b>(11.8)</b>
<b>30 June 2025</b>				
<b>Financial assets measured at fair value</b>				
Fixed income	-	176.9	-	176.9
Derivative assets	-	0.1	-	0.1
Unlisted unit trusts	-	0.4	-	0.4
Other unlisted investments	-	0.2	5.3	5.5
Deferred sales consideration	-	-	2.5	2.5
<b>Financial assets measured at fair value</b>	<b>-</b>	<b>177.6</b>	<b>7.8</b>	<b>185.4</b>
<b>Financial liabilities measured at fair value</b>				
Derivative liabilities	(0.3)	(6.3)	(1.1)	(7.7)
<b>Financial liabilities measured at fair value</b>	<b>(0.3)</b>	<b>(6.3)</b>	<b>(1.1)</b>	<b>(7.7)</b>

Movements in level 3 financial instruments assets/(liabilities)	Deferred sales consideration	Other unlisted investments	Deferred purchase consideration	Issued investment protection derivative liabilities
	\$m	\$m	\$m	\$m
Opening balance as at 1 July 2025	2.5	5.3	-	(1.1)
Recognition	3.2	-	(3.3)	-
Return of capital	-	(1.0)	-	-
Fair value movement (realised)	(0.2)	-	-	-
Fair value movement (unrealised)	(0.5)	-	-	0.5
Settlement	(0.2)	-	-	-
<b>Closing balance as at 31 December 2025</b>	<b>4.8</b>	<b>4.3</b>	<b>(3.3)</b>	<b>(0.6)</b>

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# Notes to the financial statements

For the six months ended 31 December 2025

## 21 Fair value of financial assets and liabilities (continued)

### Fair value hierarchy

The definitions of each level and the valuation techniques used are as follows:

Level 1: quoted closing prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There were no transfers between levels of the fair value hierarchy during the six months ended 31 December 2025 (31 December 2024: \$nil).

### Level 3 financial assets and liabilities

Level 3 financial instruments consist of the following:

- Deferred sales consideration relates to certain Advice and Asset Management businesses sold. These are valued at the best estimate of amounts receivable under the relevant contracts. The fair value of deferred sales consideration is linked to the future revenue or profit of the sold businesses which are significant unobservable inputs.

A 10% (30 June 2025: 10%) increase in the future revenue of the Advice businesses sold would result in an increase in the fair value of the deferred sales consideration by \$0.1m (30 June 2025: \$0.4m), holding all other variables constant. A 10% (30 June 2025: 10%) decrease in the future revenue of the Advice businesses sold would result in a decrease in the fair value of the deferred sales

consideration by \$0.2m (30 June 2025: \$0.7m), holding all other variables constant.

A 10% (30 June 2025: 10%) increase in the future revenue of the Asset Management business sold would result in an increase in the fair value of the deferred sales consideration by \$0.4m (30 June 2025: nil), holding all other variables constant. A 10% (30 June 2025: 10%) decrease in the future revenue of the Asset Management business sold would result in a decrease in the fair value of the deferred sales consideration by \$0.5m (30 June 2025: nil), holding all other variables constant.

- Other unlisted investments relate to the Group's investments in two unlisted entities in the UK. The fair value of these investments is determined by referencing to the financial information of the underlying entities.

A 10% (30 June 2025: 10%) increase (decrease) in the underlying investment's fair value would result in an increase (decrease) in the fair value of the unlisted investments by \$0.4m (30 June 2025: \$0.5m), holding all other variables constant.

- Deferred purchase consideration relates to a business acquired by the Group. It is measured at the best estimate of amounts payable under the relevant contract. The amount of deferred consideration payable is linked to future performance outcomes of the acquired business, which are unobservable inputs.

A 10% (30 June 2025: 10%) increase (decrease) in the revenue of the acquired business would result in a decrease (increase) in the fair value of the deferred purchase consideration by \$1.3m (30 June 2025: nil), holding all other variables constant.

# Notes to the financial statements

For the six months ended 31 December 2025

## 21 Fair value of financial assets and liabilities (continued)

### Fair value hierarchy (continued)

- Issued investment protection derivative liabilities are term-based investment protection products issued by the Group. These products provide protection to investors' capital or a minimum level of income each year for a term of 10 or 20 years. These derivatives are measured using market standard valuation models and assumptions. Significant unobservable inputs include the underlying investments' growth rate and the risk-free interest rate assumptions.

A 1% (30 June 2025: 1%) increase in the underlying investments' growth rate assumption would result in a decrease in fair value by \$10,966 (30 June 2025: \$27,431), holding all other variables constant. A 1% (30 June 2025: 1%) decrease in the underlying investments' growth rate assumption would result in an increase in fair value by \$15,839 (30 June 2025: \$45,186), holding all other variables constant.

A 1% (30 June 2025: 1%) increase in the risk-free interest rate assumption would result in a decrease in fair value by \$0.4m (30 June 2025: \$0.7m), holding all other variables constant. A 1% (30 June 2025: 1%) decrease in the risk-free interest rate assumption would result in an increase in fair value by \$1.5m (30 June 2025: \$2.2m), holding all other variables constant.

## 22 Subsequent events

The Directors are not aware of any matter or circumstance not otherwise dealt with in this report, or the accompanying financial statements and notes thereto, that has arisen since 31 December 2025 that has significantly affected, or may significantly affect:

- the Group's operations in future financial periods; or
- the results of those operations in future financial periods; or
- the Group's state of affairs in future financial periods.

# Directors' Declaration

For the six months ended 31 December 2025

In the opinion of the Directors of the Company:

- a. the condensed consolidated interim financial statements and notes set out on pages 21 to 44 are in accordance with the *Corporations Act 2001* including:
  - i. giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the six months ended on that date; and
  - ii. complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:



Mr Allan Griffiths

Chairman

Melbourne

19 February 2026

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Shape the future  
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Ernst & Young  
200 George Street  
Sydney NSW 2000 Australia  
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555  
Fax: +61 2 9248 5959  
ey.com/au

## Independent auditor's review report to the members of Insignia Financial Ltd

### Conclusion

We have reviewed the accompanying condensed half-year financial report of Insignia Financial Ltd (the Company) and its subsidiaries (collectively the Group), which comprises the condensed consolidated statement of financial position as at 31 December 2025, the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the condensed consolidated financial position of the Group as at 31 December 2025 and of its condensed consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to reviews of the half-year financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Ernst & Young*

Ernst & Young

*AP*

Andrew Price  
Partner  
Melbourne  
19 February 2026

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