



ANNUAL REPORT

FINANCIAL YEAR 2024/2025

INFOCUS WEALTH MANAGEMENT LIMITED
ACN: 103 551 015

infocus





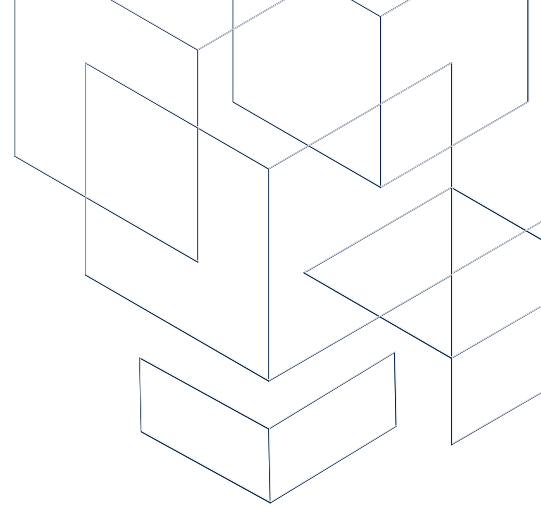
FY2025 marked a period of significant progress and transformation for Infocus Wealth Management Limited (Infocus).

We successfully completed our three year 'Playing a Bigger Game' strategy—a transformative period that delivered record-breaking results across each of our divisions and positioned Infocus as a true industry standout.

These strong results have set us up perfectly to execute on 'The Next Chapter', a refreshed strategy focused on deepening client engagement, accelerating digital transformation, and leveraging on the benefits of our scale to deliver sustainable growth.

Building on the momentum of FY2025, we are ready to embrace new opportunities and continue shaping the future of advice.

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About Infocus

INFOCUS IS A NATIONAL FINANCIAL SERVICES ENTERPRISE,
WE'RE IN THE BUSINESS OF THE BUSINESS OF ADVICE.

Infocus is in the business, of the business of advice. We're a national financial service enterprise that is advice led, and client obsessed.

We operate Australia's only end-to-end integrated advice platform dedicated to empowering financial advisers with the independence, infrastructure, and support they need to grow their businesses.

Simply speaking, we help advisers grow revenue, enhance operational efficiencies, and effectively manage risk.

For over 31 years we've operated with the personal touch of a founder-led business, always staying true to our values of respect, integrity, and client-first advice.

We combine leading-edge technology, investment solutions, and a client-centric framework, ensuring advisers have everything they need to deliver exceptional advice.

Our integrated approach gives advisers the autonomy to operate their businesses their way, backed by the resources of a national, trusted, founder-led network.

OUR HISTORY

1994

Steinhardt Financial Services founded, later known as Infocus

2003

Launch of Infocus national advisory network

2008

Launch of proprietary Investment Management solution

2016

Evolution of proprietary fintech and regtech to end-to-end SaaS solution

2025

We have 245 advisers in 125 advice firms around Australia, \$19.5Bn funds under advice, \$3.15Bn funds under management.

2000

Launch of proprietary Fintech IT solution

2005

Launch of Infocus Equity Plan

2009

Infocus becomes public (unlisted company)

2023

Launch of proprietary IDPS superannuation and pension WRAP platform & Infocus Partner Program

Key Operations

Our business is strong with a commercial and operating structure aligned to the needs of the evolving advisory profession and the associated industry.

Infocus is a stand-out in the areas within which we choose to compete, with no genuine peer.



THE 10TH LARGEST

advisory community in Australia, 125 firms, 245 advisers, ~\$19.5Bn FUA.

As per Wealth data report 30 June 2025.



AUSTRALIA'S LEADING

integrated end-to-end SaaS and PaaS wealth technology solution, including the 'holy grail' of advicetech and platformtech integration.

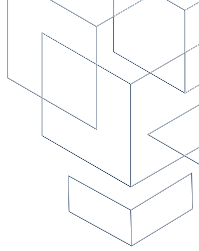
As per Adviser Ratings annual review for 2020, 2021, 2022, 2023, 2024 and 2025.



AUSTRALIA'S LEADING

Investment Management services covering funds and investment management, asset consulting and OCIO, with \$3.15Bn in FUM.

As per Morningstar peer group ratings FY2025.



Growth

We achieved gross revenue growth of 47%, smashing our \$100m revenue barrier to a total of \$111m, a net revenue growth of 42% and made a strong return to profit with NPAT of \$3.7m.

Our funds under management surged upwards by 54.5%, and funds under administration increased 58.4% over the period, taking our Funds Under Advice to \$19.5Bn and Funds Under Management to \$3.15Bn, both record highs for our business.

These outcomes were underpinned by strong organic growth, double-digit revenue increases across many of our member firms, and industry leading innovations such as the launch of our integrated modelling solution into Platformplus. We took it one step further by launching our visionary Enterprise Partnership model. External recognition reinforced our progress, winning top industry awards including Dealer Group of the Year and ranking number one for adviser satisfaction with our technology solutions.

47%

GROSS REVENUE GROWTH

244%

NPAT INCREASE

\$3.5M

ADVISORY REVENUE ANNUAL UPLIFT
FROM CONSORTIUM BOOK PURCHASES

54.5%

FUM GROWTH

18%

FUA GROWTH

58.4%

INCREASE OF FUA ON OUR WRAP

19.8%

INCREASE IN USERS OF OUR SAAS
TECHNOLOGY

3.4%

ADVISER GROWTH

A strong return to profit

Annual Achievements

Strategically, our priorities for FY2025 revolved around 'Playing a Bigger Game'.

The table below summarises the progress made against the priorities outlined by our Managing Director in last year's Annual Report:

Priorities Identified 12 months ago	Progress Made
Successful integration of the Madison	We successfully completed the acquisition and integration of the Madison network into the Infocus national community. A small number of loose ends remain, including the closing out of legacy complaints and compliance concerns, completing (renegotiating) agreements around investment management, and continuing to secure adviser relationships. Adviser numbers are below where we had expected due to higher than anticipated losses, but we expect the post-transaction exits have now concluded and onboarded advisers are now embedded into our community.
The development of an integrated financial modelling solution within Platformplus.	We successfully completed the acquisition of a financial modelling tool from Optimo Financial. The integration of this tool into the Platformplus ecosystem was launched as PlatformplusPRO in August this year, including integrated modelling and most recently Super and Platform Comparison functionality, with Risk Insurance Comparison to follow in early 2026. The feedback from users is exceptionally positive.
Leverage the compelling efficiency and profitability benefits to advisers from using our systems and solutions to recruit new advice offices, through either the B2B or B2A service offerings.	We changed the game with the introduction of Enterprise Partner relationships, where Infocus acts as the operating partner for mid-tier sized advisory networks, leveraging our finance, administration, governance, technology and investment management infrastructure. We executed agreements with our inaugural Enterprise Partner in June 25. Following our two growth forums, it was clear that our network was hungry for acquisition, but struggled to execute alone in a competitive market. Enter the Consortium, the creative growth strategy where Infocus took the bold move to make the initial financial commitment of acquiring large client books and dealing directly with administrators on behalf of our network. We did the hard work for our community, helping them overcome competition, because to us, that's what true partnership is all about. We completed 2x large scale consortium acquisitions, the first of which was extremely successful resulting in a group advisory uplift of \$3.5m, the second not so, given the distressed nature of this acquisition target.
Progressing with the development and implementation of our Partner Program to drive growth and sustained success in B2B	FY2025 saw us refine and officially relaunch our Partner Program at iCON25, lead by Matthew Fogarty. We have built off the investments we have in Infocus Sunshine Coast (100%), Wealth Connexion (20%) and Complete Wealth (~5%) and have a strong pipeline of new partners looking to proceed with Partner Program agreements this year.
Continue to build on the successful performance of the Alpha Investment Management team	FY2025 saw an increase in funds under management in our Investment Management division of 54.5%, an increase of funds under administration on our wrap platform of 58.4%.

Other Notable Achievements

Executive Hires & Internal Promotions	FY2025 saw us add two new members to our Executive function, we welcomed Hayley Briggs as our Chief Financial and Operating Officer, and Matthew Fogarty as our Executive General Manager - Partnerships, both bringing decades of industry experience with them to strengthen our team and positively impact our strategic efforts. In addition to these hires, we also completed 8 internal promotions of existing staff during the financial year to the positions of Head of Risk and Compliance, Head of Product, Head of Operations, Advice Operations Manager (Associate), Provisional Financial Adviser, Regional Manager, Senior Investment Analyst, Professional Standards Officer and Service Support Team Lead. Promotion of and upskilling our existing talent continues to be a key focus for our people strategy.
Advisory Growth	We successfully grew revenue and FUA in our Advisory division at above system rates via a solid engagement program across our Member and Partner Firm network.
Technology Growth	In our technology division we grew revenue and FUAdmin at above system rates, and materially enhanced operational capabilities in Platformplus (WRAP and AMS).
Investment Management Growth	Our Investment Management division grew revenue and FUM at above system rates right across all Infocus, Alpha and Beta portfolios; we continued to maintain an industry leading risk management program.
iCON25	We held iCON25, our national conference in Adelaide. The event was the first time we got our national advisory network (three networks) together for a single event, being our Infocus and Madison networks, and our self-licensed network; it was an enormous success and notably the best conference we have ever hosted.
Legal Matters Resolved	We concluded all outstanding legal matters, allowing us to finally jettison the negativity from prior legacy actions that were holding us back.
Capital Raise	We completed a capital raise (overlapping into FY2026) to provide sufficient funding to execute our growth plans for FY2026.
Re-brand	We successfully completed the re-brand of Infocus and rolled out phase one of this initiative with all corporate branding now in use.

Award Winning Innovation

Infocus is proud to be recognised as a leader in financial advice innovation, consistently delivering award-winning solutions that empower advisers and elevate client outcomes.

In 2024, we were honoured at the prestigious IFA Excellence Awards, awarded the winner in both Dealer Group Executive of the Year and Dealer Group of the Year. In 2025, Infocus was again celebrated, this time winning Innovator of the Year – Wealth Tech Award at the Australian Wealth Management Awards and runner up in the Core Data Licensee of the Year awards. These accolades reflect our unwavering commitment to reshaping the future of financial advice in Australia – one adviser, one partnership, one client at a time.



2025:



- WINNER - Australian Wealth Management Awards, Innovator of the Year
- RUNNER UP - Core Data Dealer Group of the Year
- FINALIST - IFA Award Innovator of the Year - Company*
- FINALIST - IFA Award Dealer Group of the Year*
- FINALIST - IFA Award Dealer Group Executive of the Year*

*IFA award ceremony is taking place on 4th Dec 2025

December 2024:



- WINNER – IFA Dealer Group of the Year
- WINNER – IFA Dealer Group Executive of the Year

December 2023:



- WINNER – IFA Innovator of the Year – Company
- WINNER – IFA Innovator of the Year – Individual

Community Engagement

We are well known in the financial advice industry for our extensive and innovative events program, with extremely high levels of engagement from both our national adviser network and our Alliance Partners. We successfully delivered seven in person events and 12 digital events across FY2025.

National Annual Conference: iCON25

Average of **80%** attendance nationally

The Infocus national conference is our premier event, that brings together our entire advisory network, internal team, and industry partners. iCON25 was hosted in Adelaide and was the first event where we welcomed our entire national community together (member firms from Infocus and Madison licenses, plus self-licensed firms). With an action-packed agenda each year, iCON featured rigorous content, hands-on workshops, peer-to-peer engagement, standout events, and impactful presenters. The best we have ever hosted.



Professional Development Roadshow

Average of **90%** attendance nationally

Our annual national roadshow series sees the Infocus team travel the country to host an in-person, full day event in Perth, Melbourne, Sydney & Brisbane. These days are designed to educate, inspire, provide real value and address tangible problems that advisers are facing whilst providing our member firms with CPD accredited content to continue their professional development.

Business Leaders & Business Growth Forums

Average of **75%** attendance nationally

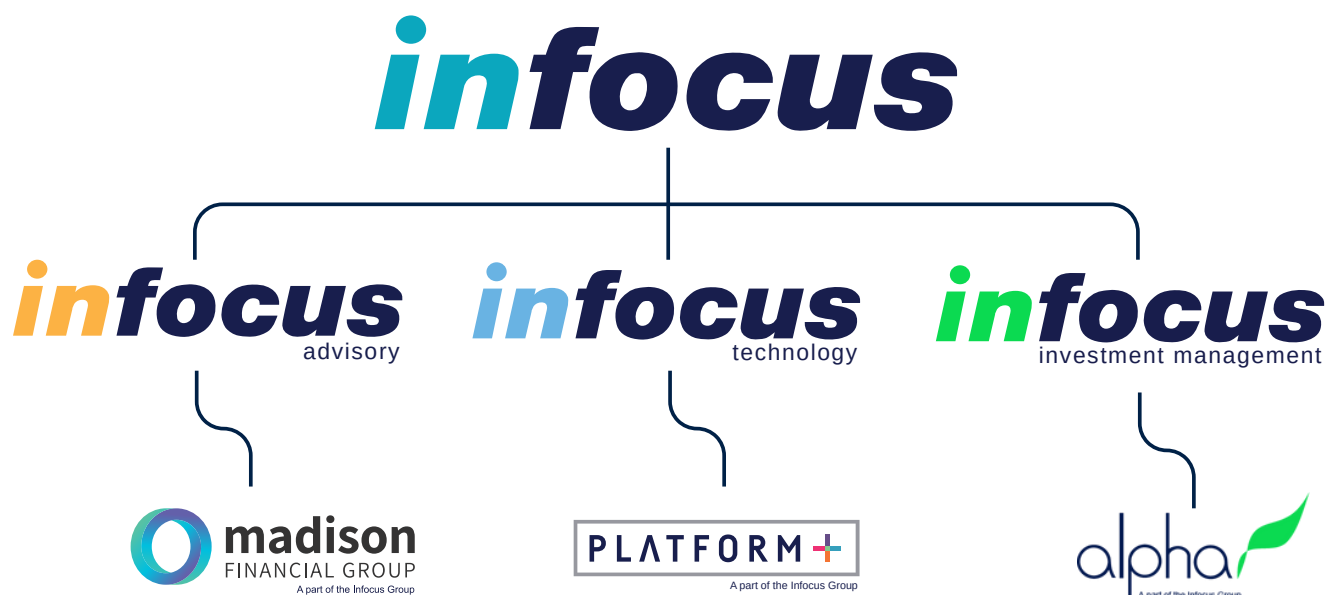
Our annual business forums are cornerstone events in the Infocus calendar, offering immersive, workshop-style experiences that blend data-driven insights with real-world leadership and business development tools. These forums bring together business owners within our national network to explore strategic growth, operational excellence, and cultural transformation to drive scale and measurable momentum in their businesses.



The Infocus Brand

Executing on our Playing a Bigger Game strategy, FY2025 was the year we officially introduced divisional branding to Infocus. We are a single horizontally integrated company, we have one history, one set of values, one culture, and speak with one voice. We must be represented by one overarching brand, Infocus.

The Infocus brand is consistently applied across our corporate functions and each of our Advisory, Technology and Investment Management operating divisions. Appropriate recognition for the operational divisions was included within the brand hierarchy to provide the necessary differentiation and functional information, as displayed below.



Results Summary



	FY2025 (\$,000)	FY2024 (\$,000)	FY2023 (\$,000)	Change from FY2024 (%)
Gross Revenue	\$111,417	\$75,862	\$76,730	47%
Brokerage payments and related costs	\$(91,630)	\$(60,772)	\$(62,664)	51%
Net Revenue	\$19,787	\$15,090	\$14,066	31%
EBITDA	\$3,723	\$1,357	\$930	174%
less other income	\$(161)	\$(1,043)	\$(165)	-85%
Operating Profit	\$3,562	\$314	\$765	1,034%
less interest	\$(1,972)	\$(1,589)	\$(1,021)	24%
less depreciation and amortisation	\$(1,244)	\$(1,454)	\$(1,990)	-14%
less impairment	\$0	\$0	\$(300)	n/a
NPBT	\$535	\$(2,729)	\$(2,546)	+120%
NPAT	\$3,699	\$(2,575)	\$(2,313)	+244%
EPS	\$0.08	\$(0.05)	\$(0.05)	+13c per share

Chairman's Report

Dear Shareholder,

This year has been a pivotal year for your Company. We have made significant progress in growing the business, seen the effects of our continued transformation start to bear fruit, and importantly delivered a return to profit.

This year, Infocus continued to build on its legacy as a national financial services enterprise. As a business that is in the business of advice, we are advice-led in everything that we do. We remain client-obsessed and are dedicated to supporting advisers to be successful independent businesses by delivering the infrastructure and resources they need to drive growth. Our integrated advice platform, proprietary technology, and OCIO investment solutions have set new benchmarks for operational efficiency and risk management, helping advisers enhance their businesses and deliver outstanding results for their clients and themselves.

Strategic Achievements and Growth

The Board spent significant time during FY2025 reviewing, refining and settling a refreshed strategy. This means that from a strategy perspective we have closed out our “Playing a Bigger Game” strategy and are now setting the scene for our Next Chapter.

Our business now stands as the 10th largest advisory community in Australia, with 125 firms, 245 advisers, and approximately \$19.5 billion in Funds Under Advice. We are proud to offer Australia’s leading integrated end-to-end wealth technology solution with both SaaS and PaaS capability. Our Investment Management division continues to excel, with growth over \$1Bn during the period to close the year with \$3.15 billion in Funds Under Management.

Operational Excellence

Over the past 12-months we successfully integrated the Madison acquisition, completed two Consortium acquisitions in partnership with our advisory community and completed a technology acquisition that will further set us apart in what is beginning to become a crowded market. After a period of development and investment we will shortly launch PlatformplusPRO, our revolutionary financial modelling module. This will deliver truly industry leading technology, to all users of our Platformplus SaaS technology in early FY2026. We have also expanded our Member Firm relationship criteria and launched an innovative solution for the mid-market in Enterprise Partnerships strategy. The early moves here have been very encouraging and the results from this will show up in the 2026 results.

Our Partner Program was refined and relaunched, driving growth and sustained success across our network. We will continue to build on this initiative with more partners joining the program imminently. The Alpha Investment Management team again delivered outstanding performance, with significant increases in funds under management and administration.

Our technology ranked number one for adviser satisfaction again in the Adviser Ratings NPS results, for the 5th year in a row. That is a fantastic achievement and something that everyone connected to our firm should be very proud of.

People

During the year we have continued to invest in and upskill the calibre of our executive team. Our new recruits include Hayley Briggs as Chief Financial and Operating Officer and Matthew Fogarty as Executive General Manager – Partnerships. Both bringing decades of experience to the team from prestigious organisations including JP Morgan, HSBC, NAB and Fitzpatrick's. In addition to these new hires, we were also delighted to see a total of eight internal promotions. We are continuously looking to upskill our team and will continue to do so to ensure Infocus is strongly placed for continued success.

Industry Recognition

Infocus has been recognised as a leader in financial advice innovation, winning prestigious industry awards such as the IFA Dealer Group Executive of the Year, IFA Dealer Group of the Year, and the Wealth Management Innovator of the Year – Wealth Tech Award. These accolades reflect our unwavering dedication to being a standout in the profession.

Corporate Governance

This has been another very busy year for your Board of Directors with 9 meetings held throughout the year to 30 June 2025, as well as a further 11 sub-committee meetings. I am pleased to advise that a very diligent and healthy Board achieved a 99% attendance rate for these meetings.

In addition to the above meetings, all the non-executive directors have worked diligently with the Infocus executive team on several key projects and initiatives over the past year. I would like to thank my fellow directors for their continued dedication throughout the year.

Looking Ahead

As we navigate the evolving financial advisory landscape, our commitment to empowering advisers and delivering exceptional client outcomes remains at the core of everything we do. As we move forward with our "Next Chapter" strategy, our integrated approach, innovative technology led solutions and strong culture of partnership will continue to drive our success.

I'm confident that, together with our advisers, our staff, and all other stakeholders, we are well-positioned to capitalise on existing and emerging opportunities as we move towards 2026.

Finally, on behalf of the Board, I would also like to extend our thanks to the Infocus Managing Director Darren Steinhardt for his continued commitment to the business. His enthusiasm, drive and innovative thinking continue to set an excellent example to the team and our adviser partners.



Roy McKelvie
Chairman

Managing Director's Report

Introduction

FY2025 marked a period of significant progress and transformation for Infocus Wealth Management Limited (Infocus).

We successfully completed our three year 'Playing a Bigger Game' strategy—a transformative period where we drove continued evolution of the company, developing from our roots as a financial advisory business towards our bigger vision of a financial services enterprise that supports the financial advisory profession. Our new motto 'in the business of the business of financial advice' is an apt description of what Infocus is all about, with our clientele now including Enterprise Partners; we've changed the game and now partner with advisory networks that were previously considered competitors.

We delivered record-breaking results across each of our operating divisions of Advice, Technology and Investment Management, positioning Infocus as a true industry standout amongst our peers.

These strong results have set us up perfectly to execute on 'The Next Chapter', a refreshed strategy focused on expanding the breadth and depth of client engagement, accelerating digital transformation, and leveraging on the benefits of our scale to deliver sustainable growth.

Our Operating Environment

Strategically, FY2025 was a revolutionary year, not just for Infocus, but the entire financial advisory profession, as following almost three decades of regulation the massive change in the financial advice industry has come to an end. Gone are the old institutions, the long-standing household names and stalwarts of AMP, Mercantile Mutual, National Mutual, MLC and the like with old style large networks and their 'sales' cultures, now replaced by a true financial advisory profession where 'client best interest duty' is paramount.

The impetus for the most recent change was the Hayne Royal Commission (HRC), established in 2017 with recommendations delivered in 2019. The change driven by the HRC was massive, destructive, and rapid, with implications right across the full spectrum of market participants.

The winners have been the agile platform providers (the new institutions) and investment consultants, with companies such as Netwealth, HUB24, Evidentia and Generation Development Group rising above their peers. Also winning are individual advisory practices due to an insatiable M&A appetite as firms seek growth via acquisition funded by external capital hungry for a piece of the 4th largest pension market in the world (rapidly set to become the 2nd largest pension market in the world).

The losers have been the afore-mentioned large-scale networks owned by the old institutions who could not evolve their business models in time to suit the new order, the fund managers due to the rise of the asset consultant, the mid-tier licensee networks who now struggle with commercial viability, and the 80% of clients who can no longer afford to obtain good financial advice.

The client impact is a travesty.

The business model has changed. The past decade has seen a fundamental change in the reward of risk with appropriate financial return. The 'dealer group', once valued for its risk management and distribution capability, was rewarded with margins of ~20% and capital values to match. Now, off the back of regulatory change and the actions of the agile platform providers, margins have halved with new institutions taking a larger share. Risk has increased materially due to an aggressive regulator with a broader remit, their aligned complaints management service, and their aligned and fundamentally flawed compensation scheme of last resort.

The traditional dealer group is dead.

This operating environment excites us. As a business that is in the business of financial advice, with an engagement framework that sees us partner with all types of market participants, we lean into the myriad opportunities that this operating environment provides.

FY2025 Highlights and Delivering on Priorities

Operationally and financially, FY2025 has been a good year, with results that vindicated our efforts in prior periods. The period delivered strong growth and further important innovation that will drive sustained success across each of our operating divisions well into the future.

Our Leading Indicators saw growth achieved in adviser numbers and funds under advice in our Advisory community by 3.4% and 18% respectively, an increase in funds under management in our Investment Management division of 54.5%, an increase of funds under administration on our PaaS wrap platform of 58.4% and an increase of user numbers of our SaaS of 19.8%.

The period saw the company break through the \$100m revenue barrier (to ~\$111m) and make a strong return to profit, this was off the back of the seminal work undertaken in prior periods.

Our Lagging Indicators of financial growth occurred right across the board with an overall increase in gross and net revenues of 47% and 31% respectively, which, backed up with well-managed expense lines, delivered EBITDA of \$3.723m and NPAT of \$3.699m.

The period also saw strong external validation of our business and operating model with our Advisory division awarded the Dealer Group of the Year from the IFA Awards and runner up in the same category from the CoreData Awards. Our Platformplus technology was awarded number one for adviser satisfaction with the highest NPS score from AdviserRatings in their 2025 Australian Financial Advice Landscape research, and our Investment Management division consistently topped the performance charts relative to their peers. To top it off, our Executive Team were awarded Executive of the year from the IFA Awards.

We closed out FY2025 as the 10th largest participant in our market, with a great reputation and sufficient 'collective' scale and capability to deliver sustained success.

Strategy Update and the Year Ahead

Building on the momentum of FY2025, we are ready to embrace new opportunities and continue shaping the future of advice.

We have finally completed the 'rebuilding' of the new Infocus, a task necessitated by the impact of the HRC to our strategy and business model. We've completed the processes to jettison the legacy baggage that had been holding us back; now it's all about execution. We are primed for running and growing hard. BAU is progressing well, each of our divisions, functions and team are performing to expectations, and the execution of our 'Next Chapter' strategy is operational.

We are working on our people strategy, ensuring the development of the strong and leading team culture we seek.

Our primary focus over FY2026 with our Next Chapter strategy is organic growth in new and existing Member Firms, executing our Partner Program, the establishment of Enterprise Partner relationships and the expansion in each of these 3x Advisory relationships into our infrastructure capabilities of SaaS and PaaS technology and Investment Management.

Specifically, over FY2026 we are seeking strong organic growth in Member Firms, further investments into our Partner Program, the expansion of our Enterprise Partner relationships, growth in software users, growth in funds under administration and growth in funds under management. We're dedicated to the continuous improvement of our people, and to support this endeavour we've committed to an on-going high performance training program.

Team, Culture and Community

I am fortunate to have a strong and wonderful team which continues to evolve.

Over FY2025 we farewelled our valued and long-serving CFO Mike Laffoley as he commenced the move into retirement. We welcomed incoming CFO / COO Hayley Briggs who has picked up the baton and kept running. Rounding out the executive team, we also welcomed Matthew Fogarty into a new position of Executive General Manager – Partnerships supporting our growth focus into Partner Firms and Enterprise Partners.

Beyond the executive our team continues to grow in strength and capability. Our people work smart and work hard, they consistently rise to new challenges, taking our business to new levels and building upon our great culture. I would like to thank each member of our team for their commitment to and support of each other, their commitment to and support of our clients, and of course their commitment to and support of the strategy and journey we are on with Infocus.

The essence of partnership lies at the core of Infocus' culture. This commitment to collaboration sets us apart and provides a true competitive advantage where it matters most – culture.

Through our comprehensive engagement framework—which includes Business Forums, the National Professional Development Roadshow, our monthly webinar series, ad-hoc peer group sessions, and our flagship iCON conference—we strive to strengthen the partnerships and relationships that drive meaningful outcomes.

In addition, our Adviser Council, Operational Excellence Collective, and Tech Excellence Collective enable us to capture and apply the best ideas from the most talented minds across both front and back-office operations. Whether you are one of our ~80 team members, part of the ~125 advisory practices within our Member and Partner Firm adviser network, one of our Enterprise Partners, an Industry Alliance Partner, a Shareholder, or a Noteholder, our goal remains the same: to foster mutually beneficial relationships with our shared clients at the heart of everything we do.

We believe success is a collective effort – because we're all in this together.

Finally, I would like to thank the Board for their continued support and counsel, our Executive team for their unwavering commitment to our journey, and importantly, I would like to thank each and every adviser within our broader community with whom we have the pleasure of partnering. I would also like to sincerely thank our shareholders and noteholders for their ongoing support of our company. I love what I do, I have never been more excited about the future, and I remain wholly committed to delivering on our promises each and every day.



Darren Steinhardt
Managing Director



***in*focus**



Infocus Wealth Management Limited
and its controlled entities
ACN:103 551 015

Annual Financial Report for the year ended 30 June 2025

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The registered office and principal place of business is:

Infocus Wealth Management Limited
Level 2, 37 Primary School Court
MAROOCHYDORE QUEENSLAND 4558

Infocus Wealth Management Limited and its controlled entities
Directors' Report
30 June 2025

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the "Group") consisting of Infocus Wealth Management Limited (referred to hereafter as "Infocus", the "Company" or the "parent entity") and the entities it controlled at the end of, or during, the year ended 30 June 2025.

Principal Activities

The Group operates in the financial services industry within Australia and during the financial year the principal activities were the provision of:

- Financial advisory services to consumers including financial planning, accounting and taxation services, mortgage broking, and investment advisory;
- Infrastructure support services to financial advisers including access to advice delivery and investment platform services; and
- Investment portfolio management services.

Review of Operations

The profit for the Group after income tax was \$3,699k for the year ended 30 June 2025 (2024: \$2,575k loss after tax).

Total revenue for the year increased by 49% to \$111,256k (2023: \$75,770k). Advisory services revenue increased by \$33,083k (47%) mainly from the acquisition of Madison Financial Group and WealthPortal and client relationships from businesses that ceased operations which were passed on to advisory practices within our network.

Revenue from infrastructure services increased by 87% to \$4,196k, with flows into Platformplus WRAP growing steadily through the year. Funds under administration on WRAP grew by 66% year-on-year, from \$465m at 30 June 2024 to \$773m at 30 June 2025.

Investment management revenue increased by 54% to \$4,293k as a result of continued growth in inflows into our stable of managed funds and separately managed accounts (SMAs). Funds under management by the Alpha investment team grew by 44% from \$2.039B at 30 June 2024 to \$3.065B at 30 June 2025.

Total operating expenses for the year increased by 43% to \$107,855k. The majority of this increase was in brokerage payments to self-employed advisers and outsourced services for the running of Platformplus WRAP. Amortisation, depreciation and impairment costs have decreased by 14% to \$1,244k as a result of the sale of some client portfolios in prior year, and lower capital expenditure during the year. Finance costs increased by 24% to \$1,972 from the prior year as a result of increased borrowings to fund the investment in improved advice delivery, platform and investment solutions.

At 30 June 2025 the Group had \$1,732k in undrawn facilities with Westpac, in addition to \$1,999k in cash at bank and in term deposits.

The Group had net assets of \$10,471k at 30 June 2025 (2024: \$6,498k).

Likely Developments and expected results of operations

The Group does not expect any major developments or variation to results if the Group continues as normal. However major variations would occur if the Group undertook a key strategic initiative such as a material acquisition. The Group continues to look at opportunities whenever they are presented.

Directors

The names of each person who has been a director during the year and to the date of this report are:

- Mr Roy McKelvie, Chairman
- Mr Darren Steinhardt, Managing Director
- Mr Craig Holland
- Mr David Hasib
- Mr Jonathan Hubbard

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretaries

The names of each person who acts as a Company secretary are:

- Mr Rajesh Daji
- Mr Michael Laffoley (resigned 23 January 2025)

Meetings of Directors

The number of meetings of the Company's Board of Directors and of each board committee held during the financial year, and the number of meetings attended by each Director eligible to attend were:

	Board of Directors		Audit & Risk Committee		Research & Investment Governance Committee	
	A	B	A	B	A	B
R McKelvie	9	9	+	+	+	+
D Steinhardt	9	9	+	+	+	+
C Holland	9	9	7	7	4	4
D Hasib	9	9	+	+	4	3
J Hubbard	9	9	7	7	+	+

A Number of meetings held during the time the Director held office or was a member of the committee during the year.

B Number of meetings attended during the time the director held office or was a member of the committee during the year.

+ Not a member of the relevant committee.

Significant Changes in State of Affairs

No significant changes in the Company's or Group's state of affairs occurred during the financial year.

Events after the Reporting Period

The Company has issued 3,150,000 10.5% convertible notes for \$3,150k for a three-year term and has set a target to reach total issuance of up to \$5,000k by 31 October 2025.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Environmental Regulation

The Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Dividends

The Company did not pay any dividends during the financial year (2024: nil).

Options

There were no options granted or exercised during the year (2024: nil).

Indemnification and Insurance of Directors and Officers

It is the Group's policy that its Directors and Executives should be protected from any liability they incur as a result of acting in the course of their employment in their respective capacities, subject to appropriate conditions.

During the financial year, the Company has paid premiums for insurance for the benefit of the Directors and Executives of the Company against liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnification and Insurance of Auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Directors' Particulars

Mr Roy McKelvie

BSc, MBA

Chairman

Non-Executive Director

Roy is the Non-Executive Chairman of the Infocus Group and joined the board in 2016. His career spans financial markets and operational roles in the UK, Europe, Asia and Australia. His last full-time role was as CEO of Transfield Holdings. Prior to this he was the MD & CEO of Gresham Private Equity in Sydney. He previously lived and worked in Hong Kong as MD and Asian Head of Deutsche Bank Capital Partners, and in the UK as a Director of 3i Group.

He is currently Chairman of Encompass Corporation, Wagesafe Limited, Pathify Group Inc, Rocketboots Limited and Tavas Holdings Limited as well as being a Director of a number of other companies.

He has a BSc in Production Engineering from the University of Strathclyde and an MBA from the University of Edinburgh Business School.

Mr Darren Steinhardt

M App. Fin. FAIM, GAICD

Managing Director

Originally from Brisbane, Darren has an extensive background of over 36 years in the financial advisory profession and the associated industry, with specific expertise covering financial advice, financial technology and investment management. It was Darren's vision of being 'financially fit' that become the genesis of Infocus. Together with his wife Stephanie, Darren founded the business on Queensland's Sunshine Coast in 1994.

Darren is a Fellow of the Australian Institute of Management (AIM), a Member of the Australian Institute of Company Directors (AICD), has undertaken studies in finance, economics and law, and holds a Master's Degree in Applied Finance.

Mr Craig Holland

B Eco (Actg), M Tax, CPA, GAICD

Non-Executive Director

Craig is a non-executive director with expertise in accounting, strategy, finance, taxation and risk management.

Craig is the founder director of Generation Private which is a multi-family office practice servicing the needs of high wealth families. Craig is a former partner of Deloitte where he spent 16 years. Craig led the Deloitte Private Tax Group in Melbourne, was a member of the Deloitte Private National Executive and was also Deloitte Private's Chief Operating Officer. Craig is also a former director of the Good Guys Retail Group and well as holding other board and investment committee roles.

Craig is a Fellow of the Institute of Taxation, holds a Bachelor of Economics (Accounting) and has a Masters in Taxation (UNSW). Craig is also a Certified Practicing Accountant and a Graduate of the Australian Institute of Company Directors.

Infocus Wealth Management Limited and its controlled entities
Directors' Report
30 June 2025

Mr David Hasib

Adv Dip FP, JP

Non-Executive Director

As the founding Director of PATRON Financial Advice, a leading dealer group with 84 authorised representatives, David oversaw the group's successful merger with Infocus Wealth Management in 2014. With over 34 years of experience in the financial services industry, David's deep expertise in wealth management and advisory services positions him as an invaluable asset within both the group and the broader financial sector.

David's distinguished career is marked by a proven track record of establishing and growing successful wealth advisory businesses. His leadership in managing a corporate practice of 15 advisers not only underscores his capability in operational management but also reflects his commitment to fostering high-performing teams dedicated to delivering superior financial outcomes for clients.

In addition to his non-executive leadership roles, David has actively contributed to the strategic development of the industry through his participation on the Infocus Board and various committees. His thought leadership, strategic acumen, and extensive industry knowledge have been instrumental in guiding the strategic direction and long-term growth of the organisations he has been involved with.

David's enduring commitment to the financial services sector, coupled with his extensive experience, continues to shape and influence the evolution of wealth management practices in Australia.

Mr Jonathan Hubbard

B Com, CA, GAICD

Non-Executive Director

Jon is a professional Company director bringing expertise in strategy, business development, industry reform and regulation, finance, risk management, accounting and audit.

Jon was previously a Partner in the Advisory practice of PwC for 12 years. During this period Jon specialised in the energy, resources and infrastructure industries, in respect of which he held a number of leadership roles. His overall career with the firm spanned 24 years across the SME, Audit and Advisory practices, in the Melbourne, London and Brisbane offices.

Jon was appointed to the Infocus Group board on 1 July 2013. Jon is also a director of Tavas Holdings Limited and Mirabou Energy Remote Power Systems Pty Ltd, Chairman of Mirabou Group Pty Ltd, and is a former director of the Australian Energy Market Operator Limited, CS Energy Limited and Territory Generation.

Jon has a Bachelor of Commerce from the University of Melbourne, is a Chartered Accountant (CAANZ), and a Graduate Member of the Australian Institute of Company Directors.

Company Secretary

Rajesh Daji is a Chartered Accountant (CAANZ), a member of FINSIA, holds a B. Com from the University of Auckland, a Graduate Diploma of Applied Finance and an MBA (Exec) from UNSW Business School (AGSM). He has over 20 years of experience in both public practice and commercial working predominantly in financial services with ASX listed entities.

Proceedings of behalf of the company

No person has applied to the Court under Section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

Infocus Wealth Management Limited and its controlled entities
Directors' Report
30 June 2025

Rounding

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that Instrument, the amounts contained in these financial statements and directors' report have been rounded to the nearest thousand dollars, unless otherwise stated.

Auditor's Independence Declaration and non-audit services

A copy of the auditor's independence declaration as required under s 307C of the *Corporations Act 2001* is attached to the Directors' report.

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important but only when such assignments would not impair the independence of the auditors.

There were no amounts paid or payable to the auditor KPMG for non-audit services provided in the current year.

This Directors' Report is signed in accordance with a resolution of the Board of Directors.

A handwritten signature in black ink, appearing to read 'Roy McKelvie', with a long horizontal flourish extending to the right.

Roy McKelvie
Chairman

29 September 2025
Maroochydore



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Infocus Wealth Management Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Infocus Wealth Management Limited for the financial year ended 30 June 2025 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

A handwritten signature in black ink, appearing to read 'B E Lovell'.

B E Lovell
Partner

Brisbane
29 September 2025

Infocus Wealth Management Limited and its controlled entities
Consolidated Statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	Consolidated 2025 \$'000	2024 \$'000
Continuing operations			
Advice and services revenue	3(a)	111,256	74,727
Other income	3(b)	161	1,043
Advice and services fees and commissions paid		(91,630)	(60,668)
Employee benefits	4(c)	(8,142)	(9,044)
Professional services		(3,491)	(2,544)
Technology costs		(1,317)	(496)
Subscriptions and licence fees		(908)	(702)
Marketing, advertising and conference costs		(601)	(528)
Bad and doubtful debts	7	(584)	(14)
Occupancy costs		(327)	(517)
Other expenses		(855)	(931)
Operating profit from continuing operations		3,562	326
Amortisation and depreciation	4(a)	(1,244)	(1,454)
Finance costs	4(b)	(1,972)	(1,589)
Share of profit from associates	9	189	120
Profit/(loss) before income tax expense		535	(2,597)
Income tax benefit	5	3,164	34
Profit/(loss) for the year from continuing operations		3,699	(2,563)
Discontinued operations			
(Loss) from discontinued operations, net of tax		-	(12)
Total comprehensive profit/(loss) for the year		3,699	(2,575)
 Profit/(loss) for the year is attributable to:			
Non-controlling interest		-	(6)
Owners of Infocus Wealth Management Limited		3,699	(2,569)
		3,699	(2,575)
 Total comprehensive income/(loss) for the year is attributable to:			
Non-controlling interest		-	(6)
Owners of Infocus Wealth Management Limited		3,699	(2,569)
		3,699	(2,575)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Infocus Wealth Management Limited and its controlled entities
Consolidated Statement of financial position
As at 30 June 2025

	Note	Consolidated 2025 \$'000	2024 \$'000
Assets			
Current assets			
Cash and cash equivalents	6	1,967	1,640
Term deposits		32	23
Trade and other receivables	7	9,117	8,042
Loan receivables	8	6	6
Total current assets		<u>11,122</u>	<u>9,711</u>
Non-current assets			
Other receivables	7	624	494
Loan receivables	8	1,415	622
Investments	9	2,083	2,053
Property, plant and equipment	10	243	319
Right-of-use assets	11	2,664	231
Intangibles	12	23,756	22,063
Deferred tax	5	3,950	838
Total non-current assets		<u>34,735</u>	<u>26,620</u>
Total assets		<u>45,857</u>	<u>36,331</u>
Liabilities			
Current liabilities			
Trade and other payables	13	8,912	9,933
Current tax liabilities	5	15	3
Borrowings	14	9,358	8,303
Lease liabilities	15	495	247
Provisions	16	1,124	811
Total current liabilities		<u>19,904</u>	<u>19,297</u>
Non-current liabilities			
Borrowings	14	12,533	9,540
Lease liabilities	15	2,200	8
Provisions	16	95	267
Deferred tax liabilities	5	654	721
Total non-current liabilities		<u>15,482</u>	<u>10,536</u>
Total liabilities		<u>35,386</u>	<u>29,833</u>
Net assets		<u>10,471</u>	<u>6,498</u>
Equity			
Share capital	17(a)	16,514	16,240
Reserves	17(b)	-	(513)
Accumulated losses		<u>(6,043)</u>	<u>(9,229)</u>
Total equity		<u>10,471</u>	<u>6,498</u>

The above statement of financial position should be read in conjunction with the accompanying notes.

Infocus Wealth Management Limited and its controlled entities
Consolidated Statement of changes in equity
For the year ended 30 June 2025

Consolidated	Issued capital \$'000	Reserves \$'000	Accumulated losses \$'000	Total controlling interest \$'000	Non-controlling interest \$'000	Total equity \$'000
Balance at 1 July 2023	16,240	(513)	(6,660)	9,067	9	9,076
Total comprehensive (loss) for the year	-	-	(2,569)	(2,569)	(6)	(2,575)
<i>Transactions with owners in their capacity as owners:</i>						
Dividends paid (note 18)	-	-	-	-	(1)	(1)
Non-controlling interest disposed					(2)	(2)
Balance at 30 June 2024	16,240	(513)	(9,229)	6,498	-	6,498
Balance at 1 July 2024	16,240	(513)	(9,229)	6,498	-	6,498
Total comprehensive income for the year	-	-	3,699	3,699	-	3,699
<i>Transactions with owners in their capacity as owners:</i>						
Issue of shares (note 17(a))	274	-	-	274	-	274
Changes in ownership (note 17(b))	-	513	(513)	-	-	-
Balance at 30 June 2025	16,514	-	(6,043)	10,471	-	10,471

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Infocus Wealth Management Limited and its controlled entities
Consolidated Statement of cash flows
For the year ended 30 June 2025

	Note	Consolidated 2025 \$'000	2024 \$'000
Cash flows from operating activities			
Receipts from customers		121,767	83,812
Payments to suppliers and employees		(120,571)	(83,700)
Interest received		101	62
Interest and other finance costs paid		(1,896)	(1,565)
Dividends received		60	17
Income taxes (paid)/received		(3)	4
Net cash (used in) operating activities	27	(542)	(1,370)
Cash flows from investing activities			
Loans advanced to superannuation trustees		(800)	(600)
Repayment of loans by advisers		7	5
Dividends received from investments		166	112
Payments for property, plant and equipment		(47)	(62)
Payments for intangibles		(2,424)	(956)
Payments for investments		-	(36)
Proceeds from sale of intangibles		-	1,580
Proceeds from business combinations	20	-	851
Net cash (used in) /provided by investing activities		(3,098)	894
Cash flows from financing activities			
Proceeds from borrowings		4,331	6,017
Repayment of borrowings		(864)	(3,553)
Repayment of lease liabilities	15	(459)	(556)
Proceeds from share issue	17	274	-
Dividends paid	18	-	(1)
Net cash provided by financing activities		3,282	1,907
Net (decrease)/increase in cash and cash equivalents		(358)	1,431
Cash and cash equivalents at the beginning of the year		404	(1,027)
Cash and cash equivalents at the end of the year	6	46	404

The above statement of cash flows should be read in conjunction with the accompanying notes.

Infocus Wealth Management Limited and its controlled entities
Notes to the consolidated financial statements
30 June 2025

Note 1. Corporate information

The consolidated financial statements of Infocus Wealth Management Limited and its subsidiaries (collectively, the Group) for the year ended 30 June 2025 were authorised for issue in accordance with a resolution of the directors on 29 September 2025. Infocus Wealth Management Limited (the Company or the parent) is a public Company incorporated and domiciled in Australia.

The nature of the operations and principal activities of the Group are described in the Directors' Report.

Note 2A. Material accounting policies

(a) Basis of preparation

The consolidated financial statements are general purpose financial statements prepared in accordance with Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The consolidated financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

Historical cost convention

The financial statements have been prepared under the historical cost convention, unless stated otherwise in the notes.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2A(z).

Disclosure

Some disclosures in the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, and notes to the financial statements for comparatives have been reclassified to be consistent with current period disclosures.

(b) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Infocus Wealth Management Limited (Company or parent entity) as at 30 June 2025 and the results of all subsidiaries for the year then ended. Infocus Wealth Management Limited and its subsidiaries together are referred to in these financial statements as the Group or the consolidated entity.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Note 2A. Material accounting policies (continued)

(c) Foreign currency translation

The consolidated financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

(d) Revenue and expense recognition

Revenue is measured based on the consideration specified in a contract with a customer. Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised services to its customers. Revenue earned by the Group from its contracts with customers primarily consists of the following categories of fee and commission income:

Financial advisory services include the following:

(i) Advice and services revenue

This includes licensee and advice services revenue from ongoing use of the Group's AFSL by authorised representatives, and is recognised when the performance obligation is satisfied over time as the service is provided.

(ii) Mortgage broking services

The Group enters into contracts with customers to act as an agent to offer loans to customers. Upfront commissions are recognised at a point in time on settlement of the loan. Trail commissions are recognised at the estimated 'expected value' of the variable consideration being the present value of the expected future trailing commissions to be received from the lending institution. Subsequent to initial recognition, the carrying amount of the contract asset is adjusted to reflect actual and revised estimated cash flows by recalculating the net present value of estimated future cash flows using the Group borrowing rate. This adjustment is recognised in profit or loss.

(iii) Other fee and commission income

This includes fees relating to accounting, business advisory and tax services and are recognised when the performance obligation is satisfied over time as the service is provided.

Infrastructure services

The Group offers access to its systems to product issuers, advisers and clients with the end purpose of delivering quality financial advice and information to clients. Revenue from each of these parties is recognised over time as the services are made available to them.

Investment management services

The Group earns revenue through the provision of investment and funds management services to its customers. Under this arrangement, the fee charged is calculated based on a fixed percentage of Funds Under Management. Revenue is recognised as the service is provided.

Dividends and rent

Dividends or distributions are recognised as income when the Group becomes entitled to the dividend or distribution.

Lease rental income is recognised on a straight-line basis over the lease term.

Interest income

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. This is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Expenses

Expenses are recognised in the statement of profit and loss and other comprehensive income as and when the provision of services is received.

(e) Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Note 2A. Material accounting policies (continued)

(e) Income tax (continued)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Tax consolidation

The parent entity and its 100% owned subsidiaries formed an income tax consolidation group with effect from 1 July 2020. A consequence of entering into the tax consolidation regime is that the consolidated group (consisting of the parent entity and its 100% owned subsidiaries) is treated as a single taxpayer for income tax purposes and all intercompany transactions are ignored for tax purposes. The parent and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone tax payer.

Members of the Infocus tax consolidation group entered into a tax sharing and funding agreement. Under the terms of this agreement, each member in the tax consolidated group agree to make a tax equivalent payment to the parent based on their current tax liability or current tax asset. Deferred taxes are recorded by members of the tax consolidated group in accordance with AASB 112 *Income Taxes*.

(f) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is expected to be realised or intended to be sold or consumed in the normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is expected to be settled in the normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(g) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

(h) Trade and other receivables and contract assets

Trade and other receivables are recognised at amortised cost, less any loss allowance on a specific basis. Trade receivables are generally due for settlement within 30-120 days of recognition.

Contract assets are recognised when the Group has transferred services to the customer but where the Group is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Contract assets relate to future trail commissions due from a combination of Australian banks and non-bank lenders. Any expected credit loss would not be material as these organisations have reduced credit risk and consequently none has been recognised.

Note 2A. Material accounting policies (continued)

(i) Investments and other financial assets

(i) Classifications

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (OCI) or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition and derecognition

Purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three methods to classify debt instruments: amortised cost, fair value through other comprehensive income and fair value through profit or loss.

Equity instruments

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at FVOCI. Under FVOCI, subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividends from these investments continue to be recorded as other income within the profit or loss unless the dividend clearly represents return of capital.

(iv) Impairment

The Group assesses on a forward-looking basis the expected credit loss with any debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by AASB 9, refer to note 2A(h) above.

Note 2A. Material accounting policies (continued)

(j) Property, plant and equipment

Plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All repairs and maintenance are charged to the income statement during the reporting period in which they are incurred.

The depreciation rates used for each class of depreciable assets are:

<i>Depreciable assets</i>	<i>Depreciation rate</i>
Leasehold improvements	2.5% to 10.0%
Plant and equipment	5.0% to 67.0%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

(k) Right of use assets and lease liabilities

The Group leases office space and equipment for which contracts are typically entered into for fixed periods and may include extension options. Leases are recognised as a right-of-use asset and a corresponding liability at the commencement date, being the date, the leased asset is available for use by the Group.

The right-of-use assets initially are measured at cost and comprise of the following:

- The amount of the initial measurement of the lease liabilities;
- Any lease payments made at/or before the commencement date less lease incentives;
- Any initial direct costs incurred by the Group; and
- Restoration costs.

The lease liabilities as at the commencement date will include the net present value of the following lease payments:

- Any fixed payments less any lease incentives receivable;
- Variable lease payments based on an index or rate, initially measured using the index or rate at commencement;
- Amount expected to be payable by the Group under a residual value guarantee;
- Payments of penalties for termination of the lease if the lease term reflects the Group exercising the option to terminate the lease; and
- Exercise price of a purchase option if the Group is reasonably certain to exercise that option.

The right-of-use assets are depreciated from the commencement date to the earlier of the end of the useful life of the right-of-use asset and the end of the lease term (including the extension option where applicable) on a straight-line basis. In determining the lease term, management has considered all facts and circumstances that create an economic incentive to exercise the extension option. If the Group is reasonably certain that it will exercise the option to renew the lease then the extended period has been taken into consideration for calculating the depreciation amount. The right-of-use assets held by the Group may be subsequently adjusted for any re-measurement of the lease liability to reflect any reassessment or lease modifications identified, or to reflect revised in-substance fixed lease payments.

Note 2A. Material accounting policies (continued)

(k) Right of use assets and lease liabilities (continued)

The lease payments are discounted using the interest rate implicit in the lease or, where that is not available, by using the Group's incremental borrowing rate payable to borrow funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. The lease payments are allocated between the principal and finance cost. The operating expense in respect of lease payments in the profit and loss account has been replaced by the finance cost, calculated by the incremental borrowing rate on the remaining balance of the lease liability, and the depreciation cost for the right-of-use asset. This has typically resulted in higher depreciation and interest expense in earlier years and lower expenses in later years with flow on impacts to financial metrics such as EBITDA.

The finance cost component of the lease payments is treated as an operating cash outflow in the statement of cash flows while the principal payments are treated as a financing cash outflow.

Payments associated with short-term leases of premises and equipment with a lease term of less than 12 months continue to be recognised on a straight-line basis as an expense in the profit and loss account.

(l) Intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is not amortised. Instead, goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Client portfolios

Client portfolios acquired as part of a business combination are recognised separately from goodwill. The assets are measured at fair value at the date of acquisition less accumulated amortisation and impairment losses. Amortisation is calculated based on the timing of the projected cash flows of the relationships for 13 years from the date of purchase and their carrying value is amortised over that period. This assessment is based on the average age of clients, life expectancy and average period of client retention.

Software development

Costs incurred on software development projects (relating to the design and testing of new or improved software products) are recognised as intangible assets when it is probable that the project will be a success considering its commercial and technical feasibility and its costs can be measured reliably. The expenditure capitalised comprises all directly attributable costs, including direct labour.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Capitalised development costs are recorded as an intangible asset and amortised using the straight-line method from the point at which the asset is ready for use over its useful life of 3 to 10 years.

(m) Impairment of non-financial assets

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal, and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting period.

Note 2A. Material accounting policies (continued)

(n) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(o) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. They are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities, which are not an incremental cost relating to the actual draw-down of the facility, are recognised as prepayments and amortised on a straight-line basis over the term of the facility. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(p) Provisions and contingent liabilities

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, considering the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation.

Contingent liabilities

No liability is recognised if an outflow of economic resources as a result of the present obligation is not probable. Such situations are disclosed as contingent liabilities, unless the outflow of resources is remote in which case no liability is recognised.

(q) Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. The liabilities for annual leave and long service leave are recognised as a provision in the statement of financial position. All other short-term employee benefit obligations are presented as payables.

The leave obligations cover the Group's liability for annual leave and long service leave.

The current portion includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Group does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Group does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

Note 2A. Material accounting policies (continued)

(q) Employee benefits (continued)

Other long-term employee benefits

The liabilities for long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The non-current portion includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments

Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, performance rights or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions is measured at fair value on grant date. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than market conditions which are taken into consideration in determining fair value.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are satisfied and therefore the employee becomes fully entitled to the award (vesting date).

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If an equity-settled award is cancelled, and it is treated as if it has vested on the date of cancellation, then any remaining expense is recognised immediately. If any new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

(r) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either in the principal market, or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on their highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Note 2A. Material accounting policies (continued)

(r) Fair value measurement (continued)

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

(s) Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(t) Dividends

Dividends payable are recognised when declared during the financial year.

(u) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquired entity and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired, and after the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and the consideration paid or received is recognised in a separate reserve within equity attributable to owners of Infocus Wealth Management Limited.

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Note 2A. Material accounting policies (continued)

(v) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

(w) Rounding of amounts

The Group is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* and in accordance with that Instrument, the amounts contained in these financial statements have been rounded to the nearest thousand dollars, unless otherwise stated.

(x) Parent entity financial information

The financial information for the parent entity, Infocus Wealth Management Limited, disclosed in note 25 has been prepared on the same basis as the consolidated financial statements.

(y) New or amended accounting standards and interpretations

The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet mandatory.

Several other new or amended standards and interpretations that were mandatorily effective on 1 July 2024 did not result in a material impact to the consolidated financial statements of the Group.

(z) Critical accounting judgements, estimates and assumptions

The Group makes certain estimates and assumptions concerning the future, which, by definition will seldom represent actual results. The estimates and assumptions that have a significant inherent risk in respect of estimates based on future events, which could have a material impact on the assets and liabilities in the next financial year, are discussed below:

(i) Assessment of impairment of goodwill and other indefinite life intangible assets

Under the accounting standards, the Group is required to perform an annual assessment as to whether there has been any impairment of its goodwill and other indefinite life intangible assets. Details of the basis of performance of the assessment and the assumptions made are set out in note 12.

(ii) Acquired intangible assets

Under the accounting standards, the assets and liabilities of businesses acquired through a business combination are to be measured at their acquisition date fair values. The Group applies judgements in selecting valuation techniques and setting valuation assumptions to determine the acquisition date fair values and to estimate the useful lives of these assets as set out in notes 2A(l) and 2A(u).

(iii) Provision for impairment of receivables

The Group estimates losses incurred on its trade receivables in accordance with the policy as per note 2A(h).

(iv) Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets as per notes 2A(j) and 2A(l). The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Note 2A. Material accounting policies (continued)

(z) Critical accounting judgements, estimates and assumptions (continued)

(v) Capitalisation of internally developed software

The Group's determination of whether the recognition requirements for the capitalisation of development costs are met requires judgement. After capitalisation, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalised costs may be impaired.

(vi) Mortgage broking services - trail commissions

The Group receives trail commissions from lenders (presented as contract assets) over the life of the loan based on the loan balance outstanding subject to the loan continuing to perform. The average run-off life is impacted by the future run-off rate. A reduction in the average loan life as a result of higher run-off would result in a lower asset position. Key assumptions include the average run-off loan life and discount rate applied per annum.

(vii) Lease term extension options and leases in holdover

In determining lease term, extension options are included in some property leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension options held are exercisable only by the Group and not by the respective lessor.

Where a lease enters holdover, management estimate the expected lease term and rental based on the available information at the balance date. Any adjustments required due to changes in estimates or entering into a new lease agreement are recognised in profit or loss in the period the adjustments are made.

(aa) Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations;
- or
- is a subsidiary acquired exclusively with a view to resale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is represented as if the operation has been discontinued from the start of the comparative year.

(ab) Investments in associates

Investments in associates are accounted for using the equity method.

The carrying amount of the investment in associates is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the associate adjusted where necessary to ensure consistency with the accounting policies of the Group.

Unrealised gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

Note 2A. Material accounting policies (continued)

(ac) Going concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The ability of the Company to continue as a going concern including meeting operating cash requirements and paying debts as and when they fall due is dependent on:

- achieving profitability and generating sufficient operating cash inflows;
- continued financial support from its financiers; and
- securing additional capital investment where required.

The Group has a profit after tax for the year ended 30 June 2025 of \$3,699k (2024: \$2,575k loss). The Group has an excess of current liabilities over current assets at reporting date of \$8,782k (30 June 2024: \$9,586k).

It should be noted that the Group had undrawn borrowing facilities at that date of \$1,732k (2024: \$3,910k), and bank borrowings of \$11,052k (2024: \$9,296k).

In the prior year the company had two facilities with the bank that were short-term rolling facilities, and these were classified as current liabilities. In the current year these bank facilities have been extended till 31 July 2026 and are classified as non-current liabilities.

The Company continues to take the necessary steps to manage its cash position as forecasts show net positive operating cash flows in future financial years.

The directors are of the opinion the Group will continue normal business activities and be able to realise its assets and settle its liabilities in the ordinary course of business. The Group has taken appropriate action and steps to manage its cash flows going forward and continues to receive the support of the Bank.

Infocus Wealth Management Limited and its controlled entities
Notes to the consolidated financial statements
30 June 2025

Note 3(a). Advice and services revenue

	Consolidated	
	2025	2024
	\$'000	\$'000
Financial advisory services	102,767	69,684
Infrastructure services	4,196	2,247
Investment management services	4,293	2,796
Total advice and services revenue	111,256	74,727

Note 3(b). Other income

Gain on sale of client portfolios	-	888
Dividend and rental income	60	93
Interest income	101	62
Total other income	161	1,043

Note 4. Expenses

(a) Amortisation, depreciation and impairment

Depreciation of property, plant and equipment (note 10)	123	175
Depreciation of right-of-use assets (note 11)	390	491
Amortisation of intangible assets (note 12)	731	788
Total amortisation, depreciation and impairment	1,244	1,454

(b) Finance costs

Interest on borrowings	1,896	1,565
Interest on lease liabilities (note 15)	76	24
Total finance costs	1,972	1,589

(c) Employee benefits

Post-employment benefits expenses were \$848k (2024: \$849k).

Infocus Wealth Management Limited and its controlled entities
Notes to the consolidated financial statements
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Note 5. Income tax

	Consolidated	
	2025	2024
	\$'000	\$'000
<i>Income tax (benefit)</i>		
Current tax	15	3
Deferred tax - origination and reversal of temporary differences	(3,179)	(37)
Aggregated income tax (benefit)	(3,164)	(34)
Deferred tax included in income tax (benefit) comprises:		
(Increase)/decrease in deferred tax assets	(3,112)	29
(Decrease) in deferred tax liabilities	(67)	(66)
Deferred tax – origination and reversal of temporary differences	(3,179)	(37)
<i>Income tax (benefit) reconciled to accounting profit/(loss)</i>		
Profit/(loss) before income tax expense	535	(2,597)
Income tax expense /(benefit) calculated at 30% (2024: 30%)	161	(779)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenses	37	118
Non-assessable income	(48)	(293)
Current and prior year revenue tax losses unrecognised	-	1,072
Difference in tax rates of controlled entity	20	(152)
Tax losses recognised in current year	(3,334)	-
Income tax (benefit) from continuing operations	(3,164)	(34)

Deferred tax assets

Deferred tax assets relate to the following:

Carry forward revenue tax losses	2,873	-
Accrued expenses and other items	429	441
Employee benefits	366	303
Property, plant and equipment	97	84
Provisions	185	10
	3,950	838

Movements:

Opening balance	838	867
Credited/(charged) to profit or loss	3,112	(29)
Closing balance	3,950	838

Unrecognised deferred tax assets

Revenue tax losses – tax benefit at 30%	-	3,332
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The Group determined it is now probable that taxable profits will be available against which historic tax losses can be utilised. As a consequence, deferred tax asset of \$2,873k was recognised to be carried forward for future years. These revenue tax losses are available for offset against future taxable income. The Group continues to not recognise capital tax losses of \$5.6m to offset against future capital gains.

Infocus Wealth Management Limited and its controlled entities
Notes to the consolidated financial statements
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Note 5. Income tax (continued)

	Consolidated	
	2025	2024
	\$'000	\$'000
Deferred tax liabilities		
<i>Deferred tax liabilities relate to the following:</i>		
Intangible assets	646	714
Accrued income and other items	8	7
	654	721
<i>Movements:</i>		
Opening balance	721	787
(Credited)/charged to profit or loss	(67)	(66)
Closing balance	654	721
Current tax payable	15	3

Note 6. Cash and cash equivalents

Cash at bank and on hand	1,967	1,640
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Reconciliation to cash and cash equivalents at the end of the year

The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

Balances as per above	1,967	1,640
Bank overdraft (note 14)	(1,921)	(1,236)
Balance as per statement of cash flows	46	404

Refer to note 19 on financial instruments-risk management and fair values.

Note 7. Trade and other receivables

Current

Trade and other receivables ¹	7,847	6,590
Less: Provision for impairment of receivables	(615)	(33)
	7,232	6,557
Contract assets – mortgage trail commissions	220	250
Prepayments	1,665	1,235
Total current trade and other receivables	9,117	8,042

¹ These include Accrued revenue of \$5,271k (2024: \$5,129k).

Infocus Wealth Management Limited and its controlled entities
Notes to the consolidated financial statements
30 June 2025

Note 7. Trade and other receivables (continued)

	Consolidated	
	2025	2024
	\$'000	\$'000
Non-current		
Contract assets – mortgage trail commissions	386	356
Deposits for rental premises	138	138
Other debtors	100	-
	<u>624</u>	<u>494</u>
 Total trade and other receivables	 <u>9,741</u>	 <u>8,536</u>

Refer to note 19 on financial instruments-risk management and fair values.

Impairment of receivables

The Group has recognised a loss of \$584k (2024: \$14k) in profit or loss in respect of receivables written-off and/or provided for the year ended 30 June 2025.

The ageing of the impaired receivables provided are as follows:

	Consolidated	
	2025	2024
	\$'000	\$'000
0 to 3 months overdue	-	-
3 to 6 months overdue	-	-
Over 6 months overdue	912	33
	<u>912</u>	<u>33</u>

Movements in the provision for impairment of receivables are as follows:

Opening balance	33	148
Addition to provision	582	11
Receivables write-off during the year	-	(126)
	<u>615</u>	<u>33</u>

Past due but not impaired

Balances past due but without provision for impairment of receivables amount to \$142k as at 30 June 2025 (2024: \$775k).

The ageing of the past due but not impaired receivables are as follows:

	Consolidated	
	2025	2024
	\$'000	\$'000
0 to 3 months overdue	14	477
3 to 6 months overdue	22	119
Over 6 months overdue	106	179
	<u>142</u>	<u>775</u>

Infocus Wealth Management Limited and its controlled entities
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Note 8. Loan receivables

	Consolidated	
	2025	2024
	\$'000	\$'000
Current		
Loan receivables	6	6
Non-current		
Loan receivables	1,415	622
Total loan receivables	1,421	628

Refer to note 19 on financial instruments-risk management and fair values.

Impaired loans and loans past due

The Group does not have any non-performing loans at balance date.

Note 9. Investments

	Consolidated	
	2025	2024
	\$'000	\$'000
Investment in associate	1,717	1,694
Investment in unlisted company	325	325
Other investments	41	34
	2,083	2,053

Investment in associate accounted for using the equity method

Summary of the financial information regarding the Group's share in this associate is as follows:

	Consolidated	
	2025	2024
	\$'000	\$'000
Share of profit for the period	189	120
Carrying amount of investment	1,717	1,694
Changes in carrying amount of investment		
At 1 July	1,694	-
Investment in associate	-	1,686
Share in net result for the period	189	120
Distributions received	(166)	(112)
At 30 June	1,717	1,694

Infocus Wealth Management Limited and its controlled entities
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Note 10. Property, plant and equipment

	Consolidated	
	2025	2024
	\$'000	\$'000
Leasehold improvements	764	764
Less: Accumulated depreciation	(711)	(703)
	<u>53</u>	<u>61</u>
Plant and equipment	2,311	2,263
Less: Accumulated depreciation	(2,121)	(2,005)
	<u>190</u>	<u>258</u>
	<u>243</u>	<u>319</u>

Consolidated	Leasehold improvements \$'000	Plant and equipment \$'000	Total \$'000
At 1 July 2023	71	361	432
Additions	-	62	62
Depreciation expense	(10)	(165)	(175)
At 30 June 2024	<u>61</u>	<u>258</u>	<u>319</u>
At 1 July 2024	61	258	319
Additions	-	47	47
Depreciation expense	(8)	(115)	(123)
At 30 June 2025	<u>53</u>	<u>190</u>	<u>243</u>

Note 11. Right-of-use assets

	Consolidated	
	2025	2024
	\$'000	\$'000
Premises	2,824	5,452
Less: Accumulated depreciation	(165)	(5,236)
	<u>2,659</u>	<u>216</u>
Equipment	48	204
Less: Accumulated depreciation	(43)	(189)
	<u>5</u>	<u>15</u>
	<u>2,664</u>	<u>231</u>

Infocus Wealth Management Limited and its controlled entities
Notes to the consolidated financial statements
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Note 11. Right-of-use assets (continued)

Consolidated	Premises \$'000	Equipment \$'000	Total \$'000
At 1 July 2023	697	25	722
Depreciation expense	(481)	(10)	(491)
At 30 June 2024	216	15	231
At 1 July 2024	216	15	231
Additions	2,823	-	2,823
Depreciation expense	(380)	(10)	(390)
At 30 June 2025	2,659	5	2,664

Note 12. Intangibles

	Consolidated 2025 \$'000	2024 \$'000
Goodwill	17,366	17,366
Less: Accumulated impairment	(577)	(577)
	16,789	16,789
Client portfolios	1,616	1,616
Less: Accumulated amortisation	(700)	(589)
	916	1,027
IT development & software	10,634	8,210
Less: Accumulated amortisation	(4,583)	(3,963)
	6,051	4,247
	23,756	22,063

Consolidated	Goodwill \$'000	Client portfolios \$'000	Software development \$'000	Total \$'000
At 1 July 2023	14,938	1,371	4,202	20,511
Additions	-	705	608	1,313
Additions through business combinations (note 20)	1,851	-	-	1,851
Disposals during the year	-	(824)	-	(824)
Amortisation expense	-	(225)	(563)	(788)
At 30 June 2024	16,789	1,027	4,247	22,063
At 1 July 2024	16,789	1,027	4,247	22,063
Additions	-	-	2,424	2,424
Amortisation expense	-	(111)	(620)	(731)
At 30 June 2025	16,789	916	6,051	23,756

For the purpose of impairment testing, goodwill and other intangible assets are allocated to the Group's Cash Generating Units (CGUs) which represent the lowest level within the Group for internal management purposes.

Note 12. Intangibles (continued)

The carrying amount of goodwill and other intangible assets of each CGU is tested for impairment at each reporting date and when there is an indication of potential impairment. If an asset is impaired it is written down to its recoverable amount. The recoverable amount is based on a value-in-use calculation using discounted cash flow projections for five years prepared from current forecasts using certain key assumptions.

The key assumptions used in carrying out impairment testing for each CGU (B2B and B2C) are:

- (i) Budgeted operating cash flows which represent the Group's estimate of future cash flows based on forecasts approved by the Board of Directors;
- (ii) Post-tax discount rate 12.3% (2024: 14.2%); and
- (iii) Long-term growth rate (terminal rate) 2.5% (2024: 2.5%).

The goodwill was allocated to the following CGUs:

	Goodwill	
	2025	2024
	\$'000	\$'000
CGUs		
B2B	7,127	7,127
B2C	9,662	9,662
	<u>16,789</u>	<u>16,789</u>

Changes in assumptions made in the assessment of impairment of goodwill relate to estimating sustainable revenues. The assumptions are compared to market each year and adjusted appropriately.

The estimates and judgements included in the fair value calculations are based on historical experience and other factors, including management's and the directors' expectations of future events that are believed to be reasonable under the current circumstances.

Goodwill once impaired cannot be reversed. However, impairments of other intangibles can be reversed if conditions have changed and the recoverable amount is higher than carrying amount.

Note 13. Trade and other payables

	Consolidated	
	2025	2024
	\$'000	\$'000
Current		
Trade payables ¹	7,204	7,980
Other payables	<u>1,708</u>	<u>1,953</u>
	<u>8,912</u>	<u>9,933</u>

¹ These include Accrued expenses of \$4,263k (2024: \$4,737k) and Income in advance of \$1,330k (2024: \$1,456k).

Refer to note 19 on financial instruments-risk management and fair values.

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Note 14. Borrowings

	Consolidated	
	2025	2024
	\$'000	\$'000
Current		
Bank overdraft	1,921	1,236
Bank term loans ^(a)	-	3,188
Bank loan- SMERLs ^(b)	864	864
Convertible notes ^(c)	3,475	-
Loans from related party ^(d)	700	-
Unsecured notes ^(e)	860	2,420
Unsecured corporate loans	1,538	595
Total current borrowings	9,358	8,303
Non-current		
Bank term loans ^(a)	4,692	-
Bank loan- SMERLs ^(b)	3,531	3,961
Convertible notes ^(c)	2,000	5,579
Unsecured notes ^(e)	2,310	-
Total non-current borrowings	12,533	9,540
Total borrowings		
	21,891	17,843

(a) The Group has bank term loans that were extended by the bank over a 13-month period in 2025 which are disclosed as non-current liabilities. (In 2024 these bank term loans were current liabilities as they were short-term rolling facilities).

(b) The Group has a ten-year, loan facility offered by the Bank under the Australian Government's SME Recovery Loan Scheme (SMERLS).

(c) The Company has issued convertible notes as follows:

(i) 3,475,000 12.5% convertible notes for \$3,475k (\$3,475k at 30 June 2024) on a three-year term. The notes are convertible into ordinary shares of the Company, at the option of the holder, or repayable on 20 June 2026. The conversion rate is 2.38 shares for each note held and each conversion request from a noteholder must be for a minimum of \$10k worth of notes.

(ii) 2,000,000 8% convertible notes for \$2,000k (\$2,104k at 30 June 2024) on a three-year term on 28 June 2024. The notes are convertible into ordinary shares of the Company, at the option of the holder, or repayable on 28 June 2027.

(d) Refer to Note 23 (e) for further information relating to loans from related party.

(e) The Company issued 3,170,000 at 4% above 90-day Bank Bill Swap Rate – Mid (BBSW) unsecured notes for \$3,170k (\$2,420k at 30 June 2024, as current liability), which has been split into current and non-current depending on the term.

Refer to note 19 on financial instruments - risk management and fair values.

Assets pledged as security

The bank facilities are secured by a fixed and floating charge over the Group's assets and a guarantee from a major shareholder and director.

	Consolidated	
	2025	2024
	\$'000	\$'000
Financing arrangements		
Total facilities available from bank	12,784	13,206
Facilities used at balance date	(11,052)	(9,296)
Facilities available from bank at balance date	1,732	3,910

Infocus Wealth Management Limited and its controlled entities
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	Consolidated	
	2025	2024
	\$'000	\$'000
Note 15. Lease liabilities		
Current		
Lease liabilities	495	247
Non-current		
Lease liabilities	2,200	8
Total lease liabilities	2,695	255
Movement in lease liabilities:		
Opening balance	255	787
Additions	2,823	-
Interest expense	76	24
Lease payments	(459)	(556)
Closing balance	2,695	255
Amounts recognised in the Statement of profit and loss and other comprehensive Income		
Depreciation relating to right-of-use assets (note 4)	390	491
Interest expense (finance cost, note 4)	76	24
Expenses relating to short-term leases	327	517
	793	1,032
Total cash outflows relating to operating leases		
Lease repayments disclosed under financing activities	459	556
Less: Interest expense disclosed as non-cash adjustments in operating activities	(76)	(24)
Net lease repayments excluding interest expenses	383	532
Note 16. Provisions		
	Consolidated	
	2025	2024
	\$'000	\$'000
Current		
Employee benefits - leave obligations	1,124	811
Total	1,124	811
Non-current		
Employee benefits - leave obligations	95	267
Total provisions	1,219	1,078
Movement in provision for employee benefits:		
Opening balance	1,078	986
Provisioning expense	738	788
Employee benefits paid	(597)	(696)
Closing balance	1,219	1,078

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Note 17. Equity

(a) Share capital

	2025	Consolidated	2025	2024
	Shares	2024	2025	2024
	(thousands)	Shares	\$'000	\$'000
	(thousands)	(thousands)		
Opening balance	48,585	48,585	16,240	16,240
Shares issued	228	-	274	-
Closing balance	48,813	48,585	16,514	16,240

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

(b) Reserves

	Consolidated	2024
	2025	\$'000
	\$'000	\$'000
Opening balance	513	513
Reclassified to accumulated losses	(513)	-
Closing balance	-	513

Transactions with non-controlling interests reserve

The reserve is used to record differences arising as a result of transactions with non-controlling interests that do not result in a loss of control, as described in note 2A(b).

(c) Capital risk management

When managing capital, the Board's objective is to ensure the Group can continue as a going concern as well as to maintain optimal returns to shareholders and benefits to other stakeholders. Management monitors the capital structure to ensure that the Group is positioned to take advantage of favourable costs of capital or higher expected return on assets. The Group currently has facilities of \$12,784k with the bank which was drawn down by \$11,052k at 30 June 2025.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, raise additional debts or sell assets to reduce debt. The Group is not subject to any externally imposed capital requirements.

Note 18. Dividends

	Consolidated	2024
	2025	\$'000
	\$'000	\$'000
Final dividend paid by controlled entities		
Final dividend paid for the year ended 30 June 2025: \$nil (2024 final dividend paid \$10.50) per ordinary share to non-controlling interest by Capalaba Financial Planning Pty Ltd	-	1
Total dividends paid ⁽¹⁾	-	1

(1) All dividends paid are franked at a tax rate of 25% (2024: 25%)

Dividend franking account

	Consolidated	2024
	2025	\$'000
	\$'000	\$'000
Franking credits available for subsequent financial years	1,606	1,539

The ability to utilise the franking credits is dependent upon the ability to declare and pay dividends.

Note 19. Financial instruments - risk management and fair values

(a) Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including interest rate and currency risk), credit risk and liquidity risk.

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the Audit and Risk Committee, which is responsible for developing and monitoring the Group's risk management policies. The Committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit and Risk Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

(i) Market risk

Market risk is the risk of an adverse impact on Group earnings resulting from changes in market factors, such as interest rates and foreign exchange rates, commodity prices and equity prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return.

The Group does not use derivatives to manage market risks.

Interest rate risk

Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to changes in market interest rates through bank borrowings at variable interest rates. Other borrowings are at fixed interest rates. The exposure on financial assets comprising of cash and cash equivalents is considered immaterial.

Interest rate sensitivity

The analysis demonstrates the impact of a movement in interest rate on borrowings of +/- 1%. These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for variable rate borrowings (i.e., bank overdraft and bank loans) in the Group:

	Consolidated	
	2025	2024
	\$'000	\$'000
Bank overdraft and bank loans	11,052	9,296

If interest rates had changed by, +/- 1% from the year-end rates with remaining contractual maturities and all other variables held constant, the impact on the Group's after-tax profits and equity on above exposures would have been \$77k lower/\$77k higher (2024: \$65k lower/\$65k higher).

Note 19. Financial instruments - risk management and fair values (continued)

Currency risk

The Group has no operations outside of Australia and is not exposed to any material currency risk.

Price risk

The Group has indirect exposure to commodity and equity securities price risk because a portion of the Group's net advice and investment products revenue is governed by the amount of funds under management or under advice, which is impacted by the market price of equities and other investment assets.

This risk is effectively a feature of the financial advice industry and cannot easily be managed. However, the increasing proportion of fee for service revenue and the ability of the Group to adjust resource inputs in relation to market movements decreases the level of risk.

(ii) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents and trade and other receivables, loan receivables and contract assets. The Group's maximum exposure is equal to the carrying amount of these assets (refer to notes 6 to 8).

The Group's cash balances are primarily held with National Australia Bank Limited (credit rating AA-) and Westpac Banking Corporation (credit rating AA-).

The Group has advanced loans as capital funding to the trustee of its superannuation platform (under Operational Risk Financial Requirements 'ORFR', a superannuation prudential requirement) that are held on the superannuation trustee's balance sheet as Tier 1 Common Equity. These loans have been advanced due to the increasing assets under management within the underlying superannuation funds during the year. The Group earns interest income on these funds held by the superannuation trustee.

The Group has provided vendor finance to one of its authorised representatives who has purchased a book of clients from the Group. The loan is contingent on the adviser remaining authorised with Infocus Securities Australia Pty Ltd and is secured by charges over the client books and the brokerage revenues that Infocus collects from the servicing of those clients.

In respect of trade and other receivables, the Group has no significant concentration of credit risk.

It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, all receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is monitored and managed.

Note 19. Financial instruments - risk management and fair values (continued)

(iii) Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Group maintains sufficient liquid reserves to meet all foreseeable working capital, investment and regulatory licensing requirements.

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The balances in the table relating to borrowings will not agree to amounts presented in the statement of financial position as amounts incorporate net cashflows on an undiscounted basis and include both principal and associated future interest payments.

It should be noted the Group does not manage its liquidity risk in this simplified manner.

	Contractual cash flows				Total \$'000	Carrying amount \$'000
	Less than 1 year \$'000	1 to 2 years \$'000	2 to 5 years \$'000	Greater than 5 years \$'000		
At 30 June 2024						
Trade and other payables	9,933	-	-	-	9,933	9,933
Borrowings	9,879	4,463	3,429	5,117 ¹	22,888	17,843
Lease liabilities	259	8	-	-	267	255
	20,071	4,471	3,429	5,117	33,088	28,031
	Less than 1 year \$'000	1 to 2 years \$'000	2 to 5 years \$'000	Greater than 5 years \$'000	Total \$'000	Carrying amount \$'000
At 30 June 2025						
Trade and other payables	8,912	-	-	-	8,912	8,912
Borrowings	10,271	10,032	1,031	3,789 ¹	25,123	21,891
Lease liabilities	535	572	1,804	-	2,911	2,695
	19,718	10,604	2,835	3,789 ¹	36,946	33,498

¹ The Group has a ten-year, loan facility offered by the Bank under the Australian Government's SME Recovery Loan Scheme.

(b) Fair value of financial assets and financial liabilities

Fair value reflects the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Quoted prices or rates are used to determine fair value where an active market exists. If the market for a financial instrument is not active, fair values are estimated using present value or other valuation techniques, using inputs based on market conditions prevailing on the measurement date.

Financial instruments measured at fair value are categorised under a three-level hierarchy as outlined below:

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

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

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

Note 19. Financial instruments - risk management and fair values (continued)

The Group has assessed its financial instruments recorded at fair value and these are categorised under the fair value hierarchy. The carrying amount and fair value of financial assets and financial liabilities are held at amortised cost. The methodology and assumptions used in determining fair values are as follows:

Cash and cash equivalents

The carrying amount of cash and cash equivalents is an approximation of fair value as they are short term in nature or are receivable on demand.

Trade and other receivables

Trade and other receivables are recognised at amortised cost net of any impairment losses.

Loan receivables

Loan receivables are recognised at amortised cost net of any impairment losses.

Trade and other payables

Trade and other payables are an approximation of fair values as they are short term in nature.

Borrowings

The Group has borrowings which are not measured at fair value in the statement of financial position. The fair value of borrowings is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group. The Group is of the view that underlying assumptions and factors have not changed in this reporting period and the carrying amounts of borrowings is an approximation of fair values at reporting date.

Fair value hierarchy

Borrowings

These are classified as Level 2 as the inputs into the fair value models (being current market rates) used to determine fair value are observable.

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Note 20. Business combinations

On 28 June 2024, the Group acquired 100% of the issued share capital of Madison Financial Group Pty Limited (Madison) and WealthPortal Pty Limited (WealthPortal). Details of the business combination are as follows:

	Purchase consideration
	\$'000
Convertible notes (note 14)	<u>2,104</u>
	Final fair value
	\$'000
Cash and cash equivalents	851
Trade and other receivables	131
Trade and other payables	(715)
Employee benefits	<u>(14)</u>
Identifiable net assets at fair value	253
Consideration	<u>2,104</u>
Goodwill recognised (note 12)	<u>1,851</u>
<i>Analysis of cash flow on acquisition</i>	
Cash and cash equivalents acquired	851
Cash paid	<u>-</u>
Net cash inflow on acquisition	<u>851</u>

For the year ended 30 June 2025, Madison and WealthPortal combined contributed \$23,224k and \$28k to the Group's revenues and profit before tax, respectively.

Note 21. Contingent liabilities and contingent assets

The nature of the financial advice business is such that from time-to-time advice given by the Group or its authorised representatives may generate client compensation claims. As a result, contingent liabilities may arise from time to time. As at 30 June 2025 there were no contingent liabilities (2024: nil).

The Group has no contingent assets at 30 June 2025 (2024: nil).

Note 22. Capital Commitments

There were no material capital commitments at 30 June 2025.

Note 23. Related party disclosures

(a) Key management personnel compensation

The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below:

	Consolidated 2025 \$	2024 \$
Short-term employee benefits and consulting fees paid	2,419,738	2,061,003
Post-employment benefits	156,456	170,624
	<u>2,576,194</u>	<u>2,231,627</u>

The remuneration of directors and key executives is determined by the Board in relation to the performance of individuals and market trends.

(b) Parent entity

The parent entity of the Group is Infocus Wealth Management Limited.

(c) Subsidiaries

Interests in Group entities are set out in note 26.

(d) Transactions with related parties

Balances and transactions between the Company and its subsidiaries and controlled entities, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

The Group has paid the following services to a related company of Mr and Mrs Steinhardt:

	2025 \$	2024 \$
Payment for consulting services	693,250	553,847
Payment for services – for financial guarantees to the Group bankers	110,080	92,491
Payment for services – for rental premises (Maroochydore)	566,769	554,281
Total	<u>1,370,099</u>	<u>1,200,619</u>

Key management personnel held the following investments in debt securities of the Company at balance date:

Convertible notes	<u>460,000</u>	<u>485,000</u>
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Terms and conditions

All related party transactions were made on normal commercial terms and conditions and at market rates. Directors J. Hubbard and D. Steinhardt are clients of a controlled entity within the Group, this relationship is on normal commercial terms and conditions. The Group has earned income from J. Hubbard of \$10,742 for the year ended 30 June 2025 (30 June 2024: \$10,228). The Group has earned income from D. Steinhardt of \$4,816 for the year ended 30 June 2025 (30 June 2024: \$4,337).

(e) Loans from related party (director and shareholder)

A loan of \$700k was advanced by Salo Holdings Pty Ltd, a related entity of D. Hasib to the Group at a 1% monthly interest rate on normal commercial terms and conditions based on market terms for similar commercial lending with a repayment term of six months from balance date.

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Note 24. Auditor's remuneration

	Consolidated 2025 \$	2024 \$
Audit and review services		
Audit services – KPMG		
- Audit and review of financial statements	153,900	114,725
Audit services – non-KPMG		
- Audit and review of financial statements	-	33,000

Note 25. Parent entity information

The parent entity financial information is presented as follows:

Statement of financial position

	2025 \$'000	2024 \$'000
Total current assets	2,246	2,175
Total assets	30,752	21,423
Total current liabilities	12,472	9,627
Total liabilities	24,990	19,442
Equity		
Share capital	16,514	16,240
Accumulated losses	(10,752)	(14,259)
Total equity	5,762	1,981

Statement of profit or loss and other comprehensive income

Profit/(loss) after income tax	3,507	(4,099)
Total comprehensive income	3,507	(4,099)

Guarantees entered into by the parent entity

The parent entity has not entered into any guarantees, in the current or previous financial year, in relation to any debts of its controlled entities.

Contingent liabilities and capital commitments for property, plant and equipment

The parent entity had no contingent liabilities or capital commitments for property, plant and equipment as at 30 June 2025 (2024: \$Nil).

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Note 26. Group entities

The consolidated financial statements incorporate the assets, liabilities and results of the following controlled entities in accordance with the accounting policy described in note 2A(b):

Entity name ¹	Percentage of shares held	
	2025	2024
Alpha Fund Managers Pty Ltd	100%	100%
Alpha Investment Management Pty Ltd	100%	100%
Announcer Group Pty Limited	100%	100%
Announcer Financial Planning Pty Ltd	100%	100%
Commission Refunders Pty Ltd	100%	100%
Earnie Pty Ltd	100%	100%
Infocus Financial Planning Pty Ltd	100%	100%
Infocus Lending Advisory Pty Ltd	100%	100%
Infocus Securities Australia Pty Ltd	100%	100%
Infocus Tax & Business Advisory Pty Ltd	100%	100%
Madison Financial Group Pty Limited	100%	100%
Mortgage Prevue Oxygen Pty Ltd	100%	100%
Patron Financial Trust	100%	100%
Platformplus Pty Ltd	100%	100%
Portfoliofocus Pty Ltd	100%	100%
Portfolio Administration & Reporting Pty Ltd	100%	100%
Sunshine Coast Financial Planning Pty Ltd	100%	100%
WealthPortal Pty Limited	100%	100%

¹ All entities in this table are incorporated in Australia.

Entity with material non-controlling interests

The Group has an agreement with Artex Risk Solutions (Guernsey) Ltd, a wholly owned subsidiary of Arthur J. Gallagher & Co (AJG) (listed on NYSE) with respect to a Protected Cell Company ("Cell AIC"). The Cell has been formed to act as a captive insurer for the benefit of Infocus as the Cell owner. The Cell is established in Guernsey to benefit from the captive insurance expertise and infrastructure (including its mature regulatory framework, banking and investment facilities) and the Protected Cell Company legislation which is not available to the Group in Australia.

The Group does not hold a controlling interest over Artex Risk Solutions (Guernsey) Ltd, but it does have effective control over the operations of Cell AIC and accordingly the consolidated financial statements incorporate the assets, liabilities, and results of this entity.

Note 27. Reconciliation of profit/(loss) after income tax to net cash from operating activities

	Consolidated	
	2025	2024
	\$'000	\$'000
Net profit/(loss) after income tax	3,699	(2,575)
Adjustments for:		
Amortisation, depreciation and impairment	1,244	1,454
Bad and doubtful debts expense	584	14
Finance costs from lease liabilities included in cashflows from financing activities	76	24
(Gain) on sale of client portfolios	-	(888)
(Gain) on investments	(7)	(4)
Loss related to the net present value of mortgage trail commissions	-	121
Share of associates net profit	(189)	(120)
Dividends received from associates	166	112
Change in operating assets and liabilities		
(Increase)/ decrease in trade and other receivables	(1,789)	901
(Decrease) in trade and other payables	(1,291)	(708)
(Decrease)/increase in term deposits	(9)	363
Increase in provisions	141	78
(Increase)/decrease in deferred tax assets	(3,112)	29
(Decrease) in deferred tax liabilities	(67)	(75)
Increase in current tax assets and tax liabilities	12	16
Net cash (used in) operating activities	<u>(542)</u>	<u>(1,370)</u>
 Movements in borrowings:		
Borrowings and lease liabilities opening balance (note 14 and 15)	18,098	14,488
Proceeds from borrowings	4,331	6,017
Repayment of borrowings	(864)	(3,553)
Repayment of lease liabilities (note 15)	(459)	(556)
Interest and other finance costs paid from lease liabilities	76	24
Issue of convertible notes relating to acquisition (note 20)	-	2,104
Cash flows from bank overdraft	3,404	(426)
Borrowings and lease liabilities closing balance (note 14 and 15)	<u>24,586</u>	<u>18,098</u>

Note 28. Events after the reporting period

The Company has issued 3,150,000 10.5% convertible notes for \$3,150k for a three-year term and has set a target to reach total issuance of up to \$5,000k by 31 October 2025.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Consolidated entity disclosure statement regarding tax residency

Entity name	Entity type	Place formed/Country of incorporation	Ownership interest %	Tax residency
Infocus Wealth Management Ltd (parent entity)	Body corporate	Australia	n/a	Australian
Alpha Fund Managers Pty Ltd	Body corporate	Australia	100%	Australian
Alpha Investment Management Pty Ltd ¹	Body corporate	Australia	100%	Australian
Announcer Group Pty Limited	Body corporate	Australia	100%	Australian
Announcer Financial Planning Pty Ltd	Body corporate	Australia	100%	Australian
Commission Refunders Pty Ltd	Body corporate	Australia	100%	Australian
Earnie Pty Ltd	Body corporate	Australia	100%	Australian
Infocus Financial Planning Pty Ltd	Body corporate	Australia	100%	Australian
Infocus Lending Advisory Pty Ltd	Body corporate	Australia	100%	Australian
Infocus Securities Australia Pty Ltd	Body corporate	Australia	100%	Australian
Infocus Tax & Business Advisory Pty Ltd	Body corporate	Australia	100%	Australian
Madison Financial Group Pty Limited	Body corporate	Australia	100%	Australian
Mortgage Prevue Oxygen Pty Ltd	Body corporate	Australia	100%	Australian
Patron Financial Trust	Trust	Australia	100%	Australian
Platformplus Pty Ltd	Body corporate	Australia	100%	Australian
Portfoliofocus Pty Ltd	Body corporate	Australia	100%	Australian
Portfolio Administration & Reporting Pty Ltd	Body corporate	Australia	100%	Australian
Sunshine Coast Financial Planning Pty Ltd	Body corporate	Australia	100%	Australian
WealthPortal Pty Limited	Body corporate	Australia	100%	Australian
Artex Insurance (Guernsey) PCC Limited ²	Protected cell	Guernsey	n/a	Guernsey

1. This entity is trustee of Patron Financial Trust

2. The Group acts as an agent for the protected cell company and lodges tax returns in Australia.

Basis of preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the *Corporations Act 2001* and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

Determination of tax residency

Section 295 (3A) (vi) of the *Corporations Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

- Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5 and PCG 2018/9.

- Foreign tax residency

The consolidated entity has applied current legislation and where available judicial precedent in the determination of foreign tax residency. Where necessary, the consolidated entity has used independent tax advisers to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

Infocus Wealth Management Limited and its controlled entities
Directors' declaration
30 June 2025

In the opinion of the Directors of Infocus Wealth Management Limited:

- (a) the consolidated financial statements and accompanying notes of Infocus Wealth Management Limited are in accordance with the *Corporations Act 2001*, including:
- (i) complying with Australian Accounting Standards and the *Corporations Regulations 2001*;
 - (ii) the consolidated entity disclosure statement is true and correct; and
 - (iii) giving a true and fair view of its financial position as at 30 June 2025 and of its performance for the financial year ended on that date.
- (b) there are reasonable grounds to believe that Infocus Wealth Management Limited will be able to pay its debts as and when they become due and payable; and
- (c) Note 2A(a) confirms that the consolidated financial statements also comply with International Financial Reporting Standards.

Signed in accordance with a resolution of the Board of Directors:



Roy McKelvie
Chairman

29 September 2025
Maroochydore



Independent Auditor's Report

To the shareholders of Infocus Wealth Management Limited

Opinion

We have audited the **Financial Report** of Infocus Wealth Management Limited (the Company) and its controlled entities (the Group).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the **Group's** financial position as at 30 June 2025 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Consolidated statement of financial position as at 30 June 2025;
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended;
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2025;
- Notes, including material accounting policies; and
- Directors' Declaration.

The **Group** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with 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 our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of Infocus Wealth Management Limited (the Company) and its controlled entities (the Group), would be in the same terms if given to the Directors as at the time of this Auditor's Report.

Other Information

Other Information is financial and non-financial information in Infocus Wealth Management Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at:

https://www.auasb.gov.au/media/apzlwn0y/ar3_2024.pdf. This description forms part of our Auditor's Report.

KPMG

KPMG

B E Lovell
Partner

Brisbane
30 September 2025