

K2 Asset Management

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The Manager, Announcements
ASX Market Announcements
4th Floor, 20 Bridge Street
SYDNEY NSW 2000
By E-lodgement

28 January 2025

Dear Manager,

K2 Asset Management Holdings Ltd (KAM): New Investment Mandate Appointment

K2 Asset Management Holdings Ltd (K2) is pleased to announce that after an extensive due diligence process it has been selected to manage approximately A\$242 million in investment mandates on behalf of an existing wealth manager.

The mandates consist of four balanced and growth funds with exposure to over twenty-five third party externally managed funds across all asset classes. The mandate will be managed under K2 Corporate Services Pty Ltd, a wholly owned subsidiary of K2, which already manages and advises on portfolio construction, risk and provides broader portfolio consulting services to clients.

The Funds will be managed by **George Boubouras, Managing Director (MD) of Research, Investments and Advisory (the K2 CIO Office)** combined with key external investment consulting services. Mr. Boubouras has extensive experience successfully managing investments across all asset classes reflecting different asset allocation benchmarks that also includes selecting and monitoring third party fund managers. The mandate will require ongoing portfolio optimisation, fund selection and monitoring across various strategic asset allocation (**SAA**) benchmarks.

The above new mandate will increase funds under management (**FUM**) by approximately A\$242 million and result in an increase of revenue by circa 15%. This new investment mandate contributes to our key focus on delivering sustainable profit for the funds management pillar of the business, in line with the other diversified business pillars.

The Board's focus continues to be ensuring that the pivot in business strategy that commenced in 2020 provides shareholders with sustainable revenue and continued growth via a **three-pillar model**. This new investment mandate win ensures K2 are well on track to deliver profit for the current fiscal year.



The three core pillars being:

1. Responsible Entity (RE) & Trustee Services;
2. Funds Management and Advisory; and
3. Listed Funds and Exchange Traded Funds (ETFs).

K2 continue to maintain a strong corporate balance sheet with cash on deposit amounting to A\$8.3 million as of 31 December 2024 (unaudited). This is well above K2's licensing requirements and high relative to our peers. Of note, K2 continues to hold a high level of franking credits (A\$5.7 million). Further, K2 is now well on track to deliver profit for the current FY.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Hollie Wight', with a small blue circular stamp or seal to its right.

Hollie Wight
Executive Director