



## K2 Asset Management Holdings Ltd

### Media Release 27 February 2025

### December 2024 Half-Year Financial Results

K2 Asset Management Holdings Ltd (**K2**) have today released half year results for the period ending 31 December 2024 (**HY25**) highlighting the execution of previously guided growth in revenue and the forthcoming return to profitability.

### HY25 Highlights

- **Continued strong revenue trajectory**
- **Well on track for a profitable FY2025**
- **Announcement of four investment mandates post December 2024**

Total revenue for the half year amounted to **\$2.9 million**, increasing by 5% compared to the corresponding 6-months in 2023, and resulting in an after-tax loss for the half-year of \$14,890. This represents a marked increase from the previous period; the result of both an increase of new business on the K2 platform as well as a concerted effort to reduce recurring expenses across the business. Pleasingly, post balance date, K2 announced on 28 January 2025, the successful onboarding of four new investment mandates representing approximately \$242 million which is expected to increase the Group's revenue by circa 15% on an annualised basis.

Asset Under Management (**AUM**) continued to grow during the half year as the Board pursued growth across the three core pillars of its diversified financial services offering. For the 12-months to 31 December 2024, AUM increased by 14%. The table below provides total AUM as of 31 December 2024 and the relevant comparative periods.

	Asset Under Management (AUM) AUD \$millions		
	31 December 2022	31 December 2023	31 December 2024
Responsible Entity (RE), Trustee & Administration Services	1,991.5	4,092.7	4,589.3
Exchange Traded (ETF) & Listed Fund Services	-	273.6	306.3
Funds Management & advisory*	73.3	71.9	83.2
<b>Total AUM</b>	<b>2,014.9</b>	<b>4,117.6</b>	<b>4,676.9</b>

The above information is unaudited. Spot rates as at the reference dates have been used in converting non-Australian denominated investments. Please refer to Total AUM for aggregate non-duplicated AUM. \*Funds Management & advisory consists of the K2 Australian Absolute Return Fund, Select International Alpha Fund, K2 Asian Absolute Return Fund, K2 Global High Alpha Fund and K2 Australian Small Cap Fund (ASX: KSM), SMAs and private mandates. The underlying service fee charged for the above listed 3 core pillars of service offerings are at different rates.



## FY25 Outlook

The profitability of K2, including the return of dividends to shareholders, is the primary focus for the Board and the Directors are confident of achieving this in the 2025 financial year. The business continues to build sustainable and diversified revenue lines across the three core pillars, with the respective 2025 outlook for the pillars below:

### 1. Responsible Entity (RE), Trustee & administration services

Growth in the RE, Trustee & administration services pillar of the business remains strong with a pipeline of both established and new funds for the 2025 financial year, providing sustainable and scalable revenue for the business. We are pleased to be able to deliver innovative solutions for funds with our expansive AFSL and a dedicated team for the day-to-day operation and management of these products.

### 2. Listed Funds and Exchange Traded Funds (ETFs)

The ETF and Listed Fund Services pillar has made strong revenue contributions, offering profitability on a standalone basis and additional expansion opportunities in the market. K2 have developed relationships with managers looking to launch ETFs this financial year and are excited to bring those products to market.

### 3. Funds Management & Advisory

Advisory services, provided by the K2 CIO Office<sup>1</sup>, will offer external managers access to advice on portfolio construction, risk and provides broader consulting services. We believe that this offering will contribute 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 recent mandate (announcement [here](#)) is an encouraging sign of the future for this budding business line.

The fund-of-funds model within the Funds Management pillar of the business compliments the internal K2 investment team and offers scope to be expanded. K2 continues to work closely with asset consultants and distribution partners to broaden the distribution channels available for the K2 funds.

### 4. Corporate

K2 has maintained a strong balance sheet which includes \$8.3 million of cash on deposit. The Board of K2 remain cognisant of the \$5.6 million in franking credits available for distribution to shareholders and are grateful for the continued support as the business has undergone fundamental changes in order to return to profitability. We look forward to a successful FY25 and beyond.

If you have any questions, please contact:

#### Hollie Wight

Chief Executive Officer (CEO)

Managing Director (MD), RE & Trustee Services

[reservices@k2am.com.au](mailto:reservices@k2am.com.au)

03 9691 6111

1. These services are provided under K2 Corporate Services Pty Ltd