

K2 Asset Management

Level 44, 101 Collins Street Melbourne Victoria 3000 Australia

Telephone 61 3 9691 6111 Facsimile 61 3 9691 6170

Website k2am.com



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

19 November 2024

Dear Manager,

**K2 Asset Management Holdings Ltd (KAM)
Chair's AGM Address**

In accordance with ASX Listing Rule 3.13.3, I enclose the Chair and Managing Director's Address, which will be delivered at the company's Annual General Meeting (AGM) at 9:00am AEDT today.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Hollie Wight'.

Hollie Wight
Executive Director

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K2 Asset Management Holdings Ltd

2024 Annual General Meeting

Chair and Managing Director's address

Presented by Hollie Wight and Campbell Neal at 9:00am on 19 November 2024

Slide 2 – Cover Slide

Good morning, everyone and welcome to the 2024 Annual General Meeting of K2 Asset Management Holdings Ltd. Thank you all for your patience as we wait for all to join the call.

Slide 3 – K2AM Board of Directors

As some may already know, my name is Hollie Wight, and I am the Managing Director Head of RE and Trustee Services. Today I am pleased to be joined by fellow K2 Board members; Campbell Neal, Managing Director and Chair, George Boubouras, Managing Director Head of Research, Investment and Advisory, and Neil Sheather, our Independent non-executive director

Additionally, on the call we have Ben Powers and Jackson Considine, from our independent auditors, Pitcher Partners, who are available to answer questions in relation to the year-end audit and the financial statements. We also have our Joint Company Secretary, Caroline Purtell with me in the room today, who will assist with the questions throughout the Meeting.

Slide 4 – Agenda

To start, I will take everyone through the business of the Meeting before handing over to Campbell Neal to provide the Chair's address which will talk to the performance of K2 during the 2024 Financial Year, as well as an update on the Funds Management pillar.

I'll then take shareholders through an update on the RE and ETF pillars of the business before we move to the ordinary business of the Meeting.

To start, I will flag that the notice for this Annual General Meeting was sent to Shareholders within the required period, and copies of the notice are available from the Shareholder section of our website. If there are no objections, we would like to move that the notice be taken as read.

Slide 5 – Meeting Details

We are pleased to be able to hold our AGM virtually, and on screen now you will see the details on how to submit a written or a verbal question. We will open the line to questions at the end of the presentation, as well as during the individual Meeting resolutions.

Only K2 shareholders or their duly appointed representatives or proxies are eligible to vote or ask questions at this Meeting. Questions may be submitted throughout the Meeting, though if they concern a particular resolution, they may instead be addressed at the relevant time during the Meeting.



For those who are dialling in and wish to ask a question verbally, please dial **STAR NINE** on your keypad during the presentation and you will be placed in a queue to have your microphone unmuted. If you are on a phone or computer, you have the option to submit a written question via the Q&A function on your toolbar, or alternatively you may ask a question verbally by clicking the 'raise hand' button.

For today's Meeting we have three formal resolutions to present, and all of this was set out in the Notice of Meeting previously sent to you by the Unit Registry, Boardroom Limited, in line with your communication preferences. Additionally, a copy of the Notice of Meeting is available from the Shareholder section of our website.

I would now like to describe the voting procedures that will apply to this Meeting. In accordance with the Chairs rights in the Meeting, and as recommended by the Australian Securities and Investments Commission, it has been determined that votes on each resolution will be taken by way of a poll. The results of the Poll will be lodged on the ASX following the Meeting. Thank you to those many shareholders who have voted in advance.

When we move to the items of business of the Meeting requiring formal resolution, we will answer questions and then we will display the proxy results for each resolution which were submitted ahead of today's proceedings.

I will pass on now to Campbell for the Chairs address.

Slide 6 – Diversified & Sustainable Growth

Thank you, Hollie.

Good morning all and welcome to the 2024 AGM of K2 Asset Management Holdings Ltd. I'm pleased that you can all join us today.

My name is Campbell Neal, and I am the Chair and Managing Director of K2. I am advised that a quorum is present today and I formally declare the Meeting open.

Shareholders may be familiar with the slide on screen, which highlights the three key business pillars for K2.

The business underwent quite a substantial pivot in 2020, where we decided to diversify and focus on building K2 into a company which could not only survive market ebbs and flows, but also continue to grow and return to sustainable profitability. The shift was natural; with the three pillars of the business already operational and ready to scale, and it is something that we are incredibly proud to have made great progress on during the 2023 and 2024 financial years.

Speaking on behalf of the Board, we are focussed on continuing to diversify the business revenue and committed to profitability for shareholders. We are therefore pleased with the success of the 2024 financial year, with our guided revenue of \$5 million being achieved, and we further believe that we are on track to reach profitability in the 2025 financial year.

Slide 7 – Group Financial Performance

The 2024 financial year saw the business digest the execution of the \$1.7 billion Evans and Partners transition. The revenue and net loss position saw significant improvements as a result of this transition, which was largely completed at the tail end of the 2023 financial year.

The detail on the screen now highlights revenue for the group up 166% on FY23. While expenses also increased, it was not in proportion to the revenue increase, showing the profitability of growth in the RE, Trustee and Administration pillar of the business.



The increase in revenue, as we alluded to in the 2024 financial year report, was offset by essential non-recurring expenses of \$0.3 million. Just over half was attributed to the transition of the Funds onto the platform, with the rest associated with pursuing additional opportunities in the market which we deemed necessary.

The direction of the business is very encouraging as we continue to onboard products to the platform.

Slide 8 – Group Financial Performance

As at the end of the financial year, assets under management across the business were \$4.4 billion. While revenue exceeded our guided amount of \$5 million, we were not forecasting profitability for the 2024 financial year. We are all laser focussed on hitting this for the 2025 financial year and believe that it can be achieved based on the current pipeline of work.

Looking at the business from a bird's eye view, the E&P transition was an incredibly important milestone for K2, and the successful transition has only highlighted the businesses' ability to execute and build out the RE and Trustee Services pillar of the business. We were extremely fortunate to gain a high calibre team in this transition, which also benefits K2 in the long term as we continue to build on this pillar.

Our goal, in addition to long-term sustainable profitability, is to return to dividends for shareholders. As many would know, K2 is in a great position to have over \$5.6 million in franking credits which we eagerly look forward to utilising in forthcoming periods.

The line-by-line detail of the results for 2024 are included in an appendix to this presentation, as well as released in our 2024 financial year accounts which can be found on our website or on the ASX.

Slide 9 – Funds Management

As we look now at the individual pillars, I will start with the Funds Management division.

Market conditions in FY24 were an improvement over the prior year. Central bankers around the world became less fearful of inflationary pressures and as a result official cash rates were predominantly stable. Indicators of risk broadly declined; however, global economic activity was still relatively subdued. Corporate earnings trended up and equity valuations edged higher.

The K2 Funds delivered an average after fee return of +7.5% for FY2024. Funds under management for FY24 also rose by 24%. Fund performance year-to-date has started well. With our Funds on average delivering an after fee return of +7.2%.

The wholesale distribution joint-venture with IDP Australia continues to progress with earnest. Pleasingly, after numerous client engagements over the past two years, four institutions have recently conducted on-site visits to the K2 offices. These on-site visits are often an important due diligence step before a formal investment proposal. We feel confident in delivering some good news in this regard in the not-too-distant future.

With that, I'll hand back to Hollie to talk through the RE and ETF Pillars of the business.



Slide 10 – New Funds on the Platform

Thank you, Campbell.

On screen now you'll see some of the clients that we've onboarded to the RE, Trustee and Administration Services platform over the last 15 or so months, starting of course from the E&P transition all the way to a recent unitholder vote for a listed equities product with Fat Prophets.

We're simultaneously in discussions with a number of fund managers about transitioning to the K2 platform, as well as those who are looking to establish and seed funds. We know first-hand that transitions and fund establishments can seem time consuming and detailed, however we are thrilled with the level of interest and pride ourselves on being an accessible, flexible and hard-working partner for our managers.

As an indication of our ability to offer innovation within the industry, we were proud to work with DigitalX on the launch of their retail spot-bitcoin ETF product in July 2024. This was a labour of love from the DigitalX team, however with our accommodative AFSL and strong partnerships with the ASX and other services providers, we were excited to execute on their behalf. We really enjoy being able to launch these bespoke and innovative products.

Slide 11 – RE, Trustee + Administration Services Financial Performance

Fortunately, this hard work has been transformative for the business. As you'll see on screen now, the RE and Trustee revenue increased from \$0.7 million to \$1.3 million, and Fund Administration revenue came in at \$2.5 million for 2024 FY. Both lines demonstrated really strong growth and something that we are driven to further build on.

We believe that the RE, Trustee and Administration services pillar of the business provides the ability for K2 to continue to grow funds under management without needing to significantly increase our workforce. As mentioned earlier, the transition from E&P saw us gain a high calibre team who we have no doubt can support the future growth of the business.

Slide 12 – RE + Trustee Services – Growth

The ability to scale is the most important reason that K2 holds a sizable amount of cash on balance sheet. In addition to having no debt, we ended the 2024 financial year with just under \$8.6 million dollars in cash. This high cash balance provides us with the flexibility and ability to grow to circa \$50 billion in assets under management (AUM) under the RE or Trustee services pillar without needing to make any structural or fundamental change to the business.

We are continuously being approached by managers for new products and transitions and are excited by the current pipeline.

Slide 13 – Listed products and ETFs

Finally, I'll just touch on the listed products or ETF pillar of the business.

While there is a significant amount of crossover with the RE & Trustee pillar, we really are proud to be able to offer a hands-on approach and this has translated with the digital currency ETF mentioned earlier, the listed private equity funds that we are proud to look after, as well as the pipeline of ETF launches that we are working through at the moment.



We hope to provide a full-service offering for our clients from idea generation, to launch, to investor marketing and reporting. We love to be involved and believe that we succeed when our clients succeed.

With that, I'll hand back to Campbell to take us through the business of the Meeting.

Slide 14 – Conclusion and Questions

This concludes our presentation for this morning. Before we move on to the formal proceedings of the Meeting, on behalf of the Board I would like to thank our shareholders for your continued support, we look forward to the next phase of the journey as the business consolidates on the outcomes we have achieved, and we again look forward to achieving profitability and reinstating dividends.

I would also like to thank our incredible staff for their continued dedication and professionalism and for the hard work during the 2024 Financial Year. Without our staff none of this would be possible.

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K2 Asset Management Holdings Ltd

Annual General Meeting 2024

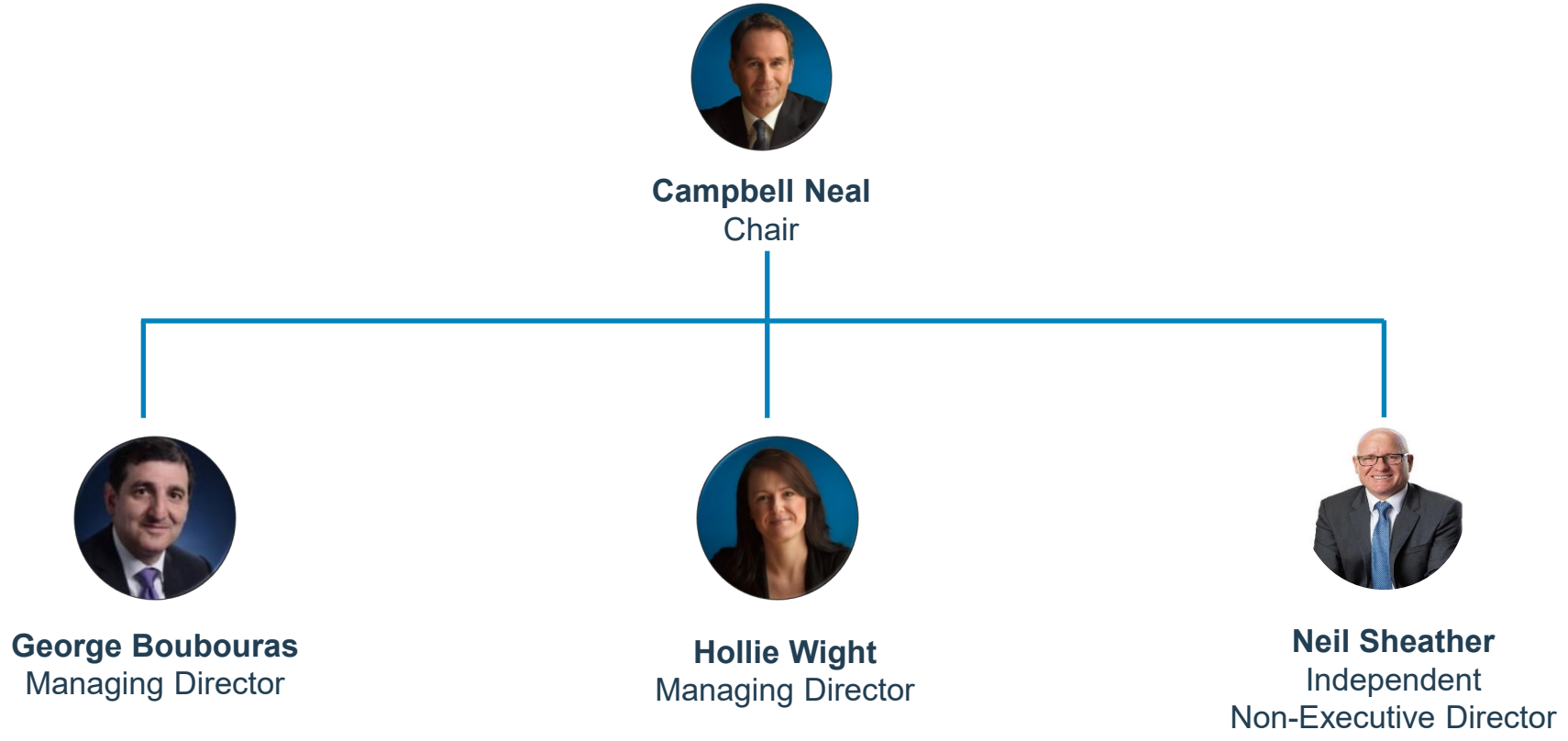
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K2AM: Board of Directors



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K2 seeks to add additional minds to the Board to ensure a balance of skills and diversity that is appropriate for the projected business growth.

Meeting Agenda



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- | | |
|------------|--|
| A | Introduction & General Meeting Business |
| B | Chair's address |
| C | Managing Director's Address |
| D | Items of Business |
| (1) | Resolution 1: Adoption of Remuneration Report |
| (2) | Resolution 2: Re-election of Director – Mr. George Boubouras |
| (3) | Resolution 3: Approval of additional 10% placement capacity |

Meeting Details – Q&A



Asking a verbal question



To ask a question verbally and have your microphone unmuted, please click **Raise Hand** .



To ask a question verbally and have your microphone unmuted, please dial ***9** on your keypad.

Submitting a written question



Please click the **Q&A** function on the toolbar on the bottom of your screen and type your question into the popup box.

Only Shareholders and Proxyholders may ask questions. Questions will be collected and answered at the end of the presentation or during the appropriate resolution.

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Diversified & Sustainable Growth



The growth strategy has been underpinned by the pivot from one pillar to three complimentary business units

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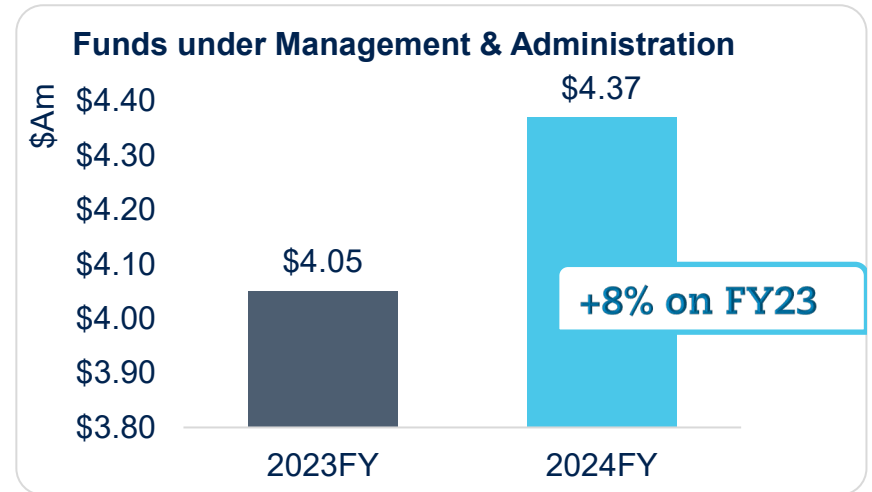
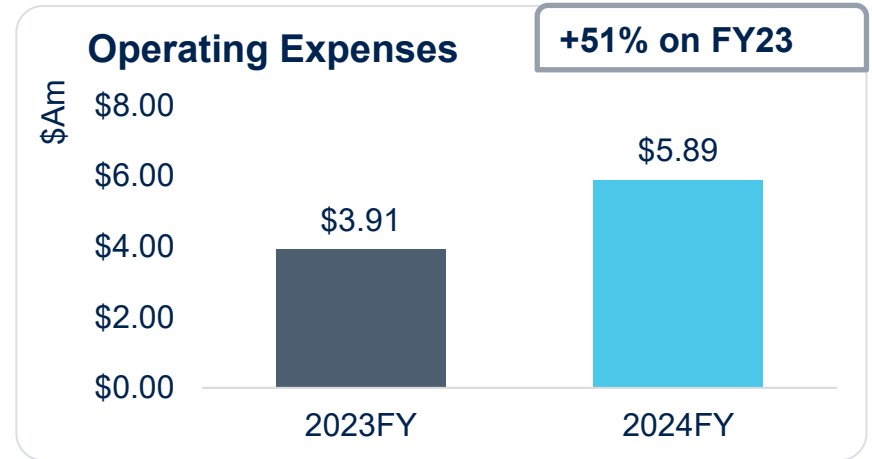
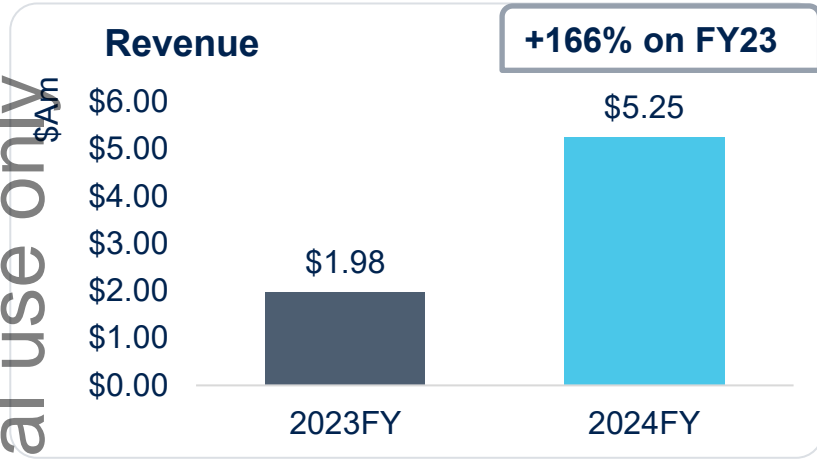
Funds Management	RE & Trustee Services	Listed Products & ETFs
<ul style="list-style-type: none"> • Long-term superior investor return 	<ul style="list-style-type: none"> • Bespoke service offering 	<ul style="list-style-type: none"> • ASX admission and fund launch
<ul style="list-style-type: none"> • Growth in AUM 	<ul style="list-style-type: none"> • Increase market awareness 	<ul style="list-style-type: none"> • Bespoke inhouse offering
<ul style="list-style-type: none"> • Growth in product offerings. Internal & external investment teams 	<ul style="list-style-type: none"> • Growth in AUM 	<ul style="list-style-type: none"> • Accelerate growth for new and existing funds
<ul style="list-style-type: none"> • Increased engagement of investors and broader market 	<ul style="list-style-type: none"> • Partnering with managers positioned for growth 	<ul style="list-style-type: none"> • Increase product offering and AUM
<ul style="list-style-type: none"> • Strong engagement and rating outcomes from asset consultants. 	<ul style="list-style-type: none"> • Leveraging technology - Regtech 	<ul style="list-style-type: none"> • Proprietary systems

Sustainable revenue and long-term profitability

Group Financial Performance



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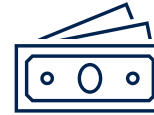
Group Financial Performance



AUM
\$4.4b



Revenue
\$5.3m



Net Loss
-\$0.6m



Franking Credits
\$5.6m

FY24 Key Highlights

- ✓ Transition of 6 products to the RE and Administration pillar, representing an increase of A\$1.7b in AUM.
- ✓ Multiple fund launches across various asset classes, including digital currency.
- ✓ Accounting and fund administration services added to the RE pillar service offering.

FY25 to date + short term outlook

- ❑ Seven new products added to the RE and Administration pillar 2025FY to date.
- ❑ Strong pipeline across RE and Administration which is expected to translate to a profitable position for the business
- ❑ Continue to execute on the growth strategy with the goal to reinstate dividends once profitability is achieved

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Funds Management



FY25 to date + outlook

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Institutional wholesale space continues to see progress, with the team working toward securing mandates with IDP Australia.



The Board is focussed on securing a mandate and all resources are coordinated in this effort.



Global investment partnerships being explored to compliment the January 2023 partnership with the UK-based Fund Manager, Liontrust Investment Partners LLP.

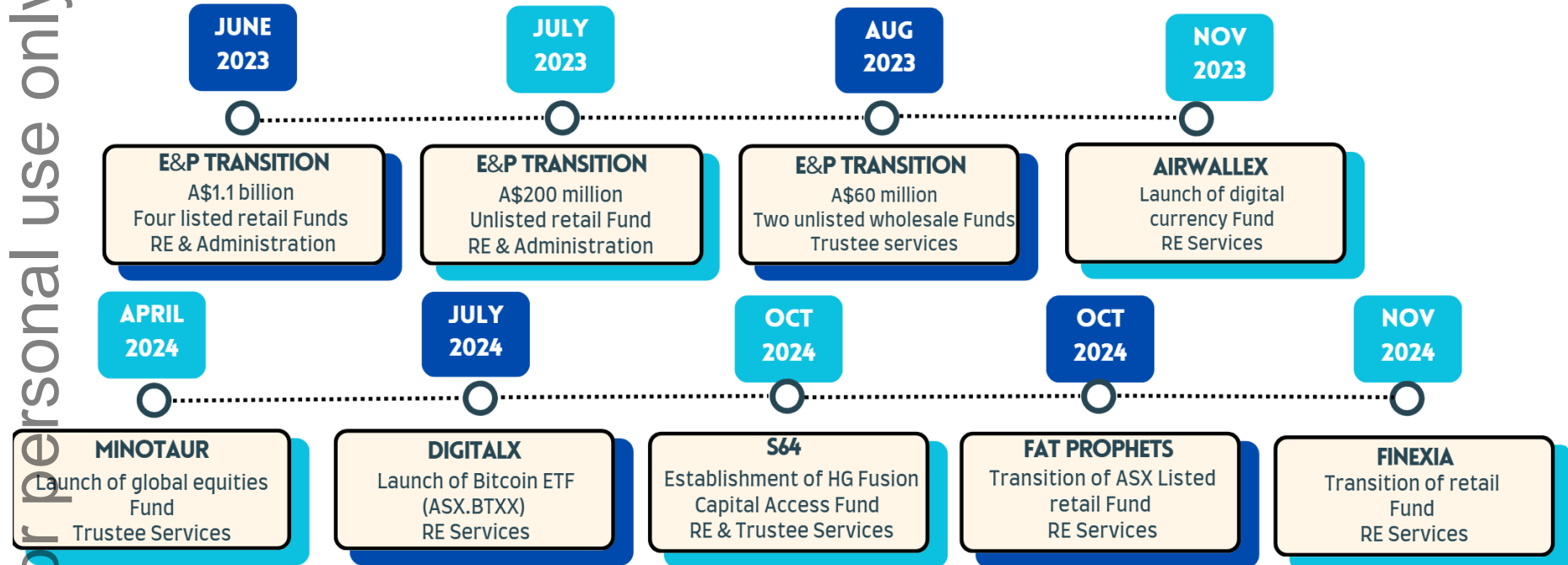


Additional focus on continuing to support external managers that are onboarded to the K2 platform.

Indicative New Funds on the Platform

RE + Trustee, Admin & ETF

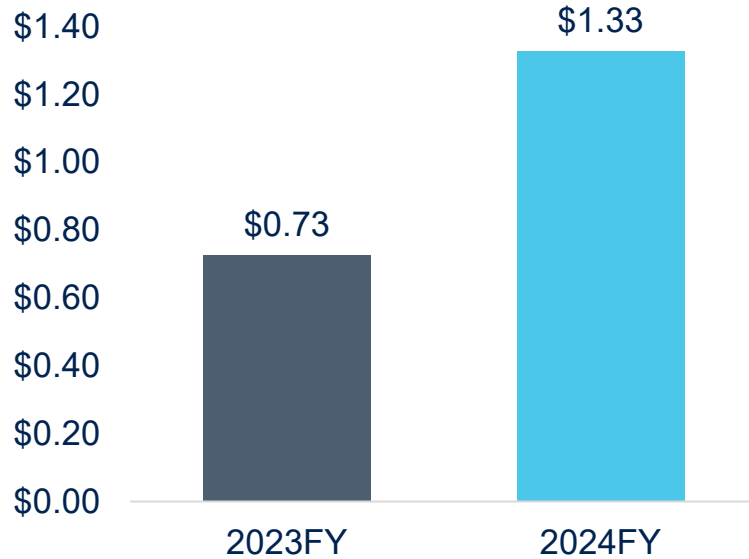
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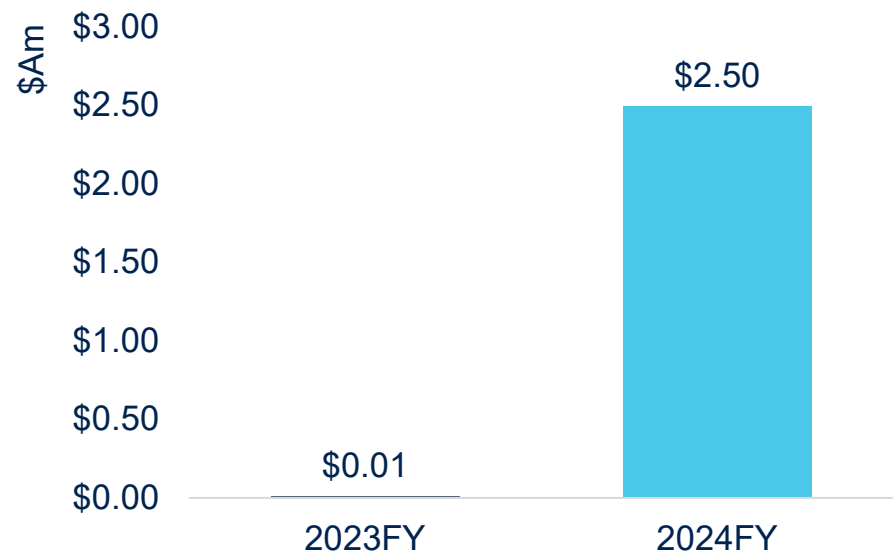
Focus on continuing to onboard products onto the K2 Platform, leveraging off strong balance sheet providing flexibility for future RE & Trustee growth

RE, Trustee + Administration Services Financial Performance ▶

RE & Trustee Revenue



Fund Administration Revenue



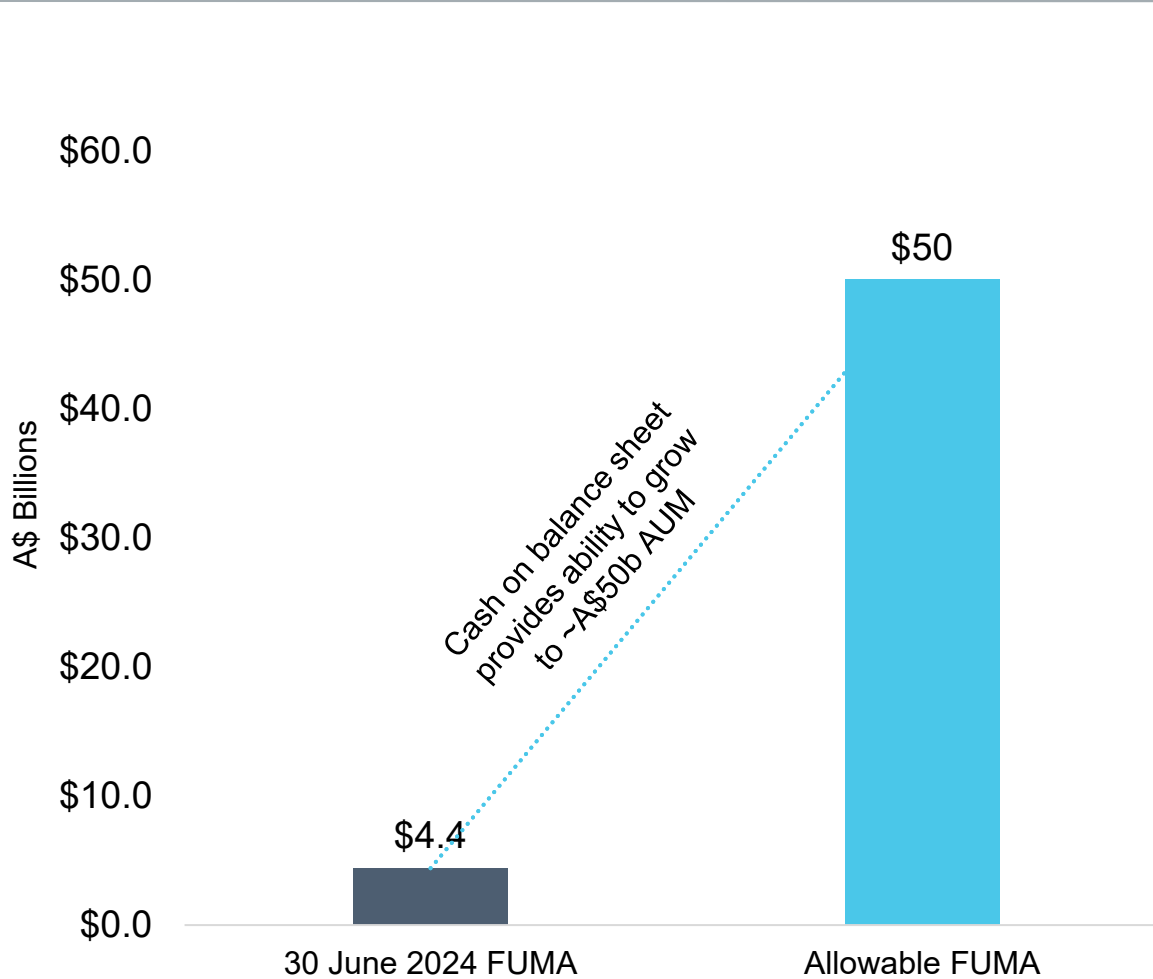
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Focus on continuing to onboard products onto the K2 Platform, leveraging off strong balance sheet providing flexibility for future RE & Trustee growth

RE + Trustee Services – Growth



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A\$8.6m cash on balance sheet

No debt on balance sheet

Quality staff in place to support growth

Listed products and ETFs



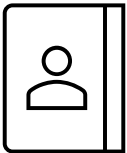
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Evolving through supporting external managers onboarding to the K2 platform.



K2 is proud to offer a hands-on approach, with extensive experience in establishing products with straight equities to more complex assets like our recent digital asset ETF.



K2 offers strong relationships with external service providers allows for our Managers to be supported by a strong team, both internal and external, from idea to launch.



K2's relationships are key to a seamless onboarding experience; our goal is to help our clients easily navigate through ASX listings, unitholder votes or unregistered fund establishment and move onto the K2 Platform.

K2 Asset Management Holdings Ltd

Annual General Meeting 2024

Q&A



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Business of Meeting



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Ordinary business

- ▶ Receipt of Annual Report
- ▶ Resolution 1: Adoption of Remuneration Report
- ▶ Resolution 2: Re-election of Director – Mr. George Boubouras

Special Resolution

- ▶ Resolution 3: Approval of additional 10% placement capacity

Annual report



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Receipt of Annual Report

- ▶ To receive and consider the annual financial report of the Company and the annual reports of the directors of the Company and auditor for the year ended 30 June 2024.

Resolution 1



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Adoption of Remuneration Report

- ▶ That the Remuneration Report for the year ended 30 June 2024 be adopted.
- ▶ **Note:** the vote on Resolution 1 is advisory only and does not bind the Directors or the Company. A voting exclusion statement applies to Resolution 1.

Voting exclusion statement

The Company will disregard any votes cast on Resolution 1 (in any capacity) by or on behalf of:

- a member of the KMP, details of whose remuneration are included in the Remuneration Report; and
- a closely related party of such a member.

However, the Company need not disregard such a vote if it is cast by:

- a person as proxy for a person entitled to vote, in accordance with the directions on the Proxy Form; or
- the Chairman of the meeting as proxy for a person entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 1 – Proxy Voting



Adoption of Remuneration Report

- ▶ That the remuneration report for the year ended 30 June 2024 be adopted.

Valid Proxies Received		%
For	38,921,393	82.33%
Against	545,770	1.15%
Open	7,810,658	16.52%
Abstain	52,500	-
Excluded	104,760,970	-

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Resolution 2



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Re-election of Director – Mr. George Boubouras

- ▶ That Mr. George Boubouras, who retires as a Director by rotation in accordance with article 3.6 of the Company's constitution and being eligible, offers himself for re-election, be re-elected as a Director.



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George Boubouras

Executive Director

Mr. Boubouras is a Managing Director (MD), Head of Investments, Advisory and Research at K2 Asset Management. He is also Non-Executive Director (NED) and Investment Committee (IC) Chair at Emergency Services & State Super (ESSSuper); Director and Investment Adviser at Salter Brothers Asset Management (SBAM); Investment Committee at Paua Wealth Management (Auckland, NZ); Advisory Board at the International Centre for Financial Services (ICFS), part-time lecturer in Finance (practitioner) and Visiting Fellow at The University of Adelaide, Business School, Faculty of Arts, Business, Law and Economics.

Historically, Mr Boubouras was the CIO at SBAM; MD and CIO at Contango Asset Management; Executive Director (ED) and Head of Investment Strategy & Consulting at UBS; CIO and Head of Asset Management at Equity Trustees; Senior Investment Manager at HSBC Asset Management; Investment Strategist at Macquarie Group; Economist at Westpac, NSW Treasury and SBC (now UBS); Director Blues Foundation at The Carlton Football Club and Director at Women in Banking and Finance (WiBF).

Education includes Bachelor of Economics, Hon. Flinders University, Adelaide, South Australia; Portfolio Management Executive Certificate from the AGSM at the University of New South Wales (UNSW); Executive Certificate in Management & Leadership from Massachusetts Institute of Technology (MIT) Sloan School of Management; Investment Decisions & Behavioural Finance Program at Harvard University, Kennedy School of Government and the Securities & Derivatives Industry Association (SDIA) Accreditation (PS146).

Resolution 2 – Proxy Voting



Re-election of Director – Mr. George Boubouras

That Mr. George Boubouras, who retires as a Director by rotation in accordance with article 3.6 of the Company's constitution and being eligible, offers himself for re-election, be re-elected as a Director.

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Valid Proxies Received		%
For	139,688,417	99.73%
Against	316,574	0.23%
Open	60,658	0.04%
Abstain	-	-
Excluded	12,025,642	-

Special Resolution 3



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Approval of additional 10% placement capacity

▶ To consider and, if thought fit, to pass the following resolution as a special Resolution:

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of equity securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

Special Resolution 3 – Proxy Voting



Approval of additional 10% placement capacity

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- ▶ “That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of equity securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

Valid Proxies Received		%
For	149,583,917	98.39%
Against	354,574	0.23%
Open	2,091,300	1.38%
Abstain	61,500	-
Excluded	-	-

K2 Asset Management Holdings Ltd

Annual General Meeting 2024

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Appendix: Consolidated Financial Results: 2024 FY ▶

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	2023 FY	2024 FY
Income Statement		
Administration Service Income	\$11,311	\$2,496,564
Responsible Entity Fees	\$727,278	\$1,329,531
Management Fees	\$745,716	\$591,636
Performance Fees	\$1,505	\$81,883
Establishment income	\$162,230	\$155,500
Other revenue <i>Advisory services, interest income + other income</i>	\$330,117	\$598,992
Total Revenue	\$1,978,157	\$5,254,106
Total Expenses	(\$3,911,455)	(\$5,889,890)
Net Profit Before Tax	(\$1,933,298)	(\$635,784)
Net Profit After Tax	(\$1,933,298)	(\$635,784)

Appendix: Cash Flow: 2024 FY



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	2023 FY	2024 FY
Income Statement		
Employee benefits expense	(\$2,817,280)	(\$4,187,999)
Depreciation and amortisation expenses	(\$194,182)	(\$206,486)
Marketing expenses	(\$331,446)	(\$352,271)
Occupancy expenses	(\$85,166)	(\$87,081)
Professional expenses	(\$259,564)	(\$406,429)
Technology expenses	(\$59,750)	(\$156,275)
Fund operating expenses	(\$63,880)	(\$351,351)
Finance costs	(\$25,562)	(\$69,616)
Other expenses	(\$74,625)	(\$72,382)
<i>Finance costs, expected credit loss expenses</i>		
Total	(\$3,911,455)	(\$5,889,890)

Appendix: Strong Balance Sheet



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Balance Sheet	2023 FY	2024 FY
Total Assets	\$10,306,589	\$10,908,005
Total Liabilities	\$1,579,346	\$2,816,546
Net Assets	\$8,727,243	\$8,091,459
Share Capital	\$4,601,987	\$4,601,987
Reserves	\$10,310,181	\$10,375,110
Accumulated losses	(\$6,184,925)	(\$6,885,638)
Total Equity	\$8,727,243	\$8,091,459