

1. Company details

Name of entity:	Kelly Partners Group Holdings Limited
ABN:	25 124 908 363
Reporting period:	For the year ended 30 June 2024
Previous period:	For the year ended 30 June 2023

2. Results for announcement to the market

		%		\$'000
Revenues from ordinary activities	up	29.20%	to	108,143
Profit for the year attributable to the owners of Kelly Partners Group Holdings Limited	down	(10.30%)	to	3,525
Underlying Net Profit After Tax before Amortisation ('Underlying NPATA') attributable to owners of Kelly Partners Group Holdings Limited	up	52.20%	to	8,027

Refer below and to the 'Review of operations' section of the Directors' report accompanying this Appendix 4E for further commentary.

Comments

The profit for the Group after providing for income tax and non-controlling interests amounted to \$3,525,000 (30 June 2023: \$3,929,000).

The Underlying Net Profit After Tax before Amortisation ('Underlying NPATA') for the year attributable to the owners of Kelly Partners Group Holdings Limited amounted to \$8,027,000 (30 June 2023: \$5,273,000).

Total comprehensive income for the year attributable to the owners of Kelly Partners Group Holdings Limited after providing for income tax and non-controlling interests amounted to \$3,511,000 (30 June 2023: \$3,897,000).

Underlying NPATA is a financial measure not prescribed by Australian Accounting Standards ('AAS') and represents the profit under AAS adjusted for non-operating items and amortisation. The directors consider Underlying NPATA to reflect the core earnings of the Group. This financial measure has not been subject to specific audit or review procedures by the Company's auditor, but has been extracted from the accompanying financial statements.

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The following table provides a reconciliation of Statutory Net Profit After Tax ('NPAT') to Underlying NPATA attributable to owners of Kelly Partners Group Holdings Limited.

	Consolidated	
	2024	2023
	\$'000	\$'000
Statutory NPAT from continuing operations attributable to owners of Kelly Partners Group Holdings Limited	3,315	3,880
Amortisation of customer relationship intangibles	2,867	2,097
NPATA attributable to owners of Kelly Partners Group Holdings Limited	6,182	5,977
<u>Add: Non-recurring expenses or non-cash adjustments</u>		
Acquisition costs, including unwinding of interest on contingent consideration	1,581	930
Strategic review costs	1,322	103
Impact of AASB 16	493	341
<u>Less: Non-recurring income</u>		
Government grants in relation to Australian Apprenticeships Incentives Program	(39)	(491)
Change in fair value of contingent consideration	(633)	(1,438)
Net non-recurring items	2,724	(555)
Less: Tax effect of non-recurring items	(879)	(149)
Underlying NPATA attributable to owners of Kelly Partners Group Holdings Limited	8,027	5,273

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	(55.25)	(60.16)

4. Control gained over entities

During the current financial year, the Group acquired accounting businesses through the following controlled entities as follows:

Entity	Location of business acquired	Date of acquisition
Kelly Partners Griffith	Griffith, NSW, AU	03/07/2023
Kelly Partners HR & Payroll Services (Riverina)	Griffith, NSW, AU	03/07/2023
Kelly Partners Bundall	Gold Coast, QLD, AU	15/08/2023
Kelly Partners Woodland Hills	Los Angeles, CA, USA	01/12/2023
Kelly Partners Burbank	Los Angeles, CA, USA	02/01/2024
Kelly Partners Bendigo	Bendigo, VIC, AU	15/01/2024
Kelly Partners Brookvale	Brookvale, NSW, AU	02/02/2024
Kelly Partners Lower North Shore	Sydney, NSW, AU	04/03/2024

The acquired businesses contributed revenues of \$18,432,000 and a net profit before tax and amortisation of \$4,913,000 to the Group for the period from the date businesses were acquired to the period ended 30 June 2024.

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5. Loss of control over entities

Entity	Date of sale	Contributed profit / (loss) before tax during the period	Contributed profit / (loss) before tax during the prior year
Kelly Partners Private Wealth (Central & Hunter Region) Pty Ltd and Kelly Partners Life Insurance Services (Central Coast & Hunter Region) Pty Ltd	01/12/2023	49,060	125,595

6. Dividends

Current period ended 30 June 2024

	Amount per security Cents	Franked amount per security Cents
<i>For the year ended 30 June 2024:</i>		
First interim dividend paid on 31 July 2023	0.439	0.439
Second interim dividend paid on 31 August 2023	0.439	0.439
Third interim dividend paid on 29 September 2023	0.439	0.439
Fourth interim dividend paid on 31 October 2023	0.439	0.439
Fifth interim dividend paid on 30 November 2023	0.439	0.439
Sixth interim dividend paid on 29 December 2023	0.439	0.439
Seventh interim dividend paid on 31 January 2024	0.439	0.439
Eighth final dividend paid on 29 February 2024	0.439	0.439
Total dividends	<u>3.512</u>	<u>3.512</u>

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Previous period ended 30 June 2023

	Amount per security Cents	Franked amount per security Cents
<i>For the year ended 30 June 2023:</i>		
First interim dividend paid on 29 July 2022	0.399	0.399
Second interim dividend paid on 31 August 2022	0.399	0.399
Third interim dividend paid on 30 September 2022	0.399	0.399
Fourth interim dividend paid on 31 October 2022	0.399	0.399
Fifth interim dividend paid on 30 November 2022	0.399	0.399
Sixth interim dividend paid on 30 December 2022	0.399	0.399
Seventh interim dividend paid on 31 January 2023	0.399	0.399
Eighth interim dividend paid on 28 February 2023	0.399	0.399
Ninth interim dividend paid on 31 March 2023	0.399	0.399
Tenth interim dividend paid on 28 April 2023	0.399	0.399
Eleventh interim dividend paid on 31 May 2023	0.399	0.399
Twelfth interim dividend paid on 30 June 2023	0.399	0.399
	<u>4.788</u>	<u>4.788</u>
<i>For the year ended 30 June 2022:</i>		
Final dividend paid on 5 August 2022	1.390	1.390
Special dividend paid on 31 August 2022	0.110	0.110
Special dividend paid on 31 August 2022	1.160	1.160
Special dividend paid on 30 September 2022	1.160	1.160
	<u>3.820</u>	<u>3.820</u>
Total dividends	<u>8.608</u>	<u>8.608</u>

On 5 February 2024 the Company announced that it will cease the payment of dividends and no dividends have been paid since February 2024.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements have been audited and an unqualified opinion has been issued.

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11. Attachments

Details of attachments (if any):

The Annual Report of Kelly Partners Group Holdings Limited for the year ended 30 June 2024 is attached.

12. Signed

Authorised by the Board of Directors.

Signed  _____

Date: 21 August 2024

Brett Kelly
Executive Chairman and Chief Executive Officer
Sydney