

1. Company details

Name of entity:	Kelly Partners Group Holdings Limited
ABN:	25 124 908 363
Reporting period:	For the year ended 30 June 2022
Previous period:	For the year ended 30 June 2021

2. Results for announcement to the market

				\$
Revenues from ordinary activities	up	32.6%	to	64,862,110
Total comprehensive income from continuing operations attributable to the owners of Kelly Partners Group Holdings Limited	up	20.3%	to	5,565,475
Profit for the year attributable to the owners of Kelly Partners Group Holdings Limited	up	20.3%	to	5,562,969
Underlying Net Profit After Tax before Amortisation ('Underlying NPATA') attributable to owners of Kelly Partners Group Holdings Limited	up	23.1%	to	6,296,955

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

Comments

Total comprehensive income for the year from continuing operations attributable to the owners of Kelly Partners Group Holdings Limited after providing for income tax and non-controlling interests amounted to \$5,565,475 (30 June 2021: \$4,625,330).

The underlying profit for the year from continuing operations attributable to the owners of Kelly Partners Group Holdings Limited after providing for income tax and non-controlling interests amounted to \$6,296,955 (30 June 2021: \$5,114,832).

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.

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	
	2021	2020
	\$	\$
Statutory NPAT from continuing operations attributable to owners of Kelly Partners Group Holdings Limited	5,562,969	4,625,330
Amortisation of customer relationship intangibles	1,184,824	553,624
NPATA attributable to owners of Kelly Partners Group Holdings Limited	6,747,793	5,178,954
<u>Add: Non-recurring expenses</u>		
Restructuring costs	-	87,366
Acquisition costs	616,020	426,836
Non-operating business losses	-	96,180
Other non-recurring expenses	22,774	82,854
<u>Less: Non-recurring revenue</u>		
One-off government grants in relation to COVID-19	(708,346)	(450,458)
Government grants in relation to Australian Apprenticeships Incentives Program	(343,002)	-
Change in fair value of contingent consideration	(225,794)	(211,462)
Net proceeds from settlement of legal dispute	-	(49,107)
Net non-recurring items	(638,348)	(17,791)
Less: Tax effect of non-recurring items	187,510	(46,331)
Underlying NPATA attributable to owners of Kelly Partners Group Holdings Limited	6,296,955	5,114,832

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	(43.49)	(17.24)

4. Control gained over entities

During the financial year, subsidiaries of the Group acquired accounting businesses as follows:

Subsidiary	Location of business acquired	Date of acquisition	Contributed revenue \$	Contributed profit before tax and amortisation \$
Kelly Partners (Newcastle) Pty Ltd	Newcastle, NSW	01/07/2021	1,047,321	94,161
Kelly Partners (Sydney) Pty Ltd	Sydney, NSW	12/07/2021	2,534,835	818,096
Kelly Partners (Western Sydney) Pty Ltd	Penrith, NSW	11/11/2021	3,049,059	961,446
Kelly Partners (Canberra)	Canberra, ACT	01/12/2021	272,225	53,146
Kelly Partners (Melbourne CBD) Pty Ltd	Carlton, VIC	17/01/2022	719,547	201,729
Kelly Partners (Northern Beaches) Pty Ltd	Narrabeen, NSW	01/02/2022	406,962	147,428
Kelly Partners Private Wealth (Northern Beaches) Pty Ltd	Narrabeen, NSW	01/02/2022	196,910	76,447
Kelly Partners (Canberra)	Canberra, ACT	01/02/2022	375,575	48,468
Kelly Partners (Central Coast) Pty Ltd	Erina, NSW	01/03/2022	341,364	221,008
Kelly Partners Private Wealth (Central Coast & Hunter Region) Pty Ltd	Erina, NSW	01/03/2022	94,864	10,744
Kelly Partners (Bendigo) Pty Ltd	Bendigo, VIC	01/04/2022	1,058,930	99,623
Kelly Partners Growth Consulting Pty Ltd	Melbourne, VIC	05/04/2022	70,052	49,198

Note the revenue and profit figures disclosed above are to the consolidated group, may be part year and include implementation and restructuring costs that may be one-off and non-recurring in nature.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period ended 30 June 2022

	Amount per security Cents	Franked amount per security Cents
<i>For the year ended 30 June 2022:</i>		
First interim dividend paid on 30 July 2021	0.363	0.363
Second interim dividend paid on 31 August 2021	0.363	0.363
Third interim dividend paid on 30 September 2021	0.363	0.363
Fourth interim dividend paid on 29 October 2021	0.363	0.363
Fifth interim dividend paid on 30 November 2021	0.363	0.363
Sixth interim dividend paid on 31 December 2021	0.363	0.363
Seventh interim dividend paid on 31 January 2022	0.363	0.363
Eighth interim dividend paid on 28 February 2022	0.363	0.363
Ninth interim dividend paid on 31 March 2022	0.363	0.363
Tenth interim dividend paid on 29 April 2022	0.363	0.363
Eleventh interim dividend paid on 31 May 2022	0.363	0.363
Twelfth interim dividend paid on 30 June 2022	0.363	0.363
	<u>4.356</u>	<u>4.356</u>
<i>For the year ended 30 June 2021:</i>		
Final dividend paid on 20 August 2021	0.680	0.680
Special dividend paid on 20 August 2021	0.520	0.520
Special dividend paid on 30 September 2021	0.440	0.440
Special dividend paid on 29 October 2021	0.800	0.800
	<u>2.440</u>	<u>2.440</u>
Total dividends	<u><u>6.796</u></u>	<u><u>6.796</u></u>

Final dividend for the year ended 30 June 2022 will be declared and paid prior to November 2022 and will be at a minimum 1.49 cents per share. Total ordinary dividends (excluding special dividends) for the year ended 30 June 2022 including the final dividend is expected to be 5.85 cents per share, representing a 10% increase on prior year ordinary dividends.

Previous period ended 30 June 2021

	Amount per security Cents	Franked amount per security Cents
<i>For the year ended 30 June 2021:</i>		
First interim dividend paid on 1 October 2020	1.33	1.33
Second interim dividend paid on 4 January 2021	1.33	1.33
Third interim dividend paid on 29 January 2021	0.33	0.33
Fourth interim dividend paid on 26 February 2021	0.33	0.33
Fifth interim dividend paid on 31 March 2021	0.33	0.33
Sixth interim dividend paid on 30 April 2021	0.33	0.33
Seventh interim dividend paid on 31 May 2021	0.33	0.33
Eighth interim dividend paid on 30 June 2021	0.33	0.33
	<u>4.64</u>	<u>4.64</u>
<i>For the year ended 30 June 2020:</i>		
Final dividend paid on 2 July 2020	<u>1.21</u>	<u>1.21</u>
Total dividends	<u><u>5.85</u></u>	<u><u>5.85</u></u>

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.

11. Attachments

Details of attachments (if any):

The Annual Report of Kelly Partners Group Holdings Limited for the year ended 30 June 2022 is attached.

12. Signed

Authorised by the Board of Directors.

Signed  _____

Date: 1 August 2022

Brett Kelly
Executive Chairman and Chief Executive Officer
Sydney