

LETTER TO SHAREHOLDERS

6 September 2021

Dear Shareholder

Annual General Meeting

On behalf of the Board of Directors of Kelly Partners Group Holdings Limited (KPG), I am pleased to invite you to attend our 2021 Annual General Meeting (AGM) which will be held as a virtual meeting on:

Date: **Friday, 8th October 2021**

Time: **8:30am Sydney time**

The AGM will commence at 8.30am Sydney time with **presentations** from our guest speakers **Lawrence A. Cunningham**, Research Professor of Law at the George Washington University, and **William Thorndike**, Founder and Managing Director of Housatonic Partners.

As a result of the continuing uncertainty and potential health risks in response to the COVID-19 pandemic, KPG will be webcasting the AGM and you will be able to participate through the Zoom platform. Voting at the meeting will be via the Lumi platform. Please be advised that attendance in person at the AGM is not possible as there will not be a physical meeting.

Register your attendance:

If you wish to attend, please register using the following link:

https://us02web.zoom.us/webinar/register/WN_1E5aRURQQHe6KH-iFOPmIQ

After registering, you will receive a confirmation email containing information about joining the AGM.

Voting virtually at the AGM:

If you wish to vote virtually on the day of the AGM, you may do so via the Lumi online platform (Meeting ID 340-651-726) or by using the unique meeting link below:

<https://web.lumiagm.com/340651726>

Online voting registration will commence 30 minutes prior to the start of the meeting. A user guide link for voting using the Lumi platform can be found at:

<http://www.computershare.com.au/onlinevotingguide>

You are encouraged to vote on each of the resolutions to be considered at the AGM. You may do this ahead of the AGM by voting online or appoint a proxy, by following the instructions on page 4 of the Notice of Meeting. Alternatively, you may vote during the AGM via the Lumi online platform. You may also provide questions or comments in advance of the Meeting, by contacting the Company Secretary, using the details set out on page 12 of the Notice.

Kelly Partners Group Holdings Limited ABN 25 124 908 363

Level 8/32 Walker Street, North Sydney, NSW, 2060

PO Box 1764, North Sydney, NSW, 2059

T 02 9923 0800 E info@kellypartners.com.au **W** kellypartnersgroup.com.au

Enclosed are the following documents:

- Notice and Access;
- Proxy Form for the Annual General Meeting; and
- Annual Report for the year ended 30 June 2021, for those Shareholders who have requested a printed copy.

Important notice - 2021 Annual Report

Shareholders are reminded that the Annual Report is only mailed to those Shareholders who have elected to receive it in hard copy. The 2021 Annual Report can be viewed on the Company's website at: <https://kellypartnersgroup.com.au/investor-centre/annual-reports-1>

We look forward to seeing you at the Annual General Meeting.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Brett Kelly', with a horizontal line drawn underneath it.

Brett Kelly
Executive Chairman and Chief Executive Officer

KELLY PARTNERS GROUP HOLDING LIMITED
ABN 25 124 908 363
NOTICE OF ANNUAL GENERAL MEETING

TIME: 8.30am (Sydney Time)

DATE: Friday 8 October 2021

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary, using the contact details on page 12.

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YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out on page 6.

APPOINTING A PROXY

A Shareholder who is entitled to attend and vote at the Meeting may appoint a proxy to attend and vote at the Meeting on their behalf. A proxy does not need to be a Shareholder of KPG.

If a Shareholder is entitled to cast two or more votes at the Meeting, the Shareholder may appoint two proxies and may specify the percentage or number of votes each proxy can exercise. If the proxy form does not specify the percentage or number of the Shareholder's votes that each proxy may exercise, each proxy may exercise half of the Shareholder's votes on a poll. Fractions will be disregarded. To lodge a proxy, please use one of the following methods:

Online:

At www.investorvote.com.au

By Mobile:

Scan the QR Code on your Proxy form and follow the prompts

By Mail to:

Computershare Investor Services Pty Ltd
GPO Box 242
Melbourne Victoria 3001
Australia

By Facsimile Transmission to:

1800 783 447 (within Australia)
or
+61 3 9473 2555 (outside Australia)

By Hand to:

Computershare Investor Services Pty Ltd
Level 4
60 Carrington Street
Sydney, NSW 2000

Custodian voting:

For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

The deadline for receipt of proxy appointments is 8.30am (Sydney time) on Wednesday, 6 October 2021.

Proxy appointments received later than this time will be invalid.

POWER OF ATTORNEY

If the proxy form is signed under a power of attorney on behalf of a Shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already been provided to the Share Registry.

CORPORATE REPRESENTATIVES

If a representative of a corporate Shareholder or a corporate proxy will be attending the Meeting, the representative should bring to the Meeting adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

An appointment of corporate representative form may be obtained from Computershare Investor Services by calling 1300 850 505 or online at:

<https://www-au.computershare.com/Investor/help/PrintableForms>

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting (AGM) of Shareholders of Kelly Partners Group Holdings Limited will be held online at 8.30am (Sydney time) on Friday, 8 October 2021. Online voting registration will commence 30 minutes prior to the start of the meeting.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the AGM. Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

The Directors have determined under Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders of the Company at 7.00pm (Sydney Time) on Wednesday, 6 October 2021.

AGENDA

ADOPTION OF ANNUAL REPORT

To receive and consider the Annual Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2021.

1. RESOLUTION 1 - ADOPTION OF THE REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as a Non-Binding Ordinary Resolution:

"That for the purposes of Section 250R(2) of the Corporations Act 2001 and for all other purposes, approval is given to adopt the KPG Remuneration Report as contained in the Company's Financial Report for the year ended 30 June 2021."

2. RESOLUTION 2 - RE-ELECTION OF DIRECTOR - MR RYAN MACNAMEE

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an Ordinary Resolution:

"That for the purposes of clause 13.3 of the Constitution and for all other purposes, Mr Ryan Macnamee be re-elected as a Director of the Company."

3. RESOLUTION 3 - RE-ELECTION OF DIRECTOR - MS ADA POON

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an Ordinary Resolution:

"That for the purposes of clause 13.3 of the Constitution and for all other purposes, Ms Ada Poon be re-elected as a Director of the Company."

4. RESOLUTION 4 - AMENDMENTS TO THE CONSTITUTION OF THE COMPANY

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as a Special Resolution:

"That for the purposes of the section 136 of the Corporations Act and for all other purposes, that:

With effect from the conclusion of the meeting, the constitution of the Company (Constitution) be amended by varying clause 12.23 as follows:

12.23 Use of technology

- (a) The Company may hold a general meeting at 2 or more venues using any technology that gives Members a reasonable opportunity to participate.*
- (b) Subject to the Act, the Directors may determine:*
- (i) that the Company may, using technology, hold a general meeting as a wholly virtual meeting; and*
 - (ii) the adoption of appropriate methods, regulations and by-laws in order to facilitate a wholly virtual meeting, including to determine quorum and online voting to ensure compliance with the provisions of clause 12 of this Constitution."*

5. RESOLUTION 5 - AMENDMENTS TO THE CONSTITUTION OF THE COMPANY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a Special Resolution:

"That for the purposes of the section 136 of the Corporations Act and for all other purposes, that:

With effect from the conclusion of the meeting, the constitution of the Company (Constitution) be amended by adding clauses 1A and 14.1(c) as follows:

Clause 1A Purpose

The purpose of the Company is to deliver returns to shareholders whilst having an overall positive impact on society and the environment.'

Clause 14.1(c)

In discharging their duties under this Constitution, the Act and the general law, the Directors:

(a) will include in their consideration the following factors:

- (i) the likely consequences of any decision or act of the Company in the long term; and*
 - (ii) the interests of the Company's employees; and*
 - (iii) the need to foster the Company's business relationships with suppliers, customers and others; and*
 - (iv) the impact of the Company's operations on the community and the environment; and*
 - (v) the desirability of the Company maintaining a reputation for high standards of business conduct; and*
 - (vi) the interests of the members of the Company; and*
 - (vii) the ability of the Company to create an overall positive impact on society and the environment; and*
- (b) Need not give priority to a particular factor referred to in paragraph (a) over any other factor (included in paragraph (a) or otherwise)."*

DATED: 6 SEPTEMBER 2021

BY ORDER OF THE BOARD

KELLY PARTNERS GROUP HOLDINGS LIMITED
JOYCE AU
COMPANY SECRETARY

Voting Exclusion Statement

For the definitions of Key Management Personnel (**KMP**) and Closely Related Parties, please refer to the Glossary on page 13.

The Corporations Act restricts members of the KMP of the Company and their Closely Related Parties from voting in relation to remuneration related Resolutions (such as Resolution 1).

What this means for Shareholders: If you intend to appoint a member of the KMP (other than the Chairman of the Meeting) as your proxy, please ensure that you direct them how to vote on Resolution 1. If you do not do so, your proxy will not be able to vote on your behalf on Resolution 1.

If you intend to appoint the Chairman of the Meeting as your proxy, you are encouraged to direct him how to vote by marking the box for Resolution 1 (for example if you wish to vote for, or against, or to abstain from voting). If you appoint the Chairman as your proxy without directing him how to vote, the proxy form authorises him to vote as he decides on Resolution 1 (even though that Resolution is connected with the remuneration of KMP). The Chairman of the Meeting intends to vote in favour of all Resolutions (where permissible).

The Company will disregard votes cast on Resolution by the persons detailed in the table below.

Resolution	Voting exclusions
Resolution 1 - Adoption of Remuneration Report	<p>In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Company's key management personnel (including the Directors), whose remuneration details are included in the Remuneration Report (KMP), or any of that person's Closely Related Parties (such as close family members and any controlled companies of those persons) (collectively referred to as Restricted Voter).</p> <p>However, the Company need not disregard a vote if:</p> <ul style="list-style-type: none">(a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; and(b) it is not cast on behalf of a Restricted Voter. <p>If you appoint the person chairing the Meeting (Chair) and you are not a Restricted Voter, by submitting the Proxy Form you authorise the person chairing the Meeting to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his or her stated intention to vote in favour of Resolution 1.</p> <p>If you do not want your vote exercised in favour of Resolution 1, you should direct the person chairing the Meeting to vote "against", or to abstain from voting on, this Resolution.</p>

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held on 8 October 2021 at 8.30am (AEDT).

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. ANNUAL REPORT

The business of the Meeting will include receipt and consideration of the Company's Annual Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2021, which are included in KPG's Annual Report.

In accordance with the Corporations Act, Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the Annual Report, and on the management of KPG.

The Company's auditor will be present at the Meeting. During the discussion of this item, the auditor will be available to answer questions on the:

- Conduct of the audit;
- Preparation and content of the Auditor's Report;
- Accounting policies adopted by the Company in relation to the preparation of the Financial Statements; and
- Independence of the auditor in relation to the conduct of the audit.

Written questions for the auditor

If you would like to submit a written question about the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report to the Company's auditor, please send your question to the Company Secretary. A list of qualifying questions will be made available at the Meeting.

Please note that all written questions must be received at least five business days before the Meeting, that is, by Wednesday 29 September 2021.

2. RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT

The Remuneration Report is set out in the Annual Report. The Remuneration Report details the Company's remuneration arrangements for the Directors and senior management of the Company.

S250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report be put to the vote of the Company. Shareholders should note that the vote on Resolution 1 is advisory only and not binding on the Company or its Directors.

However, under the Corporations Act, if at least 25% of the votes cast on Resolution 1 are against the adoption of the Remuneration Report then:

- if comments are made on the Remuneration Report at the Meeting, KPG's 2022 Remuneration Report will be required to include an explanation of the Board's proposed action in response or, if no action is proposed, the Board's reasons for this; and
- if, at next year's AGM, at least 25% of the votes cast on the resolution for adoption of the 2022 Remuneration Report are against it, KPG will be required to put to Shareholders a resolution proposing that an Extraordinary General Meeting (**EGM**) be called to consider the election of Directors (**Spill Resolution**). If the Spill Resolution is passed (i.e. more than 50% of the votes cast are in favour of it), all of the Directors (other than the Managing

Director) will cease to hold office at the subsequent EGM, unless re-elected at that Meeting.

In accordance with the Corporations Act, Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the Remuneration Report.

Board recommendation: *The Remuneration Report forms part of the Directors' Report, which was approved in accordance with a unanimous resolution of the Board. Each Director recommends that Shareholders vote in favour of adopting the Remuneration Report.*

3. RE-ELECTION OF DIRECTORS

Clause 13.3 of the Constitution requires that no Director may hold office for a period in excess of 3 years, or beyond the third annual general meeting following the Director's election, whichever is longer, without submitting himself or herself for re-election. There must be an election of Directors at each annual general meeting. If no person is standing for election or re-election, then the Director who has been in office the longest since last being elected must stand. Between Directors who were elected on the same day, the Director to retire will be decided by lot, unless the relevant Directors agree otherwise. Clause 13.3 does not apply to the Managing Director.

RESOLUTION 2 - RE-ELECTION OF DIRECTOR - MR RYAN MACNAMEE

Mr Macnamee will retire by rotation and seeks re-election in accordance with clause 13.3 of the Constitution.

Brief Curriculum Vitae of Mr Ryan Macnamee - BCom, GACID
Non-Executive Director

Experience and expertise

Mr Macnamee is an experienced business technology executive with over 25 years of IT management experience. He has been Chief Information Officer (CIO) at Laing O'Rourke Australia since 2012 and served as Group CIO for 7.5 years. In addition to his Australian CIO role, Mr Macnamee is also the Group Chief Information Security Officer (CISO) at Laing O'Rourke. Mr Macnamee is responsible for all IT functions within Laing O'Rourke with a focus on strategic objectives, global alignment and delivering business value. In his Group Chief Information Security Officer role Mr Macnamee is responsible for Cyber Security across the Laing O'Rourke Group. Prior to his current role, he held several senior IT management positions at Woolworths, earlier in his career, Ryan served in various senior IT positions at financial, insurance, construction and retail operations globally. Mr Macnamee is currently on the board of thinkproject Australia & New Zealand, and previously held board positions at the Open Data Institute and Advanced Navigation.

Current directorships of other listed companies

None

Former directorships of other listed companies in the last three years

None

Special responsibilities

Member of the Audit and Risk Committee

Member of the Nomination and Remuneration Committee

Additional corporate governance disclosures

None

Board recommendation: *The Directors (with Mr Macnamee abstaining) unanimously recommend the re-election of Mr Macnamee.*

RESOLUTION 3 - RE-ELECTION OF DIRECTOR - MS ADA POON

Ms Poon will retire by rotation and seeks re-election in accordance with clause 13.3 of the Constitution.

Brief Curriculum Vitae of Ms Ada Poon - BCom, MCom, JP, Registered Tax Agent, SMSF Specialist Advisor
Executive Director

Experience and expertise

Ms Poon has more than 15 years' professional accountancy experience and has specialised in accounting and taxation services to Private Business Owners based in Sydney, business and personal taxation compliance self-managed super funds and outsourced finance department services.

Current directorships of other listed companies

None

Former directorships of other listed companies in the last three years

None

Special responsibilities

None

Additional corporate governance disclosures

None

Board recommendation: *The Directors (with Ms Poon abstaining) unanimously recommend the re-election of Ms Poon.*

4. RESOLUTION 4 - AMENDMENT TO THE CONSTITUTION OF THE COMPANY

In accordance with section 136(2) of the Corporations Act, the Company may make amendments to its Constitution by a Special Resolution of its shareholders.

The Company's Constitution currently does not explicitly permit wholly virtual meetings. The Company is therefore relying on temporary measures under emergency Covid legislation in order to hold this meeting as a virtual meeting. The emergency Covid legislation, *Treasury Laws Amendment (2021 Measures No. 1) Act 2021 (New Legislation)*, was introduced on 13 August 2021, and authorises shareholder meetings to be held as virtual meetings notwithstanding the terms of the Company's Constitution until 1 April 2022.

The New Legislation also includes a new permanent power for ASIC to facilitate virtual only or wholly virtual meetings by ASIC instrument. However, in order for the Company to rely on any applicable ASIC instrument in the future, the Company's Constitution must explicitly permit it to hold wholly virtual meetings. Accordingly, the Company seeks to vary its Constitution to empower its directors to make regulations and by-laws to facilitate wholly virtual meetings as permitted by the Act.

If Resolution 4 is passed, the amendment to the Constitution will take effect from the close of this AGM.

Board recommendation: *The Directors unanimously recommend the amendment of the constitution.*

5. RESOLUTION 5 - AMENDMENT TO THE CONSTITUTION OF THE COMPANY

On 5 February 2021, the Company announced it has become Australia's first listed ASX accounting group to be certified as a B Corporation, meeting high standards of verified social and environmental performance, public transparency and legal accountability.

The Company's certification follows a 12-month detailed assessment process, featuring a review of the firm's social and environmental impact and performance by BLab.

Certified B Corporations are legally required to consider the impact of their decisions on all their stakeholders. B Corp businesses make this legal change by updating their governing documents to include a commitment to a 'triple bottom line' approach to business. As a certified B Corp, the Company is required to amend its constitution to comply with the legal requirement.

If Resolution 5 is passed, the amendment to the Constitution will take effect from the close of this AGM.

Board recommendation: *The Directors unanimously recommend the amendment of the constitution.*

6. ENQUIRIES

Shareholders may contact the Company Secretary if they have any queries in respect of the matters set out in these documents.

Joyce Au
Company Secretary
Kelly Partners Group Holdings Ltd
PO Box 1764
North Sydney NSW 2059

Tel: (+61 2) 9923 0800
Fax: (+61 2) 9923 0888
Email: joyce.au@kellypartnersgroup.com.au

GLOSSARY

\$ means Australian dollars.

AEDT means Australian Eastern Daylight Time, Sydney, New South Wales.

Annual General Meeting, AGM or Meeting means the meeting convened by the Notice.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691).

ASX Listing Rules means the Listing Rules of ASX.

Board means the board of Directors of the Company as constituted from time to time.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Parties, in relation to a member of KMP, means the member's spouse, child or dependant (or a child or dependant of the member's spouse), anyone else in the member's family who may be expected to influence or be influenced by the member in the member's dealings with KPG (or the KPG Group), and any company the member controls.

Company or KPG means Kelly Partners Group Holdings Limited (ABN 25 124 908 363).

Constitution means the Constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Directors mean the directors of the Company.

Documents means each of the Notice, Explanatory Statement and the Proxy Form and all other documents that accompany each other when sent to each Shareholder.

Explanatory Statement means the explanatory statement accompanying the Notice.

KPG Group means KPG and its controlled entities.

Key Management Personnel or KMP means those persons having authority and responsibility for planning, directing and controlling the activities of KPG or the KPG Group, whether directly or indirectly. Members of the KMP include Directors and certain senior executives.

Notice means the notice of Meeting that accompanies and forms part of the Documents.

Ordinary Resolution means a resolution passed by more than 50 per cent of the votes at a general meeting of Shareholders.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Plan means Employee Share Plan, subject to approval in Resolution 3.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2021.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Share Registry means Computershare Investor Services.

Special Resolution means a resolution passed by more than 75 per cent of the votes at a general meeting of Shareholders.

Trading Day means as defined in the ASX Listing Rules.

Interpretation

In these Documents, unless the context requires otherwise:

- (a) a reference to a word includes the singular and the plural of the word and vice versa;
- (b) a reference to a gender includes any gender;
- (c) if a word or phrase is defined, then other parts of speech and grammatical forms of that word or phrase have a corresponding meaning;
- (d) a term which refers to a natural person includes a company, a partnership, an association, a corporation, a body corporate, a joint venture or a governmental agency;
- (e) headings are included for convenience only and do not affect interpretation;
- (f) a reference to a document includes a reference to that document as amended, novated, supplemented, varied or replaced;
- (g) a reference to a thing includes a part of that thing and includes but is not limited to a right;
- (h) the terms “included”, “including” and similar expressions when introducing a list of items do not exclude a reference to other items of the same class or genus;
- (i) a reference to a statute or statutory provision includes but is not limited to:
 - (i) a statute or statutory provision which amends, extends, consolidates or replaces the statute or statutory provision;
 - (ii) a statute or statutory provision which has been amended, extended, consolidated or replaced by the statute or statutory provision; and
 - (iii) subordinate legislation made under the statute or statutory provision including but not limited to an order, regulation, or instrument;
- (j) reference to “\$”, “A\$”, “Australian Dollars” or “dollars” is a reference to the lawful tender for the time being and from time to time of the Commonwealth of Australia; and
- (k) a reference to an asset includes all property or title of any nature including but not limited to a business, a right, a revenue and a benefit, whether beneficial, legal or otherwise.