

Kelly Partners Group Holdings Limited
Appendix 4E
Preliminary final report



1. Company details

Name of entity:	Kelly Partners Group Holdings Limited
ABN:	25 124 908 363
Reporting period:	For the year ended 30 June 2023
Previous period:	For the year ended 30 June 2022

2. Results for announcement to the market

				\$'000
Revenues from ordinary activities	up	33.4%	to	86,524
Profit for the year attributable to the owners of Kelly Partners Group Holdings Limited	down	29.4%	to	3,928
Underlying Net Profit After Tax before Amortisation ('Underlying NPATA') attributable to owners of Kelly Partners Group Holdings Limited	down	14.2%	to	5,402

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

Final dividend for the year ended 30 June 2023 will be declared and paid prior to November 2023 and will be at a minimum 1.65 cents per share. Total ordinary dividends (excluding special dividends) for the year ended 30 June 2023 including the final dividend is expected to be 6.44 cents per share, representing a 10% increase on prior year ordinary dividends.

Comments

The profit for the Group after providing for income tax and non-controlling interests amounted to \$3,928,000 (30 June 2022: \$5,563,000).

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 \$5,402,000 (30 June 2022: \$6,298,000).

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	
	2023	2022
	\$'000	\$'000
NPAT attributable to owners of Kelly Partners Group Holdings Limited	3,928	5,563
Amortisation of customer relationship intangibles	2,380	1,185
NPATA attributable to owners of Kelly Partners Group Holdings Limited	6,308	6,748
<u>Add: Non-recurring expenses</u>		
Acquisition costs	974	616
Other non-recurring expenses	103	23
<u>Less: Non-recurring revenue</u>		
One-off government grants in relation to COVID-19	-	(708)
Government grants in relation to Australian Apprenticeships Incentives Program	(491)	(343)
Change in fair value of contingent consideration	(1,438)	(226)
Net non-recurring items	(852)	(638)
Less: Tax effect of non-recurring items	(54)	188
Underlying NPATA attributable to owners of Kelly Partners Group Holdings Limited	5,402	6,298

3. Net tangible assets

	Reporting period	Previous period
	Cents	Cents
Net tangible assets per ordinary security	(60.16)	(43.49)

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	Contributed revenue \$'000	Contributed profit / (loss) before tax and amortisation \$'000
Kelly Partners Hunter Region	Hunter Region, NSW	01/07/2022	4,803	982
Kelly Partners Maitland	Maitland, NSW	04/10/2022	1,900	641
Other business combinations	See note 35	See note 35	3,816	372

5. Loss of control over entities

Not applicable.

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6. Dividends

Current 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
Final 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><u>8.608</u></u>	<u><u>8.608</u></u>

Final dividend for the year ended 30 June 2023 will be declared and paid prior to November 2023 and will be at a minimum 1.65 cents per share. Total ordinary dividends (excluding special dividends) for the year ended 30 June 2023 including the final dividend is expected to be 6.44 cents per share, representing a 10% increase on prior year ordinary dividends.

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Previous 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>

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 2023 is attached.

12. Signed

Authorised by the Board of Directors.

Signed  _____

Date: 11 August 2023

Brett Kelly
Executive Chairman and Chief Executive Officer
Sydney