KELLY PARTNERS GROUP HOLDINGS LIMITED

ABN 25 124 908 363

NOTICE OF EXTRAORDINARY GENERAL MEETING

DATE: Friday, 23 October 2026

TIME: 11:00am (Sydney time)

PLACE: Online only, held at:

https://events.teams.microsoft.com/event/d677727e-ede8-447c-b46a-ce88aff7709c@b35ee03f-2d90-4c39-8719-050017a5e241?source=copyLinkOneEventsShareDialog

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.

Independent Expert's Report

*Shareholders should carefully consider the Independent Expert's Report prepared for the purposes of ASX Listing Rule 10.1, a copy of which is contained in Annexure A. The Independent Expert's Report comments on the fairness and reasonableness of the transaction the subject of Resolution 4 to the non-associated Shareholders of the Company. The Independent Expert has assessed that transaction, and has concluded that the transaction is **fair and reasonable** to the non-associated Shareholders.*

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 set out inside.

CONTENTS

REGISTER YOUR ATTENDANCE

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

https://events.teams.microsoft.com/event/d677727e-ede8-447c-b46a-ce88aff7709c@b35ee03f-2d90-4c39-8719-050017a5e241?source=copyLinkOneEventsShareDialog

After registering, you will receive a confirmation email containing information about joining the Meeting. Shareholders intending to attend the Meeting are encouraged to register at least 15 minutes before the scheduled start time to ensure they receive the confirmation email prior to commencement of the Meeting.

YOUR VOTE IS IMPORTANT

The business of the Extraordinary General Meeting may affect your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the Extraordinary General Meeting on the date and using the online access details set out on page 4.

VOTING VIRTUALLY

You may vote on the Resolutions ahead of the Meeting by voting online or appointing a proxy by following the instructions as per below. You may also provide questions or comments in advance of the Meeting, by contacting the Company Secretary, using the details set out on page 30 of the Notice.

Shareholders electing to vote virtually at the Meeting may do so via the online platform at https://meetnow.global/MKYVJ2U.

Online voting registration will commence 30 minutes prior to the start of the meeting. A user guide link for voting using the online platform can be found at: http://www.computershare.com.au/onlinevotingguide.

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 Limited

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 Limited

4/44 Martin Place

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 11:00am (Sydney time) on 21 October 2026 (being 48 hours prior to the Meeting).

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 EXTRAORDINARY GENERAL MEETING

NOTICE is given that an Extraordinary General Meeting (**EGM**) of the Shareholders of Kelly Partners Group Holdings Limited ACN 124 908 363 (the **Company**) will be held online at https://events.teams.microsoft.com/event/d677727e-ede8-447c-b46a-ce88aff7709c@b35ee03f-2d90-4c39-8719-050017a5e241?source=copyLinkOneEventsShareDialog on Friday, 23 October 2026 at 11:00am (Sydney time).

The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at the EGM. Terms and abbreviations used in this Notice of Meeting and Explanatory Memorandum, which are often capitalised, 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 21 October 2026.

BUSINESS

Shareholders are invited to consider the following items of business at the EGM:

AGENDA

Resolution 1	**Delisting from the Official List of ASX**
Description	ASX Listing Rule 17.11 provides that ASX may at any time remove a company from the official list of the ASX (**Official List**) at the request of the company. The ASX is not required to act on a company's request to be removed from the Official List, and, in determining whether to act on a request, the ASX may require certain conditions to be satisfied before doing so. The ASX has provided in-principle confirmation that the Company's request to be removed from the Official List (**Delisting**) will likely be approved, subject to the conditions detailed in the Explanatory Memorandum being satisfied including Shareholder approval by way of special resolution. The Company is seeking Shareholder approval for this purpose. **Please note that Resolution 1 is an Interconditional Resolution and is conditional on Resolutions 2, 3 and 4 being passed.**
Resolution (Special)	To consider and, if thought fit, pass the following resolution as a **special resolution**: *"That, subject to and conditional upon Resolutions 2, 3 and 4 being passed, for the purposes of Listing Rule 17.11 and for all other purposes, the Company be removed from the official list of the ASX on a date to be announced by the Company, being no earlier than the later of one month after the date this resolution is passed and the date on which Nasdaq listing approval is received, and that the Directors be authorised to do all things reasonably necessary for the removal of the Company from the official list of the ASX and for its listing on Nasdaq".*

Resolution 2	**Amendments to Constitution for Class B Share terms**
Description	The Company seeks approval to amend its Constitution to establish the terms of Class B Shares as well as other amendments to prepare for a Nasdaq listing, including that each Class B Share carries ten votes on a poll,

	is not quoted and is not freely transferable, and is convertible to Ordinary Shares on a one-for-one basis at the holder's election. No Class B Shares may be issued while the Company is listed on ASX. **Please note that Resolution 2 is an Interconditional Resolution and is conditional on Resolutions 1, 3 and 4 being passed.**
Resolution (Special)	To consider and, if thought fit, pass the following resolution as a **special resolution**: *"That, subject to and conditional upon Resolutions 1, 3 and 4 being passed, for the purposes of section 136(2) of the Corporations Act and for all other purposes, Shareholders approve the amendments to the Constitution as set out in the form of Constitution signed by the Chairman for the purposes of identification at the meeting, with the amendments to take effect from the close of the meeting."*

Resolution 3	Consolidation of Ordinary Shares
Description	The Company seeks approval to consolidate its existing Ordinary Shares on the basis that every 3 Ordinary Shares be consolidated into 1 Ordinary Share (**Consolidation**). The Consolidation will not result in any change to the substantive rights and obligations of existing Shareholders. **Please note that Resolution 3 is an Interconditional Resolution and is conditional on Resolutions 1, 2 and 4 being passed. If any of those Resolutions is not passed, the Consolidation will not proceed.**
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an **ordinary resolution**: *"That, subject to and conditional upon Resolutions 1, 2 and 4 being passed, for the purposes of section 254H of the Corporations Act and the Company's Constitution and for all other purposes, approval is given for the consolidation of the Company's existing Ordinary Shares on the basis that every 3 Ordinary Shares be consolidated into 1 Ordinary Share, and where the Consolidation results in a fraction of a Share being held, the Company be authorised to round that fraction up or down (as the case may be) to the nearest whole Share, with an effective date to be determined by the Board and on the terms and conditions set out in the Explanatory Memorandum."*

Resolution 4	Acquisition of a substantial asset from substantial (10%+) holder
Description	The Company seeks approval under ASX Listing Rule 10.1 for the acquisition by the Company (through the ESS Trust) of Ordinary Shares in KPG from Kelly Investments 1 Pty Ltd as trustee for the Kelly Family Trust 1, an associate of Brett Kelly (Listing Rule 10.1.4). Brett Kelly is a Director and related party of the Company (Listing Rule 10.1.1) and a substantial (10%+) holder in the Company (Listing Rule 10.1.3). The number of Shares to be acquired is based on a total value of up to $6.5 million, at a price per Share equal to the market price calculated on a standard 5 trading day VWAP basis (the **Trust Share Purchase**). The consideration for the Trust Share Purchase will be satisfied by set-off against a loan of the same amount currently owed by Brett Kelly to the Company.

	Please note that Resolution 4 is an Interconditional Resolution and is conditional on Resolutions 1, 2 and 3 being passed. If any of those Resolutions is not passed, the Trust Share Purchase will not proceed.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an **ordinary resolution**: *"That, subject to and conditional upon Resolutions 1, 2 and 3 being passed, for the purposes of ASX Listing Rule 10.1 and for all other purposes, Shareholders approve the acquisition by the Company (through the ESS Trust) of Ordinary Shares from Kelly Investments 1 Pty Ltd as trustee for the Kelly Family Trust 1, on the terms and conditions set out in the Explanatory Memorandum."*
Independent Expert's Report	Shareholders should carefully consider the Independent Expert's Report prepared by Lonergan Edwards for the purpose of Shareholder approval required under Listing Rule 10.1, a copy of which is contained in Annexure A. The Independent Expert's Report comments on the fairness and reasonableness of the Trust Share Purchase to the non-associated Shareholders of the Company. The Independent Expert has determined the Trust Share Purchase is **fair and reasonable** to the non-associated Shareholders.
Voting Exclusion	A voting exclusion statement applies to this Resolution. Please see below.

Dated: 21 September 2026

BY ORDER OF THE BOARD OF KELLY PARTNERS GROUP HOLDINGS LIMITED

JOYCE AU
COMPANY SECRETARY

VOTING EXCLUSION STATEMENT

ASX Listing Rules

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution set out below by or on behalf of the following persons (or any person whose votes, in ASX's opinion, should be disregarded):

Resolution 4 – Acquisition of a substantial asset from substantial (10%+) holder	Brett Kelly, Kelly Investments 1 Pty Ltd (ACN 111 916 048), Kelly Family Trust 1, and any other person who will obtain a material benefit as a result of the transaction (except a benefit solely by reason of being a holder of ordinary securities in the Company), or an associate of that person or any of those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

(a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

   (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
   (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

EXPLANATORY MEMORANDUM

TO NOTICE OF EXTRAORDINARY GENERAL MEETING

This Explanatory Memorandum has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions. It should be read in conjunction with the Independent Expert's Report prepared by Lonergan Edwards, a copy of which is contained in Annexure A. The Independent Expert's Report has been prepared for the purposes of ASX Listing Rule 10.5.10 in connection with Resolution 4, and concludes that the Trust Share Purchase is **fair and reasonable** to the non-associated Shareholders of the Company. Shareholders are urged to carefully read the Independent Expert's Report in its entirety before deciding how to vote on Resolution 4.

Overview of the strategic proposals for Shareholders

The Board of Kelly Partners Group Holdings Limited (**KPG** or the **Company**) has made it known for some time now that it sees the future of the Company with a listing on a major US stock exchange. We believe there are a number of benefits to our shareholders with this proposal, which are set out in this Explanatory Memorandum (together with some potential disadvantages that you should also consider).

Proposed Nasdaq listing

We believe that the time is now right to apply to list on the Nasdaq Stock Market (**Nasdaq**), one of the world's premier stock exchanges. The proposed listing on Nasdaq is expected to give the Company better access to US capital markets where we may attract international investors who understand and are aligned with KPG's long-term compounding strategy, better connect the Company to jurisdictions where a significant part of our shareholder base resides, provide better valuation multiple outcomes for a serial acquisition business, and provide better access to deeper debt capital markets. The United States is also the current focus for KPG's expansion, and it will assist us with market visibility to have a US listing.

The proposed Nasdaq listing would be a compliance listing with no capital raising. KPG, the Australian parent company of the group, would be the Nasdaq listed company and will remain an Australian public company. This will minimise the changes to the nature of your current investment in KPG.

It is anticipated that KPG's Ordinary Shares will trade on Nasdaq under the ticker symbol "KPGH".

Proposed creation and issue of Class B "loyalty" shares

As described in more detail in section 2 below, KPG is also seeking to adopt a loyalty share structure to reward loyalty of long-term holders. We propose to create a new 'Class B' share, which carries ten times the voting rights of ordinary shares but will not be quoted on a stock exchange and has to be converted into an ordinary share (on a 1-for-1 basis) to sell the share. If approved by Shareholders, new Class B Shares will be issued to all Shareholders at no cost, on a pro rata basis of one Class B Share for every 7 Ordinary Shares on a post-Consolidation basis (see below for details of the 1 for 3 Consolidation) held by a Shareholder on the Bonus Issue Record Date. This equates to one Class B Share for every 21 pre-Consolidation Ordinary Shares held by a Shareholder (subject to rounding).

The group's ESS Trust will also participate in the bonus issue for each Ordinary Share it holds on the Bonus Issue Record Date, which are either held on behalf of an ESS participant or are unallocated. However, to ensure compliance with Division 83A of the *Income Tax Assessment Act 1997*, the ESS Trust will, upon receipt of the Class B Shares, Reclassify each Class B Share to an Ordinary Share. Those additional Ordinary Shares that will be held by the ESS Trust will be provided along with the Ordinary Shares that have been offered or awarded to employees under the Company's Incentive Plan (being 1 additional Ordinary Share for every 7 Ordinary Shares the subject of an employee's award, on a post-Consolidation basis). This ensures that the economics of employee awards are maintained on the same basis as other holders of Ordinary Shares.

As a pro rata issue, there will be no impact on the percentage Voting Power of any Shareholder upon issue of the Class B Shares, and therefore their issue would not increase the Voting Power of the founder or any related parties. The new share class is to be undertaken for the purpose of rewarding loyalty of long-term Shareholders, and over time the relative Voting Power of long-term holders of Class B shares will increase as other holders elect to Reclassify their Class B shares into Ordinary Shares for sale. We have provided some illustrative examples in section 2 below.

Proposed consolidation of all Ordinary Shares

In connection with the proposed Nasdaq listing and issue of Class B Shares, the Board is also proposing a consolidation of the Company's existing Ordinary Shares on the basis that every 3 Ordinary Shares be consolidated into 1 Ordinary Share (the **Consolidation**). The purpose of the Consolidation is to reorganise the Company's share capital to provide a higher nominal price per Share in order to satisfy the Nasdaq listing requirement to have a minimum US$4.00 per share trading price.

The Consolidation will not result in any change to the substantive rights and obligations of existing Shareholders, and every Shareholder's proportional interest in the Company will remain the same.

ASX delisting

Nasdaq allows a dual voting class share structure, but the issue of Class B Shares would mean that the Company will have to delist from ASX as ASX Listing Rules do not allow dual voting class share structures in ASX-listed companies. Accordingly, at this meeting Shareholders will also vote on the proposed delisting of KPG from ASX (the **Delisting**). The Delisting will take place on a date to be announced by the Company, being no earlier than the later of one month after Shareholder approval is given for the Delisting and the date on which Nasdaq listing approval is received.

Proposed purchase of Shares by the ESS Trust

In connection with the above steps, the Company is also seeking Shareholder approval under ASX Listing Rule 10.1 for the purchase by the Company (through the group's ESS Trust) of Ordinary Shares from Kelly Investments 1 Pty Ltd as trustee for the Kelly Family Trust 1, an associate of Brett Kelly, a Director and substantial (10%+) holder of the Company (the **Trust Share Purchase**).

Under section 13(k) of the Exchange Act, the Company may not extend or maintain a personal loan to a Director once the Company's Ordinary Shares are registered with the US Securities and Exchange Commission (**SEC**). Brett Kelly currently owes a loan to the Company up to the amount of $6.5 million. The loan must therefore be extinguished before the Company becomes an SEC-registrant in connection with its proposed listing on Nasdaq. In order to satisfy this requirement ahead of the proposed Nasdaq listing, the purchase price for the Trust Share Purchase will be satisfied by set-off against that loan, with the effect that the loan will be extinguished in full. The Shares that are purchased will be held by the ESS Trust for the purpose of satisfying existing and future awards as and when they vest under the Company's Employee

Incentive Plan or other incentive schemes. A summary of the considerations in respect of the Trust Share Purchase is included in section 4 of this Explanatory Memorandum.

Interconditional Resolutions

We encourage Shareholders to consider these important strategic changes as an overall package, as they are all interconnected. All resolutions proposed in this Notice of Meeting are interconditional (the **Interconditional Resolutions**), meaning that none of them will take effect unless all four are passed.

Putting all elements to a vote allows KPG Shareholders to consider the proposed changes together with full context, giving you a choice over the future direction of the Company.

Proposed sequence of events

The Interconditional Resolutions, if approved, will be implemented in a specific sequence to implement a successful Nasdaq listing. The key steps are expected to occur, as follows:

1. the Nasdaq listing application process is currently underway;
2. the Trust Share Purchase will be completed;
3. the Company will be delisted from ASX, one month after the date of this Meeting (if Nasdaq listing approval is then in place, otherwise this step will be deferred until such time as the Nasdaq listing approval is received);
4. the Consolidation of Ordinary Shares will be effected;
5. following completion of the Consolidation, the Class B Shares will be issued to Shareholders by way of a pro rata bonus issue;
6. the Company's Ordinary and Class B Shares held by Shareholders will be repositioned from the Australian share register to the US share register; and
7. the Company's Ordinary Shares will start trading on Nasdaq.

Any updates to the above sequencing will be announced by the Company on the ASX.

The specific dates for each step (including the Consolidation Record Date, Bonus Issue Record Date and Consolidation Effective Date) cannot be confirmed at this time as they will depend on the date on which Nasdaq listing approval is received. The Company will seek to minimise the duration of the gap between ASX Delisting and commencement of trading on Nasdaq, and will announce the anticipated dates for each step (in addition to the Indicative Timetable below) once Nasdaq listing approval has been received or the timing is known. The indicative timetable set out below provides further detail on the expected timing.

Indicative timetable

Event	Date
Date of Extraordinary General Meeting	11:00am, 23 October 2026
Acquisition by the Company (through the ESS Trust) of Ordinary Shares in KPG from Brett Kelly	On a date to be announced by the Company, being prior to the Company Delisting
Trading in the Company's shares on ASX voluntarily suspended	On a date to be announced by the Company, being no earlier than the later of one month after

	Shareholder approval is obtained and the date Nasdaq listing approval is received
Expected removal of the Company from the ASX Official List (**Delisting**)	2 business days after voluntary suspension of trading on ASX, on a date to be announced by the Company
Consolidation Record Date	To be announced, following ASX Delisting
Consolidation Effective Date *Being the date on which the Consolidation of Ordinary Shares takes effect.*	To be announced, following ASX Delisting.
Bonus Issue Record Date	To be announced, following completion of Consolidation
Bonus Issue Date *Being the date on which Class B Shares are issued to holders of Ordinary Shares registered on the Bonus Issue Record Date.*	To be announced, following completion of Consolidation
Repositioning of all Ordinary and Class B shareholders from the Australian share register to the US share register.	As soon as practical following the completion of the bonus issue
Despatch of Ordinary Share and Class B Share holding statements	As soon as practical following the completion of the repositioning process
Nasdaq listing commencement (subject to Nasdaq approval)	To be announced by the Company

These dates are indicative only, and are subject to change.

Reasons for this general meeting

This general meeting will consider the following four resolutions to implement the Board's strategy, namely:

(a) **Resolution 1 - Delisting from the Official List of ASX**

(b) **Resolution 2 - Amendments to Constitution**

(c) **Resolution 3 - Consolidation of Ordinary Shares**

(d) **Resolution 4 – Trust Share Purchase from substantial (10%+) holder**

No Shareholder vote is required to approve the Nasdaq listing, and the listing application will proceed regardless of the outcome of votes at this meeting.

The Board is excited to pursue this new chapter in the growth of Kelly Partners, and commends the Resolutions for your consideration. As always, we welcome your questions and comments, and look forward to seeing you at the general meeting.

With this introduction, the following sections set out more detail of each of the Resolutions to be put to Shareholders.

1. Resolution 1 - Delisting from the Official List of ASX

ASX has granted in-principle conditional approval for the Company to be removed from the official list of the ASX (**Official List**) under ASX Listing Rule 17.11 (the **Delisting**).

As is usual practice, the approval granted by ASX is conditional on the Delisting having been approved by a special resolution of the Company's Shareholders, and as per further conditions outlined below.

Resolution 1 seeks the required Shareholder approval for the Delisting under and for the purposes of the ASX Listing Rules.

This Section 1 sets out the information required to be given by the Company to Shareholders under Section 2.11 of Guidance Note 33 (Removal of Entities from the ASX Official List) (**GN 33**).

Reasons and potential advantages for seeking removal from the Official List (compared to remaining listed on the ASX)	The Directors of KPG are of the view that it is in the interests of KPG and its Shareholders for it to be listed on Nasdaq, for the following reasons. (i) **Alignment with international shareholder base**: A significant portion of KPG Shares are now held outside Australia. Listing on Nasdaq creates greater alignment to an increasingly US ownership base, and allows better currency access and time-zone fit. (ii) **Investment environment**: KPG has adopted an investment strategy as a serial acquirer adopting a long-term compounding approach. The United States has a deep pool of investors fluent in acquisition-led compounding. The Company expects stronger research coverage, a more relevant set of comparable companies, a larger pool of patient capital. (iii) **Valuation**: Comparable US-listed companies trade at noticeably higher multiples of EBITDA. KPG expects that having both a broader investor base and broader coverage will give the Company an opportunity to close the valuation gap over time, when listed on a US exchange. (iv) **Access to deeper debt capital markets**: Access to the deep and active US debt capital markets would give KPG an effective and non-dilutive way to fund its acquisition pipeline. (v) **Assistance for business expansion**: The very large US professional services market is the current focus for the group's expansion by way of acquisition. Having a US listing will give KPG better market presence and visibility to potential partners, especially since the KPG acquisition structure involves a purchase of only 51% of a practice with the incumbent owners retaining a 49% interest. (vi) **Dual class shares permitted**: The proposed Class B Share structure is permitted by Nasdaq, and indeed such structures are fairly commonly used now in US capital markets, especially for founder-led companies. This structure allows issue of shares which carry higher votes, and reward the loyalty of long-term holders, and give outsized voting influence to stable, long-term holders. KPG is proposing to adopt a dual voting class share structure to reward loyalty of long-term holders. KPG will be required to delist from ASX rather than having a dual ASX / Nasdaq listing, because the ASX Listing Rules do

	not allow for more than one class of ordinary securities to be on issue (without ASX approval).
Potential disadvantages of the Delisting (compared to remaining listed on the ASX)	***The Board has identified potential disadvantages of Delisting and listing on Nasdaq:*** (i) **No guarantee of enhanced access to capital**: While the Board believes the Company will have better access to potential capital and on more favourable terms if the Company becomes listed on Nasdaq than what would otherwise be available if the Company was to remain listed on the ASX, there is no certainty that the Company will in fact obtain better access to capital and/or on more favourable terms post-Delisting and listing on Nasdaq. (ii) **Shareholders will no longer have the ability to sell their Shares and realise their investment in the Company via trading on ASX**: Following Delisting, Shares will only be capable of sale on Nasdaq and not on ASX. It may be less convenient for Shareholders to arrange to sell their Shares on Nasdaq through a US broker in US dollars. (iii) **The ASX Listing Rules and certain provisions of the Corporations Act will no longer apply to the Company if it proceeds with the Delisting**: Once listed on Nasdaq, the Company will be subject to the rules of that exchange rather than ASX Listing Rules. Further, certain provisions of the Corporations Act which apply to ASX-listed companies will also no longer apply following Delisting, though Shareholders will still have a number of Corporations Act protections which apply to public companies whether or not they are listed on an Australian exchange. The key differences in listing rules between ASX and Nasdaq, and the Corporations Act provisions that currently apply to the Company and will cease to apply once the Delisting takes place, are summarised in Schedule 1 to this Explanatory Memorandum. (iv) **The Delisting and proposed listing on Nasdaq may not suit your personal circumstances or have adverse tax consequences for you**: There may be financial, tax or administrative consequences for you, some of which may be adverse to you. ***The Board has identified potential disadvantages of the Company adopting a dual class share structure and issuing Class B shares:*** (i) **Delisting from ASX**: As ASX does not permit more than one class of ordinary share to be on issue, the adoption of dual class share structure as facilitated by the constitutional amendments in Resolution 2 will require the Company to delist from ASX. The potential disadvantages flowing from an ASX Delisting are summarised above. (ii) **Entrenching Voting Power of existing shareholders**: Class B Shares will not be quoted on any stock exchange and so will not be tradeable on Nasdaq, and therefore only existing KPG Shareholders on the Bonus Issue Record Date for the Class B share issue will be permitted to hold Class B Shares and have the benefit of high votes that come with it (subject to limited permitted

	transfers). Any new purchasers of Ordinary Shares will have disproportionately low Voting Power in the Company, in comparison to existing Shareholders. Those new Shareholders may only be prepared to pay a lower price for Shares which carry lower Voting Power than Class B Shares, and this could place downward pressure on the price of Ordinary Shares. It could also make a control premium less likely to be offered to KPG Shareholders, as it may be more difficult for a potential bidder to acquire a pre-bid stake with meaningful voting rights, and a control transaction involving both classes of Shares will be more complicated than one involving only Ordinary Shares.
Tax implications of Delisting	The Delisting itself is not expected to give rise to a CGT event or other tax consequences for Shareholders or the Company. Shareholders should seek their own professional tax advice regarding the potential impact of the Delisting and listing on Nasdaq on their individual circumstances.
Overview of key Australian corporations law and differences between ASX and Nasdaq listing rules	See Schedule 1 of this Notice of Meeting for a comparison of laws and listing rules applying to the Company: (i) now, while it is still listed on ASX; and (ii) after it is delisted from ASX and listed on Nasdaq. Certain Corporations Act provisions will continue to apply following Delisting, including takeover protections for acquisitions over the 20% takeover threshold. The Company will also continue to be subject to the Corporations Act continuous disclosure obligations for unlisted disclosing entities.
The effect of the Delisting	If Resolution 1 is passed, the Company will proceed with the Delisting and will be removed from the Official List of ASX. The Delisting will take place on a date to be announced by the Company, being no earlier than the later of one month after Shareholder approval is given for the Delisting and the date on which Nasdaq listing approval is received. Shareholders will therefore have at least one month after the date of the Meeting to sell their Shares on ASX should they wish to do so (assuming there remains an active market for those Shares). If Shareholders wish to sell their Shares on ASX, they will need to do so before the Company is removed from the Official List. For a summary of the process for the transfer of Shareholders to the US share register on Delisting, refer to *Shareholder arrangements* below. The consequences of the Delisting are as follows: (i) **Inability to trade Shares on the ASX:** The Company's Shares will no longer be quoted or traded on the ASX. Following Delisting, there will be a period during which the Company's Shares are not listed or traded on any stock exchange while the Consolidation is effected, the Class B Shares are issued, the Acquisition is completed, and the Company finalises its listing on Nasdaq. During this period, Shareholders' holdings will be repositioned from the Australian share register to a US share register administered by Computershare US held in book-entry form (i.e. uncertificated) through the Direct Registration System (DRS) , as described under *Shareholder*

arrangements below. No action will be required by Shareholders to effect the repositioning of the Ordinary and Class B Shares to the US share register. Email addresses and instructions given to KPG in relation to notices and other communications will, as far as possible, be recorded on the US share register under the repositioning process. Class B Shares issued by the Company after Delisting (assuming approval of Resolution 2) will not be quoted on any exchange.

The Company will seek to minimise the duration of this period. The Board recommends that Shareholders seek their own legal, financial and tax advice about the potential impact of the Delisting and listing on Nasdaq, including as to the potential advantages and disadvantages of holding shares in a company that is not listed on ASX and is instead listed on Nasdaq.

(ii) **Removal of ASX Listing Rules protections:** As noted above, the ASX Listing Rules will no longer apply to the Company and shareholder protections contained in the ASX Listing Rules will no longer apply, including certain restrictions on the issue of shares by the Company, certain restrictions in relation to transactions with persons in a position of influence, and the requirement to address the ASX Corporate Governance Principles and Recommendations on an annual basis. However, the Company will continue to be subject to, and the Shareholders will still have the benefit of, certain provisions of the Corporations Act applicable to unlisted public companies including, among other things, the related party provisions in Chapter 2E of the Corporations Act, and the Directors will still be bound to act in accordance with the Corporations Act.

(iii) **Continued obligations under the Corporations Act:** While the Company continues to have more than 100 shareholders, the Company will be an ‘unlisted disclosing entity’ for the purposes of the Corporations Act, and will therefore remain subject to the continuous disclosure provisions in section 675 of the Corporations Act, which requires a company to either lodge certain material information with ASIC or publish that material on its website.

The Company will also continue to be subject to obligations to prepare audited annual and reviewed half-yearly financial statements under Part 2M.3 of the Corporations Act and will be required to hold an Annual General Meeting at least once each calendar year and within five months after the end of its financial year in accordance with section 250N of the Corporations Act.

While the Company has 50 or more Shareholders, the acquisition and control of its Shares will remain subject to the takeover provisions set out in Chapter 6 of the Corporations Act.

(iv) **Future control transactions and applicability of takeovers laws:** The Corporations Act places restrictions on a person acquiring interests in voting shares of a listed company or an unlisted company with more than 50 shareholders where the person’s Voting Power would increase from 20% or below to more than 20%, or from a starting point that is above 20% and below 90%. This prohibition is subject to a number of exceptions, including acquisitions by way of a takeover

	bid or scheme of arrangement. After Delisting and listing on Nasdaq, the Company will still be governed by the takeovers provisions in the Corporations Act. Voting Power is calculated by reference to a person's and their associates' votes in relation to the total votes attaching to shares in the company. At present, this is a simple calculation because all issued shares have one vote. Once Class B Shares are on issue though they will have 10 times the Voting Power of an Ordinary Share, and holders of Class B Shares will therefore need to take care to calculate Voting Power correctly if they are considering acquiring additional Ordinary Shares. The effect of other shareholders Reclassifying their Class B Shares to Ordinary Shares is illustrated in the worked example in relation to Resolution 2 below.
What happens if Resolution 1 is not approved?	If Resolution 1 is not passed, unless a subsequent proposed Delisting is approved by Shareholders or ASX determines that the Company's Shares should no longer be listed, the Shares will remain listed on ASX. As Resolution 1 is an Interconditional Resolution, if it is not passed then Resolutions 2, 3 and 4 will also not take effect.
Conditions imposed by the ASX	The Company has lodged a request with and received in-principle confirmation from the ASX to be removed from the Official List pursuant to ASX Listing Rule 17.11. The ASX has advised the Company that, based solely on the information provided, it will likely remove the Company from the Official List on a date to be determined by ASX in consultation with the Company, subject to compliance with the following conditions: (v) the Delisting is approved by a special resolution of Shareholders. (vi) The Notice of Meeting seeking Shareholder approval must include: A. a timetable of key dates, including the time and date at which the Company will be removed from ASX, if that approval is given; B. a statement to the effect that the removal will take place no earlier than one month after Shareholder approval is obtained; C. a statement to the effect that if Shareholders wish to sell their securities on ASX, they will need to do so before the Company is removed from the Official List, and if they do not, details of the processes that will exist after the Company is removed from the Official List to allow holders to dispose of their holdings on Nasdaq and how they can access those processes; and D. to ASX's satisfaction, all other information prescribed in section 2.11 of GN 33. (vii) The removal of the Company from the Official List must not take place any earlier than one month after Shareholder approval has been obtained, so that Shareholders have at least that period to sell their Shares on ASX should they wish to do so.

	(viii) The Company must apply for its securities to be suspended from quotation at least two business days before its proposed removal date. (ix) The Company releases the full terms of this decision to the market upon making a formal application to ASX to remove the Company from ASX. ASX has not imposed any voting exclusions preventing any Shareholders from voting on Resolution 1.
Shareholder arrangements	The Delisting will take place on a date to be announced by the Company, being no earlier than the later of one month after Shareholder approval is obtained and the date on which Nasdaq listing approval is received. Prior to the Delisting, the Company does not intend to implement any buy-back or other facility that would enable Shareholders to sell or redeem their Shares. If Shareholders wish to sell their Shares on ASX, they will need to do so before the Company is removed from the ASX Official List. Following the Delisting, there will be a short period during which the Company's Shares are not listed or traded on any stock exchange while the Consolidation, Class B Share issue and Acquisition are completed, and the Company finalises its listing on Nasdaq. The Company will seek to minimise the duration of this period. Post the Consolidation and Class B Share bonus issue, shareholders' holdings, of both Ordinary and Class B Shares, will be repositioned from the Australian share register to a US share register administered by the Company's US Transfer Agent, Computershare US. The Shares will be recorded directly on the US share register, registered in the same name(s) as they were recorded on the Australian share register, and be held in book-entry form (i.e. uncertificated) through the Direct Registration System (**DRS**) (being similar to holding in issuer sponsored form in Australia). This will enable trading on Nasdaq subject to the Shareholders having suitable broking arrangements. No action will be required by Shareholders to effect the repositioning of their Shares to the US share register. Once this process is completed, DRS holding statements, for the Ordinary and Class B Shares, will be despatched by post to the shareholder's registered address, confirming the shareholdings and their new Holder Account Number. If a Shareholder has a US broking arrangement, and wishes to deposit their Ordinary Shares into their broker account within DTC (the US central securities depository, equivalent to CHESS in Australia), the Shareholder will need to provide their US broker with the following information as displayed on their DRS statement: • Holder Account Number; • registration details; and • Ordinary Share balance. • US Tax ID number if applicable

	to allow their US broker, to deposit the Ordinary Shares electronically into their broking account held within DTC. Alternatively, Shareholders who wish to transact in their Ordinary Shares, may apply to Computershare US to use its DRS Sale Facility to facilitate trading on Nasdaq. Further information relating to the DRS Sale Facility will accompany the DRS holding statement.
Shareholder remedies available	If a Shareholder considers the Delisting to be contrary to the interests of the Shareholders as a whole or oppressive to, unfairly prejudicial to, or unfairly discriminatory against a Shareholder or Shareholders, it may apply to the court for an order under Part 2F.1 of the Corporations Act. Under section 233 of the Corporations Act, the court can make any order that it considers appropriate in relation to the Company, including an order that the Company be wound up or an order regulating the conduct of the Company's affairs in the future. If a Shareholder considers that the Delisting involves unacceptable circumstances, it may apply to the Takeovers Panel for a declaration of unacceptable circumstances and other orders under Part 6.10 Division 2 Subdivision B of the Corporations Act (refer also to Guidance Note 1: Unacceptable Circumstances issued by the Takeovers Panel). Under section 657D of the Corporations Act, if the Takeovers Panel has declared circumstances to be unacceptable, it may make any order that it thinks appropriate to protect the rights or interests of any person or group of persons, where the Takeovers Panel is satisfied that those rights or interests are being affected, or will be or are likely to be affected, by the circumstances.
Additional information	This Notice of Meeting and Explanatory Memorandum contains all information known to the Company which has not been previously disclosed to Shareholders that is material to the decision on whether or not to vote in favour of Resolution 1. Resolution 1 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).
Board Recommendation	For the reasons set out in this Notice of Meeting and Explanatory Memorandum, the Board recommends that Shareholders vote in favour of Resolution 1.
Chair's available proxies	The Chair of the Meeting intends to vote all undirected proxies in favour of Resolution 1.

2. Resolution 2 - Amendments to Constitution

Background / explanation

A company may modify or repeal its constitution by a special resolution of its shareholders. Resolution 2 is a special resolution which will enable the Company to amend its constitution to allow for the creation of Class B Share rights in advance of their issue. The amendments prohibit the issue of Class B Shares while the Company is listed on ASX.

Resolution 2 is an Interconditional Resolution. It is conditional on Resolutions 1, 3 and 4 being passed. If Resolutions 1, 3 or 4 are not passed, the amendments to the Constitution contemplated by Resolution 2 will not take effect even if Resolution 2 receives the requisite majority of votes in favour.

The full terms of the Class B Shares to be inserted as new Schedule 1 to the Constitution, together with a summary of the other principal amendments to the Constitution, are set out in Schedule 2 to this Explanatory Memorandum. As it is a summary, it is not exhaustive. A copy of the Proposed Constitution will be tabled at the meeting and is available for review on the Company's website https://www.kellypartnersgroup.com.au/extraordinary-general-meeting.

Proposed Class B Shares – summary of terms

(i) KPG proposes to create a new 'Class B' share, which carries ten times the voting rights of ordinary shares but will not be quoted on a stock exchange, and will not be transferrable except in certain limited circumstances (for example, transfers to Permitted Transferees, as described below). Holders of Class B shares can, at their election, Reclassify one Class B share into one Ordinary Share, for example if they wish to sell the share. The purpose of the Class B structure is to reward the loyalty of long term holders of KPG shares with additional voting rights.

(ii) In addition, the proposed amendments provide that holders of Class B Shares will be entitled to appoint up to 3 directors to the Board (**Class B Directors**), elected by resolution of Class B Shareholders at a separate class meeting to represent their interests. Up to a further 3 directors may be appointed to the Board in addition to the Class B Directors, so as to allow the Company to comply with Nasdaq rules regarding independent directors. The Chair of the Board will be one of the Class B Directors, and will have a casting vote in the event of a tied vote on a Board resolution. To be eligible for appointment, a candidate must be nominated by one or more Class B Shareholders holding at least 5% of the Class B Shares on issue, or by an existing Class B Director. The right to elect Class B Directors will cease if Class B Shares cease to carry, in aggregate, at least 10% of total votes attached to all Shares on issue, although any Class B Directors holding office at that time may continue to serve. A Class B Director may not be removed from office unless and until a replacement has been appointed in accordance with the Constitution.

(iii) The initial issue of Class B Shares is intended to be made as a bonus issue to all KPG Shareholders on a pro-rata basis to their existing holdings, at no cost to the Shareholder. The indicative ratio will be one Class B Share for every 7 Ordinary Shares on a post-Consolidation basis held at the Bonus Issue Record Date (effectively one for every 21 Ordinary Shares on a pre-Consolidation basis, subject to rounding). The

	pro-rata issue of Class B Shares will ensure that no Shareholder or group of Shareholders is advantaged over Shareholders, including founders, related parties and any other class of Shareholder. (iv) It will be possible for the Company to issue new Class B Shares after the initial distribution to KPG Shareholders, although it is not intended that the Class B Shares will be used for capital raising or acquisition purposes. The Company intends that Ordinary Shares will be issued in future if required for an equity capital raising or as currency for an acquisition. Employee equity incentives are also intended to continue to be in the form of Ordinary Shares, but may include Class B Shares after Delisting from ASX. (v) As ASX does not permit more than one class of ordinary security to be on issue, the Class B Shares would be able to be issued only after delisting from ASX, and this restriction on issue is included in the Proposed Constitution (see Schedule 2).
Effect on voting and control of issue of Class B Shares	The following worked examples illustrate the effect of the dual-class share structure on Voting Power of Brett Kelly, who currently has voting power of 31.32% in KPG Shares (prior to the Trust Share Purchase, which will reduce his voting power when completed), under some hypothetical scenarios. The Ordinary Share numbers below are presented on a post-Consolidation basis (that is, after the proposed 1 for 3 consolidation of Ordinary Shares described in Resolution 3).

Ordinary and Class B Share characteristics (post-Consolidation)*

	Ordinary Shares	Class B Shares
Holding ratio	7	1
Votes per share	1	10

*No Class B Shares will be issued prior to the Consolidation Effective Date. On a pre-Consolidation basis, the holding ratio would be 1 Class B Share for every 21 Ordinary Shares held.

Initial shareholding and Voting Power immediately after issue of Class B Shares

	Ordinary Shares*	Class B Shares	Percentage
Brett Kelly's interest	4,726,039	675,148	31.32%
Held by other shareholders	10,365,613	1,480,802	68.68%
Total shares*	**15,091,652**	**2,155,950**	**100%**
Votes of Brett Kelly	4,726,039	6,751,485	31.32%
Votes of other shareholders	10,365,613	14,808,019	68.68%
Total votes	**15,091,652**	**21,559,503**	**100.0%**

*Ordinary Share numbers assumed to be on a post-Consolidation basis. Please note that this does not include the reduction in Mr Kelly's interest in accordance with the Trust Share Purchase.

Scenario analysis - Voting Power at assumed levels of Class B Share Reclassification

The following table shows the Voting Power of Brett Kelly (including his associates) and all other shareholders (together) under various scenarios involving Reclassification of Class B Shares to Ordinary Shares after their issue. A Class B Share may be Reclassified by its holder for the purposes of selling the resulting Ordinary Share on market, but the total percentage calculations do not change if the resulting Ordinary Share is sold or not. The scenarios show the effect of (1) Brett Kelly retaining all of his Class B Shares and Ordinary Shares while all other shareholders Reclassify all of their Class B Shares, (2) Brett Kelly retaining all of his Class B Shares and Ordinary Shares while 50% of other shareholders Reclassify their Class B Shares, (3) Brett Kelly selling 50% of his Ordinary Shares but retaining all of his Class B Shares while all other shareholders retain their Class B and Ordinary Shares, and (4) Brett Kelly selling all of his Ordinary Shares but retaining all of his Class B Shares while other shareholders retain all of their Ordinary and Class B Shares. These are only select hypothetical examples, and in reality there will be a wide range of combinations of these factors which may occur.

	Scenario 1	**Scenario 2**	**Scenario 3**	**Scenario 4**
Description	*Brett keeps all Class B (and all Ordinary Shares). All other shareholders convert/sell their Class B.*	*Brett keeps all Class B (and all Ordinary Shares). 50% of other shareholders convert/sell their Class B.*	*Brett sells 50% of his Ordinary Shares but keeps all Class B Shares. All other shareholders keep their Class B and Ordinary Shares.*	*Brett sells all of his Ordinary Shares but keeps all Class B Shares. Other shareholders keep all of their Ordinary and Class B Shares.*
Brett Kelly				
Brett — Class B votes	6,751,485	6,751,485	6,751,485	6,751,485
Brett - Ordinary votes converted from Class B	-	-	-	-
Brett — Ordinary votes	4,726,039	4,726,039	3,150,850	-
Brett — total votes	**11,477,524**	**11,477,524**	**9,902,335**	**6,751,485**
Other shareholders				
Others — Class B votes (retained)	-	7,404,009	7,404,009	14,808,019
Others — Ordinary votes converted from Class B	1,480,802	740,401	740,401	-
Others — Ordinary votes (incl. shares	10,365,613	10,365,613	11,940,802	15,091,652

bought from Brett)				
Others — total votes	**11,846,415**	**18,510,023**	**20,085,212**	**29,899,671**
Total company votes	**23,323,939**	**29,987,547**	**29,987,547**	**36,651,156**
Brett Kelly Voting %	**49.21%**	**38.27%**	**33.02%**	**18.42%**
Other shareholders voting %	50.8%	61.7%	67.0%	81.6%

Accordingly, the theoretical maximum Voting Power of Brett Kelly if he does not elect to Reclassify any of his Class B Shares into Ordinary Shares, and all other Shareholders Reclassify all of their Class B Shares into Ordinary Shares, is 49.21% under the assumptions noted above, and ignoring the reduction in his Voting Power that will result from the Trust Share Purchase.

Conversely, in a scenario where Brett Kelly Reclassifies all of his Class B Shares into Ordinary Shares and sells all of his Shares, while all other Shareholders retain their shareholdings, his Voting Power would reduce to 0%.

Tax implications

Income tax and CGT

The issue of Class B Shares should not cause a CGT event to happen nor should it be the receipt of assessable income nor a dividend for existing shareholders. The Class B Shares should be treated as a receipt of bonus shares, under section *6BA of the Income Tax Assessment Act 1936* (Cth). (**ITAA 1936**).

Cost base apportionment

Shareholders that receive bonus shares should seek to apportion their cost base on an appropriate basis. The basis of apportioning cost base should be that any amounts previously paid or payable by a shareholder in respect of their original Ordinary Shares are deemed to have been paid in respect of both the original shares and the newly issued Class B Shares in such proportions as the Commissioner considers appropriate in the circumstances.

Value shifting

When issuing bonus shares there is a risk that the direct value shifting rules could apply under Division 725 of the *Income Tax Assessment Act 1997* (Cth) (**ITAA 1997**). The direct value shifting rules apply in instances where the value of KPG shares is shifted from one shareholder to another shareholder. Accordingly, changes to the constitution or transactions that reduce the value of some shareholders' shares in favour of other shareholders may result in the direct value shifting rules applying. However, in this instance the value shifting rules should not apply and, as such, should not result in the happening of a CGT event to shareholders.

CGT Event H2 on reclassification

	CGT event H2 happens if an act, transaction or event occurs in relation to a CGT asset and the act, transaction or event does not result in an adjustment being made to the asset's cost base or reduced cost base. The Reclassification of the Class B shares to ordinary shares will constitute an act, transaction or event in relation to a CGT asset owned by a shareholder. Furthermore, the Reclassification of Class B Shares should not result in an adjustment being made to the cost base of the shares in accordance with Divisions 110 and 112 of the ITAA 1997. Therefore, the Reclassification would result in CGT event H2 happening. In relation to CGT event H2, a capital gain arises if the capital proceeds from the CGT event are more than the incidental costs incurred in relation to the event. 'Capital proceeds' is defined as the money or other consideration you received, or are entitled to receive because of the act, transaction or event. Due to the Reclassification, the price of the Class B Shares should be the same as the share price of the ordinary shares. No consideration, compensation or new property will be provided to any shareholder in respect of the reclassification of the shares. Consequently, there should be no capital gain for any shareholder as a result of the CGT event H2. Any qualifying incidental costs may produce a capital loss to a shareholder.
Board recommendation	For the reasons set out in this Notice of Meeting and Explanatory Memorandum, the Board recommends that Shareholders vote in favour of Resolution 2.
Chair's available proxies	The Chair of the Meeting intends to vote all undirected proxies in favour of Resolution 2.

3. Resolution 3 - Consolidation of Ordinary Shares

<table>
<tr><td>Background / explanation</td><td>Section 254H of the Corporations Act provides that a company may convert all of its ordinary securities into a smaller number of securities by an ordinary resolution passed at a general meeting.</td></tr>
<tr><td>Purpose of the Consolidation</td><td>Resolution 3 is an ordinary resolution which proposes that the issued capital of the Company be altered by consolidating the existing Ordinary Shares on a 1 for 3 basis (the Consolidation).

The purpose of the Consolidation is to reorganise the Company's share capital which, in turn, will provide a higher nominal price per Share. This will be necessary in order to meet Nasdaq listing requirements for a minimum US$4.00 per share trading price at initial listing.

Resolution 3 is an Interconditional Resolution and is conditional on Resolutions 1, 2 and 4 being passed. If any of those Resolutions is not passed, the Consolidation will not proceed regardless of whether Resolution 3 is passed.</td></tr>
<tr><td>Effect on Shareholders</td><td>The Consolidation will not result in any change to the rights and obligations of existing Shareholders. Every Shareholder's proportional interest in the Company will remain the same.

For example, a Shareholder currently holding 3,000 Ordinary Shares will, as a result of the Consolidation, hold 1,000 Ordinary Shares. The Company's balance sheet and tax position will remain unaltered as a result of the Consolidation.</td></tr>
<tr><td>Effect on issued share capital</td><td>The Company's issued share capital as a result of the Consolidation on a 1 for 3 basis will be as follows (subject to rounding as determined by the Company):

<table>
<tr><th></th><th>Pre-Consolidation</th><th>Post-Consolidation</th></tr>
<tr><td>Ordinary Shares on issue</td><td>45,274,957</td><td>15,091,652</td></tr>
</table>
The Company has no convertible securities on issue at the date of this Meeting.</td></tr>
<tr><td>Effect on Class B Shares</td><td>There will be no effect on Class B Shares as the Consolidation (if approved by Shareholders) will occur prior to the issue of any Class B Shares.

Following the Consolidation, Class B Shares will be distributed to Shareholders by way of bonus issue on the basis of 1 Class B Share for every 7 post-Consolidation Ordinary Shares held on the Bonus Issue Record Date (which equates to the pre-Consolidation ratio of 1 Class B Share for every 21 pre-Consolidation Ordinary Shares, subject to rounding). The Company's ESS Trust will also receive Class B Shares in the bonus issue on the same pro rata basis in respect of the Ordinary Shares held by the ESS Trust. To ensure compliance with Division 83A of the Income Tax Assessment Act 1997, on receipt of the Class B Shares, the ESS Trust will Reclassify each Class B Share to an Ordinary Share.The ESS Trust will provide 1 of those new Ordinary Shares for every 7 Ordinary Shares the subject of an employee's award under the Company's Incentive Plan so as to preserve the economic intention of employee awards.</td></tr>
</table>

Fractional entitlements	Where a fractional entitlement occurs, the Company will round that fraction up or down (as the case may be) to the nearest whole Ordinary Share.
Holding statements	On the Consolidation Effective Date, all holding statements for existing Shares will cease to have any effect, except as evidence of entitlement to a certain number of Shares (on a post-Consolidation basis). After the Consolidation becomes effective, the Company will arrange for a confirmation notice to be issued to Shareholders. No action will be required by Shareholders to effect this change.
Indicative timetable for Consolidation	If Resolution 3 is passed, the Consolidation will take effect in accordance with the anticipated timetable as set out in the *Proposed sequence of events* section above. Resolution 3 provides that the effective date for the Consolidation is to be determined by the Board. Because the Consolidation is planned to occur after the Company delists from ASX, and because the Delisting date is not yet certain (as it depends on the timing of Nasdaq listing approval), it is not yet possible to provide a definite date for the Consolidation to take place. The Company will keep Shareholders informed of the likely timing. If the Company is still listed on ASX at the relevant time then the Company will provide announcements in accordance with ASX Listing Rules Appendix 7A.
What happens if Resolution 3 is not approved?	If Resolution 3 is not passed, the Consolidation will not proceed and the Company's share capital will remain in its current form. The number of Ordinary Shares on issue will be unaffected. This would likely prevent the Company from being able to list on Nasdaq, unless and until its unconsolidated Share price exceeds US$4.00. Resolution 3 is an Interconditional Resolution and is conditional on Resolutions 1, 2 and 4 being passed. If any of those Resolutions is not passed, Resolution 3 will not take effect even if it receives the requisite majority of votes in favour.
Board Recommendation	The Directors unanimously recommend that Shareholders vote in favour of Resolution 3 for the reasons outlined in this section 3 of the Explanatory Memorandum. No voting exclusion applies to Resolution 3, as the Consolidation applies equally to all Shareholders.
Chair's available proxies	The Chair of the Meeting intends to vote all undirected proxies in favour of Resolution 3.

4. Resolution 4 – Trust Share Purchase from substantial (10%+) holder

Details of the proposed Trust Share Purchase	The Company proposes to acquire (through the ESS Trust) Ordinary Shares in KPG from Kelly Investments 1 Pty Ltd as trustee for the Kelly Family Trust 1 (**Seller**) with a value of up to \$6.5 million, based on the market price of the Shares as at the date of the purchase (the **Trust Share Purchase**). The Trust Share Purchase will be effected pursuant to an agreement between the Company, the ESS Trust, and Brett Kelly and the Seller for the sale and transfer of the Shares to the ESS Trust, in consideration for satisfaction of the loan in the same amount which is currently owing by Brett Kelly to KPG. The number of Shares to be acquired will be determined by dividing the Trust Share Purchase value by the market price per Share on the date of completion of the sale following Shareholder approval. The market price will be calculated on a standard 5 trading day VWAP basis using the following formula: $Number\ of\ shares\ to\ be\ acquired = \frac{Loan\ balance\ at\ completion}{5\ day\ VWAP\ of\ KPG\ at\ completion}$ The result of the Trust Share Purchase will be that the ESS Trust will hold the acquired Shares on trust to be available to satisfy existing employee awards that vest under the terms of the Company's Employee Incentive Plan, and potentially future awards to eligible employees and Directors, although no decision has been made by the Board as to any such future awards. The ESS Trust typically purchases existing Shares to satisfy employee awards, rather than having new Shares issued for that purpose, and an off market purchase of Shares is authorised by the Trust Deed of the ESS Trust. The Company has an existing agreement in place with Brett Kelly under which the Company will reimburse him for any tax liabilities over and above what would have been paid under Australian tax law due to his relocation to the United States (taking into account double taxation relief under applicable tax treaties). It is possible that the Trust Share Purchase may give rise to an incremental tax liability that would be covered by the agreement, but at this stage the Company is not aware of any such amount that will be payable and is yet to undertake the detailed analysis to support the calculation.

Applicable ASX Listing Rules	ASX Listing Rule 10.1 provides that a listed entity must not acquire a substantial asset from, or dispose of a substantial asset to, any of the following persons: (a) a related party of the entity; (b) a child entity; (c) a person who is, or was at any time in the 6 months before the transaction, a substantial (10%+) holder in the entity; (d) an associate of a person referred to in (a) to (c) above; or (e) a person whose relationship with the entity or a person referred to in (a) to (d) above is such that, in ASX's opinion, the transaction should be approved by shareholders, unless it obtains the approval of its shareholders. ASX Listing Rule 10.2 states that an asset is substantial if its value, or the value of the consideration for it, is 5% or more of the book value of the equity interests of the entity as set out in the latest accounts provided to the ASX under the ASX Listing Rules. ASX Listing Rule 10.5.10 requires that the notice of general meeting to include a report from an independent expert stating whether the proposed transaction is fair and reasonable to the non-associated holders of the entity's ordinary securities.
Parties and category	The Seller is an associate of Brett Kelly for the purposes of Listing Rule 10.1.4. Brett Kelly is a Director of the Company and therefore a related party of the Company for the purposes of Listing Rule 10.1.1, and is also a substantial (10%+) holder in the Company for the purposes of Listing Rule 10.1.3. As at the date of this Notice, Brett Kelly (including his associates) holds an interest in approximately 31.32% of the Company's issued Shares. The proposed Trust Share Purchase falls within Listing Rule 10.1 as it involves the acquisition of a 'substantial asset', being Ordinary Shares with a value of up to $6.5 million. It therefore requires the approval of the Shareholders under Listing Rule 10.1. Resolution 4 seeks Shareholder approval under Listing Rule 10.1 for the Trust Share Purchase.
Consideration and source of funds	The purchase price for the Trust Share Purchase will be satisfied by set-off against a loan of the same amount currently owed by Brett Kelly to the Company. No cash will be paid by the Company. Following the Trust Share Purchase, the loan will be extinguished in full.
Intended use of acquired Shares	The Shares acquired under the Trust Share Purchase will be held by the ESS Trust and may be used to satisfy existing awards under the Company's Employee Incentive Plan that vest, through transfers to employees upon vesting of their awards. The Shares may also potentially be used to satisfy future awards to eligible employees and Directors under the Employee Incentive Plan, although no decision has

	been made by the Board as to any such future awards as at the date of this Notice.
Timetable	The Trust Share Purchase is expected to complete at or around the Delisting, but before the bonus issue of Class B Shares, subject to all Interconditional Resolutions being passed and any other conditions being met.
Chapter 2E of the Corporations Act	Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must: • obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and • give the benefit within 15 months following such approval, unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act. Brett Kelly is a related party of the Company by virtue of being a Director of the Company, and Kelly Investments 1 Pty Ltd is an associate of Mr. Kelly. Accordingly, the Trust Share Purchase constitutes the giving of financial benefit to an associate of a related party of the Company. The Directors (not including Brett Kelly) consider that the Trust Share Purchase falls within the exception under section 210 (*Arm's length terms*) of the Corporations Act. In reaching this view, the Directors (not including Brett Kelly) have had regard to the following considerations: (a) the Trust Share Purchase will be made at market price and on arm's length terms; (b) the Independent Expert has determined that the Trust Share Purchase, being the transaction the subject of Resolution 4, is **fair and reasonable**; and (c) without the Trust Share Purchase, the Company will be unable to proceed with the proposed Nasdaq listing, and accordingly none of the Resolutions proposed in this Notice of Meeting will take effect. Accordingly, the Directors (not including Brett Kelly) consider that separate Shareholder approval under section 208 of the Corporations Act is not required.
Independent Expert's Report	Listing Rule 10.5.10 requires a notice of meeting containing a resolution to approve a transaction under Listing Rule 10.1 to include a report on the transaction from an independent expert. In accordance with Listing Rule 10.5.10, the Company has commissioned an Independent Expert's Report from Lonergan Edwards in respect of the Trust Share Purchase. A copy of the Independent Expert's Report is contained in Annexure A. The Independent Expert has concluded that the Trust Share Purchase is **fair and reasonable** to the non-associated Shareholders of the Company.

	The Independent Expert's Report accompanying this Notice sets out a detailed independent examination of the Trust Share Purchase to enable non-associated Shareholders to assess the merits and decide whether to approve this Resolution. The non-associated Shareholders for the purpose of this Resolution are all Shareholders other than the associates of Brett Kelly and the Seller. In determining whether the Trust Share Purchase is fair under Listing Rule 10.5.10, the Independent Expert considered the regulatory framework in which the Company operates (being the ASX Listing Rules, the Corporations Act and ASIC guidances) and in particular the following factors as part of their review: (a) the impact of the ESS Trust holding a residual parcel of Shares in the Company and the requirements for the purchase of Shares by the ESS Trust under the terms of the Company's Employee Share Scheme and Employee Incentive Plan; (b) the potential market price impacts of an on market sale of shares by Mr Kelly to clear his loan account; and (c) the implications for the Company if the Trust Share Purchase does not proceed. In assessing fairness, the Independent Expert considered whether the 5-day VWAP lies within the range of prices that a knowledgeable and willing, but not anxious, buyer and seller would agree to for a parcel of shares of broadly equivalent size, having regard to the liquidity and trading characteristics of KPG shares. The Independent Expert observed that, given the limited liquidity in KPG shares relative to the size of the parcel to be acquired, a willing but not anxious seller disposing of a block of this size on market would likely realise a price below the prevailing market price (reflecting a "block discount"), while a willing but not anxious buyer seeking to accumulate an equivalent position on market would likely pay a premium to the prevailing market price. The 5-day VWAP falls between these two outcomes, meaning that both parties are better off transacting with each other at the 5-day VWAP than pursuing their respective alternatives in the open market. On this basis, the Independent Expert concluded that the adoption of the 5-day VWAP for the market price per share is fair, and that the Trust Share Purchase is therefore **fair and reasonable** to the non-associated Shareholders of the Company. Shareholders are urged to carefully read the Independent Expert's Report in its entirety to understand its scope, the methodology of the valuation and the sources of information and assumptions made. The Independent Expert's Report is also available on the Company's website https://www.kellypartnersgroup.com.au/extraordinary-general-meeting and as Annexure A to this report. If requested by a Shareholder, the Company will send to the Shareholder a hard copy of the Independent Expert's Report at no cost.
Technical information required	If Resolution 4 is not passed (or if any of the other Interconditional Resolutions are not passed, as Resolution 4 is conditional on Resolutions 1, 2 and 3 also being passed), the Trust Share Purchase

by Listing Rule 14.1A	will not proceed and the loan owed by Brett Kelly to the Company will remain outstanding on its current terms. Without repayment by Mr Kelly of the loan, the Company's ability to list on Nasdaq would be impacted as section13(k) of the Exchange Act prohibits a company from extending or maintaining a personal loan to a Director once the company's shares are registered with the US Securities and Exchange Commission. In that event, the Company would require Brett Kelly to make alternative arrangements to extinguish the loan prior to listing. If Resolution 4 is passed (including all other Interconditional Resolutions), the Company will proceed with the Trust Share Purchase and the loan owed by Brett Kelly to the Company will be extinguished in full by way of set-off against the purchase price for the Shares acquired under the Trust Share Purchase. The Shares acquired will be held by the ESS Trust for the purpose of satisfying existing and future awards under the Company's incentive schemes (as noted in the *Intended use of acquired Shares* section above). The extinguishment of the loan will also satisfy section 13(k) of the Exchange Act, which section requires that no debt be owed by directors of an SEC-registrant, thereby facilitating the Company's proposed listing on Nasdaq (subject to satisfaction of all other listing conditions).
Board Recommendation	Brett Kelly has a material personal interest in the outcome of Resolution 4, and accordingly abstains from making a recommendation to Shareholders in respect of this Resolution. The remaining Directors (who do not have a material personal interest in the Trust Share Purchase) recommend that Shareholders consider the Independent Expert's Report and, having regard to the conclusion of the Independent Expert, vote in favour of Resolution 4.
Chair's available proxies	The Chair of the Meeting intends to vote all undirected proxies in favour of Resolution 4.

Enquiries	Shareholders may contact the Company if they have any queries or wish to request further information 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 Email: joyce.au@kellypartners.com.au

Glossary

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited or the securities exchange which it operates, as the context requires.

Board means the current board of directors of the Company.

Chairman means a Director chosen by the Directors present to chair the meeting.

Class B Share means a share in the capital of the Company which is designated as a Class B Share and has the rights set out in Schedule 1 of the Proposed Constitution.

Company or **KPG** means Kelly Partners Group Holdings Limited ACN 124 908 363.

Consolidation means the consolidation of the Company's existing Ordinary Shares on the basis of every 3 Ordinary Shares being consolidated into 1 Ordinary Share, as proposed under Resolution 3.

Computershare US means Computershare Trust Company, N.A., the Company's US Transfer Agent.

Constitution means the constitution of the Company, as at the date of this Meeting.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

DRS means the Direct Registration System which allows registered securities to be held in electronic form directly on the register without having a physical security certificate issued as evidence of ownership.

EGM, Extraordinary General Meeting or **Meeting** means the meeting convened by the Notice.

Employee Incentive Plan means the employee incentive plan adopted by the Company dated 17 December 2019.

ESS Trust means the KPG EMP Share Plan Trust.

Exchange Act means the US Securities Exchange Act of 1934, as amended.

Explanatory Memorandum means the Explanatory Memorandum accompanying the Notice.

Interconditional Resolutions means Resolution 1, Resolution 2, Resolution 3 and Resolution 4, each of which is conditional on the other three Resolutions being passed, and none of which will take effect unless all four are passed.

Listing Rules means the listing rules of the ASX.

Lonergan Edwards or **Independent Expert** means Lonergan Edwards & Associates Limited.

Nasdaq means the Nasdaq Stock Market operated by Nasdaq, Inc.

Notice or **Notice of Meeting** or **Notice of Extraordinary General Meeting** means this notice of extraordinary general meeting and the explanatory notes accompanying the Notice and the Proxy Form.

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

Proposed Constitution means the constitution of the Company as proposed to be amended by Resolution 2, which is available at https://www.kellypartnersgroup.com.au/extraordinary-general-meeting.

Proxy Form means the proxy form accompanying the Notice.

Reclassification means, in relation to a Class B Share, the variation of the rights attaching to that Share such that, at and from the time the Reclassification takes effect, the Share has the rights of an Ordinary Share, and **Reclassify** and **Reclassified** have corresponding meanings.

Resolution means each or any of the resolutions set out in the Notice, and Resolutions means all of them, as the context requires.

Share means an Ordinary Share or a Class B Share.

Shareholder means a holder of a Share.

Trust Share Purchase means the acquisition by the Company (through the ESS Trust) of Ordinary Shares from Kelly Investments 1 Pty Ltd as trustee for the Kelly Family Trust 1, as described in Resolution 4.

Voting Power has the same meaning as in the Corporations Act.

VWAP means the volume weighted average price.

US means the United States of America.

Schedule 1 Comparison of laws and ASX / Nasdaq listing rules

Requirement	While listed on ASX	After delisted from ASX and listed on NASDAQ
Rights attaching to shares		
Share capital	Australian law does not contain any concept of authorised capital or par value (minimum issue price) per share. The issue price of shares is set by the directors at the time of each issue.	As the Company will continue to be governed by the Corporations Act, these requirements will remain applicable. Nasdaq does not impose any concept of authorised capital or par value. To be admitted to Nasdaq, the Ordinary Shares must satisfy Nasdaq's initial listing standards, which include a minimum bid price per share and minimum numbers of publicly held shares and holders of those shares. Once listed, the Company must continue to satisfy Nasdaq's continued listing standards, including a minimum bid price of US$1.00 per share. The Consolidation, the subject of Resolution 3, is intended to allow the Ordinary Shares to satisfy the initial bid price requirement.
Transfers of shares	Under the Company's constitution, the Board may decline to register a transfer of ordinary shares only in limited circumstances including where the transfer may breach an Australian law or where ASX has agreed to the application of a holding lock or that the Company may refuse to register a transfer. Class B shares will be subject to more extensive transfer restrictions as set out in the Explanatory Memorandum of the Notice of Meeting.	As the Company will continue to be governed by its constitution, these requirements will remain applicable. Nasdaq does not regulate the circumstances in which a company may decline to register a transfer of its shares. However, Nasdaq Listing Rule 5210 requires the Company to have a transfer agent and requires all listed securities to be eligible for a direct registration program operated by a registered clearing agency. The Ordinary Shares will be held and settled through The Depository Trust Company and recorded in Direct Registration System (DRS) form, as described under "Shareholder arrangements" in section 1 of this Explanatory Memorandum. Class B Shares will not be quoted on any stock exchange and will remain subject to the transfer restrictions set out in Schedule 1 to the Constitution.
Voting rights	Each ordinary share confers a right to vote at all general meetings. On a show of hands, each Shareholder present in person or by proxy, attorney or corporate representative has one vote. If a poll is held, Shareholders present in person or by their proxy, attorney or corporate representative will have one vote for every ordinary share held. A signed proxy form must be received at least 48 hours before a meeting to be valid. On a poll, each Class B shareholder has 10 votes for each Class B share they hold. On	As the Company will continue to be governed by its constitution, these requirements will remain applicable. Nasdaq Listing Rule 5640 provides that the voting rights of existing holders of a listed class of securities cannot be disparately reduced or restricted through any corporate action or issuance. That rule does not prevent a company from being admitted with a dual class share structure already in place, which is why the Class B Shares are to be

Requirement	While listed on ASX	After delisted from ASX and listed on NASDAQ
	a show of hands, each Class B shareholder has one vote. A poll may be demanded by the chairman of the general meeting, at least five Shareholders entitled to vote on the resolution or shareholders present at the meeting holding at least 5% of the votes that may be cast on the resolution on a poll.	issued before the Company is admitted to Nasdaq.
Dividends and distributions	Under Australian law a company must not pay a dividend unless the value of its assets exceeds its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend. The dividend must be reasonable to the company's shareholders as a whole and must not materially prejudice the company's ability to pay its creditors. Additionally, where a distribution is paid out of capital, the provisions of the Corporations Act relating to reductions of capital must also be complied with.	As the Company will continue to be governed by the Corporations Act, these requirements will remain applicable. Nasdaq does not impose any solvency test or other restriction on the payment of dividends. Each Class B Share will carry the same rights to dividends and other distributions as an Ordinary Share.
Variation of class rights	In accordance with clause 2.3 of the Company's constitution, rights attaching to a class of shares may only be varied with the consent in writing of holders of at least 75% of the issued shares of that class, or with a special resolution passed at a general meeting of the holders of shares of that class.	As the Company will continue to be governed by its constitution, these requirements will remain applicable.
Capital structure and major transactions		
Issue of new shares and options	The Corporations Act allows directors to issue shares, and options over unissued shares, without shareholder approval, and without pre-emption rights in favour of existing shareholders. Subject to specified exceptions, the ASX Listing Rules broadly restrict a company from issuing, or agreeing to issue, more than 15% of its issued shares in any rolling 12 month period unless the company obtains shareholder approval. The 15% limit does not apply to a pro rata offer offered to shareholders under an entitlement issue, including any shares issued to an underwriter of the entitlement issue. If the entitlement issue is non-renounceable the issue size limit is 100% of shares on issue, but if the entitlement issue is renounceable then the offer size is uncapped.	As the Company will continue to be governed by the Corporations Act, the legislative requirements will remain applicable. Nasdaq Listing Rule 5635 requires shareholder approval for certain issues of securities. However, Nasdaq Listing Rule 5615(a)(3) permits a "foreign private issuer" (as defined below) to follow the practice of its home country in lieu of the requirements of Listing Rule 5635. The Company intends to follow Australian practice. The consequence is that, after the Delisting, there will be no percentage limit on the number of Ordinary Shares the Directors may issue without shareholder approval, other than the general requirements of the Corporations Act and the Directors' duties. The issue of further Class B Shares is separately restricted by Schedule 1 to the Constitution.
Share buy-backs	Under the Corporations Act, a company may buy back its shares under a specific buy back scheme if the buy back does not materially prejudice the company's ability to	As the Company will continue to be governed by the Corporations Act, these requirements will remain applicable.

Requirement	While listed on ASX	After delisted from ASX and listed on NASDAQ
	pay its creditors, and the company follows the procedures set out in the Corporations Act. Share buy backs are subject to certain shareholder approval requirements.	Nasdaq does not impose any additional approval requirement; however, the Company will need to comply with applicable requirements under the Exchange Act.
Insider trading	Under the Corporations Act, any person who possesses non-public, price sensitive information relating to a company or its securities is prohibited (subject to limited exceptions) from buying or selling those securities or procuring others do so, or from communicating the information to third parties who are likely to trade.	As the Company will continue to be governed by the Corporations Act, these requirements will remain applicable even if the Company is no longer listed on ASX. In addition, prohibitions on insider trading in section 10(b) of the Exchange Act and Rule 10b-5 made under it will apply to dealings in the Ordinary Shares. From the date the Ordinary Shares are registered with the SEC, each Director and executive officer of the Company will also be required to report their holdings of, and transactions in, the Company's equity securities to the SEC on Forms 3, 4 and 5 under section 16(a) of the Exchange Act. Such reports are publicly available and a report of a transaction is generally due within two business days.
Major transactions	The ASX Listing Rules require a listed company to provide information to ASX regarding any proposed significant change to the nature or scale of its activities, and ASX may require the company to obtain shareholder approval, or (in an extreme case such as a backdoor listing) to re-comply with the admission requirements of the ASX Listing Rules. An ASX-listed company must also obtain approval of its shareholders for any significant change involving disposing of its main undertaking. The ASX Listing Rules also prohibit disposal of a major asset, or securities in a subsidiary entity holding a major asset, with a view to the acquirer or subsidiary becoming listed. Likewise, a subsidiary entity holding a major asset cannot offer securities with a view to it becoming listed, except where the issue of securities is made on a pro rata basis to or with approval of shareholders in the listed company.	The Company will no longer be subject to these requirements relating to significant transactions after it is delisted from ASX. The Corporations Act does not impose equivalent restrictions on an unlisted Australian public company. There is no equivalent requirement under the Nasdaq Listing Rules. Nasdaq does not require shareholder approval for a change in the nature or scale of a company's activities, for the disposal of its main undertaking, or for a transaction of a kind that would require re-compliance with admission requirements under the ASX Listing Rules. The only Nasdaq requirements engaged by a significant transaction are Listing Rules 5635(a) and 5635(b); as noted above, the Company intends to follow Australian practice in lieu of Listing Rule 5635. Significant transactions will therefore be a matter for the Board, subject to the Directors' duties and to the disclosure obligations described below.
Disclosure and reporting obligations		
Foreign private issuer status	Not applicable.	The Company will be a "foreign private issuer" for the purposes of the US securities law. That status will allow the Company to be subject to lower reporting requirements than US domestic issuer and, with respect to

Requirement	While listed on ASX	After delisted from ASX and listed on NASDAQ
		many corporate governance requirements under Nasdaq's listing rules, elect "home country" exemptions and allow the Company to follow Australian law practice in lieu of most the Nasdaq corporate governance requirements referred to in this Schedule. The Company would cease to be a "foreign private issuer" if more than 50% of its voting securities were held of record by residents of the United States and, in addition, a majority of its executive officers or directors were United States citizens or residents, more than 50% of its assets were located in the United States, or its business were administered principally in the United States. The test is applied at the end of an issuer's second fiscal quarter (i.e. 31 December for the Company). If the Company were to cease to be a foreign private issuer, then it would be required to comply with the United States domestic reporting regime, including quarterly reports and the proxy rules, and to prepare its financial statements under United States generally accepted accounting principles.
Continuous disclosure	Under the ASX Listing Rules, a company is required to immediately disclose to ASX any information concerning the company that a reasonable person would expect to have a material effect on the price or the value of its shares. Exceptions apply for certain confidential information where, in addition to remaining confidential, it would be a breach of law to disclose the information, it concerns an incomplete proposal or negotiation, is insufficiently definite to warrant disclosure, is generated for internal management purposes, or is a trade secret. The Corporations Act imposes corresponding obligations on an ASX-listed company to announce such information with ASX, subject to the carve-outs in the ASX Listing Rules. The Corporations Act separately requires an unlisted disclosing entity (which means a company not listed on an Australian stock exchange, even if it is listed on NASDAQ) to lodge certain non-public information with ASIC or publish it on its website. These disclosure obligations are substantively the same as those imposed under ASX Listing Rules.	The Company will no longer be subject to the ASX Listing Rules including the continuous disclosure requirements contained in them after it is delisted. While the Company continues to have more than 100 shareholders, the Company will be an 'unlisted disclosing entity' for the purposes of the Corporations Act, and will therefore remain subject to the continuous disclosure provisions in section 675 of the Corporations Act, which requires a company to either lodge certain material information with ASIC or publish that material on its website. Nasdaq Listing Rule 5250(b)(1) requires a listed company to make prompt public disclosure of any material information that would reasonably be expected to affect the value of its securities or influence investors' decisions, and to notify Nasdaq's MarketWatch Department in advance of releasing that information. Under the Exchange Act, the Company will furnish to the SEC on Form 6-K material information that it makes public under Australian law or distributes to its shareholders.

Requirement	While listed on ASX	After delisted from ASX and listed on NASDAQ
Financial reporting	Part 2M.3 of the Corporations Act requires public companies to prepare an audited annual financial report and requires disclosing entities (which the Company would continue to be) to lodge it with ASIC within 3 months of the company's end of financial year. It also requires disclosing entities to prepare a reviewed half-yearly report and lodge it with ASIC within 75 days of its end of financial year (and the ASX Listing Rules require lodgement of the half year report within 2 months of a company's end of financial year). The Corporations Act requires a company listed on Australian stock exchange (such as ASX) to prepare and send to shareholders an Annual Report, including financial statements, audit report, and directors' report. The directors' report for a listed company must contain a remuneration report which contains a discussion of the board's policy in relation to remuneration of key management personnel of the company.	The Company will continue to be subject to obligations to prepare audited annual and reviewed half-yearly financial statements under Part 2M.3 of the Corporations Act, as an unlisted disclosing entity. The financial statements will continue to be prepared under applicable Australian accounting standards. The Company will not be required to include a remuneration report in the directors' report within its Annual Report. The Company will file an annual report on Form 20-F with the SEC within four months after the end of each financial year, containing audited financial statements prepared under International Financial Reporting Standards as issued by the International Accounting Standards Board, as long as the Company remains a foreign private issuer. The Company's auditor must be registered with the United States Public Company Accounting Oversight Board, and the financial statements included in the Company's SEC filings must be audited in accordance with that Board's standards.
Inspection of books	Under the Corporations Act, a shareholder does not have a right to obtain access to the Company's books and records and must obtain a court order to do so.	As the Company will continue to be governed by the Corporations Act, the legislative requirements will remain applicable. Shareholders will have no general right of inspection under US law.
Directors and governance		
Appointment and tenure of directors	Under the Corporations Act and the Company's constitution, the Company must have a minimum of 3 and a maximum of 10 directors. At least two directors must be ordinarily resident in Australia. Under the Corporations Act shareholders may appoint a person as a director by ordinary resolution. The Directors may also, by board resolution, appoint any person as a director. An individual can only be appointed as a director with their consent, and if they have an Australian Director ID Number. There is no statutory limit on the term of office for Directors. However, under the Company's constitution, a director appointed by the directors holds office until the end of the next AGM of the Company and is eligible for election at that meeting (except for the	As the Company will continue to be governed by the Corporations Act and be subject to its constitution, the requirements relating to the number and residency of Directors will remain applicable. Nasdaq does not require directors to be elected by shareholders, does not impose any maximum term of office, and has no equivalent of the retirement by rotation requirement in the ASX Listing Rules. Nasdaq Listing Rule 5605(b)(1) requires a majority of the board to be independent and Listing Rule 5605(e) requires director nominations to be selected, or recommended for selection, by a majority of the independent directors or by a nominations committee composed solely of

Requirement	While listed on ASX	After delisted from ASX and listed on NASDAQ
	Managing Director, whose term is not restricted by the Constitution). Under the ASX Listing Rules and the Company's constitution, at each AGM, one third of the Board (or the number nearest to but not exceeding one third) (except the Managing Director) must retire from office, but no such director may retain office for more than three years or until the third AGM since their most recent appointment. The director or directors to retire are the one-third or other number nearest to but not exceeding one-third of the number of the directors who have been longest in office since their election. A retiring director is eligible for re-election.	independent directors. A foreign private issuer may follow the practice of its home country in lieu of both requirements, and the Company intends to do so. **Shareholders should note that the Proposed Constitution changes the current position in three respects.** • The Board will comprise a minimum of 3 and a maximum of 6 Directors, being up to 3 Class B Directors appointed by the Class B Shareholders and up to 3 other Directors. Only the Class B Directors may resolve to increase that maximum. • The requirement for one third of Directors to retire by rotation at each annual general meeting, and the requirement that there be an election of Directors at each annual general meeting, will apply only while the Company is admitted to the Official List of ASX. After the Delisting, a Director who has been elected by Shareholders will not be required to stand for re-election. A Director appointed by the Board will continue to hold office only until the end of the next annual general meeting, at which that Director is eligible for election. A Class B Director may be removed by resolution of the Class B Shareholders voting as a class. The Proposed Constitution also provides that a Class B Director may not be removed by a resolution of Shareholders generally unless and until a replacement Class B Director has been appointed.
Removal of directors	Under the Corporations Act, shareholders may remove a director of a public company at any time by passing an ordinary resolution at a general meeting. Directors cannot themselves remove a director from his or her office or require a director to vacate his or her office.	As the Company will continue to be governed by the Corporations Act, these requirements will remain applicable. As to the removal of Class B Directors, see the row above.
Corporate governance	Under ASX Listing Rules, ASX-listed companies are required to disclose their governance policies and practices in light of the ASX Corporate Governance Council's Principles and Recommendations, and disclose any departures from those recommendations (and reasons for those departures). The Company currently publishes its corporate governance policies, charters, and other documents on its website.	The Company will no longer be subject to the ASX Listing Rules, including the corporate governance recommendations, after it is delisted from ASX. The Company will continue to apply its current corporate governance arrangements, as disclosed on its website. The Company will instead be subject to the Nasdaq corporate governance requirements. Nasdaq Listing Rule 5615(a)(3) permits a

Requirement	While listed on ASX	After delisted from ASX and listed on NASDAQ
		foreign private issuer to follow the practice of its home country in lieu of most of those requirements. The Company intends to follow Australian practice in lieu of the following: • Listing Rule 5605(b)(1) – a majority of the board must be independent; • Listing Rule 5605(b)(2) – the independent directors must meet regularly in executive session; • Listing Rule 5605(d) – the compensation of executive officers must be determined, or recommended to the board, by a compensation committee of at least two independent directors acting under a written charter; • Listing Rule 5605(e) – independent director involvement in the nomination of directors; • Listing Rule 5620(c) – a quorum for a meeting of holders of the listed class of not less than 33⅓% of the outstanding shares of that class, the quorum under the Constitution being three Members present; and • Listing Rule 5635 – shareholder approval of certain issues of securities, as described above. The following requirements cannot be satisfied by following home country practice and will apply to the Company: • Listing Rule 5605(c) – the Company must have an audit committee of at least two members, each of whom must satisfy the independence criteria in Rule 10A-3 under the Exchange Act. Those criteria require that a member not accept, directly or indirectly, any consulting, advisory or other compensatory fee from the Company or any of its subsidiaries, and not be an affiliated person of the Company or any of its subsidiaries. • Listing Rule 5608 – the Company must adopt, disclose and comply with a policy providing for the recovery of incentive-based compensation received by executive officers on the basis of financial results that are subsequently restated; • Listing Rule 5625 – the Company must notify Nasdaq promptly of any non-

Requirement	While listed on ASX	After delisted from ASX and listed on NASDAQ
		compliance with the Nasdaq Listing Rules; and • Listing Rule 5640 – the voting rights requirement described above. It must also disclose each requirement it does not follow, and the home country practice it follows instead, in its annual report on Form 20-F. The Company will continue to maintain the corporate governance policies and charters published on its website, updated as necessary to reflect the Nasdaq requirements and the terms of the Proposed Constitution.
Related party transactions	The Corporations Act prohibits a public company from giving a related party a financial benefit unless it obtains the prior approval of shareholders and gives the benefit within 15 months after approval or the financial benefit is exempt. A related party is defined to include any entity which controls the public company, directors of the public company, directors of any entity which controls the public company and, in each case, spouses and certain relatives of such directors. Exempt financial benefits include reasonable remuneration, transactions on arm's length terms, and indemnities, insurance premiums and payments for legal costs which are reasonable in the circumstances. The ASX Listing Rules prohibit a listed company from acquiring a substantial asset (an asset the value or consideration for which is 5% or more of the company's equity interests) from, or disposing of a substantial asset to certain parties, including related parties, unless it obtains the approval of shareholders. The related parties include (but are not limited to) directors of the company and an entity that controls the company; a partly-owned subsidiary of the entity; a person who has or has had in the prior six month period a relevant interest in 10% or more of the shares in the company, and, in each case, any of their associates. The provisions apply even where the transaction may be on arm's length terms. The ASX Listing Rules also prohibit a listed company from issuing or agreeing to issue shares or other equity securities (including equity incentive securities) to related parties unless it obtains the approval of shareholders or the share issue is exempt. Exempt share issues include issues made	As the Company will continue to be governed by the Corporations Act, the legislative requirements will remain applicable. However, once delisted from ASX, the ASX rules restrictions will no longer apply. As the Company will continue to be governed by the Corporations Act, the legislative requirements, including Chapter 2E, will remain applicable. However, once delisted from ASX the restrictions in the ASX Listing Rules will no longer apply. Shareholders should note that, after the Delisting, a transaction of the kind for which approval is sought under Resolution 4 would not require shareholder approval. Nasdaq Listing Rule 5630 requires a listed company to conduct an appropriate review of all related party transactions on an ongoing basis for potential conflicts of interest, and requires those transactions to be approved by the audit committee or another independent body of the board. The Company will disclose its related party transactions in each annual report on Form 20-F. In addition, section 13(k) of the Exchange Act will prohibit the Company, from the time its shares are registered with the SEC, from extending or maintaining a personal loan to any of its Directors or executive officers. See the Explanatory Memorandum in relation to Resolution 4.

Requirement	While listed on ASX	After delisted from ASX and listed on NASDAQ
	pro rata to all shareholders, under an underwriting agreement, or under a dividend or distribution plan.	
Fiduciary duties of directors and officers	Under Australian law, the directors and officers of a company are subject to duties including to act in good faith in the interests of the company, act for a proper purpose, exercise care, skill and diligence, avoid conflicts of interest, not use their position to their advantage, and not misappropriate company property.	As the Company will continue to be governed by the Corporations Act and Australian common law, these requirements will remain applicable. Nasdaq does not impose separate duties on directors, but Nasdaq Listing Rule 5610 requires a listed company to adopt a code of conduct applicable to all its directors, officers and employees and to make it publicly available.
Remuneration of directors	Under the Company's Constitution and ASX Listing Rules, the maximum amount to be paid to a company's directors for their services as directors (other than the salary of an executive director) is not to exceed the amount approved by shareholders at a general meeting. This amount is currently A$160,000 per annum, including superannuation.	Nasdaq does not impose any limit on the remuneration of directors and does not require shareholder approval of it. Nasdaq Listing Rule 5605(d) requires the compensation of executive officers to be determined, or recommended to the board for determination, by a compensation committee of at least two independent directors acting under a written charter. A foreign private issuer may follow the practice of its home country in lieu of that requirement, and must disclose its reasons for doing so. The Company will disclose the aggregate compensation paid or accrued to its Directors and executive officers, and the amounts set aside to provide pension, retirement or similar benefits, in each annual report on Form 20-F, together with individual amounts to the extent those amounts are disclosed to shareholders in Australia or otherwise made public.
Remuneration report vote and "two strikes" rule	Australian law gives shareholders of companies listed on Australian stock exchange (such as ASX) the right to participate in a non-binding vote to adopt the remuneration report at each AGM. If 25% or more of votes are cast against the adoption of the company's remuneration report at two successive AGMs, then shareholders at the second AGM vote on a "spill resolution". If 50% or more of the eligible votes cast are in favour, a "spill" is triggered and a separate meeting will be held within 90 days at which all directors (other than the Managing Director) must stand for re-election.	These provisions only apply to Australian companies that are listed on an Australian stock exchange and will no longer apply to the Company after it delists from ASX. There is no equivalent requirement under the Nasdaq Listing. The Company will not be required to prepare a remuneration report, and there will be no advisory vote on remuneration, no "two strikes" rule and no spill resolution. The advisory vote on executive compensation required by section 14A of the Exchange Act applies only to issuers that are subject to the United States proxy rules, and foreign private issuers are exempt from those rules. The Company will also not be required to disclose the ratio of chief executive officer pay to median employee pay, or to provide

Requirement	While listed on ASX	After delisted from ASX and listed on NASDAQ
		the pay versus performance disclosure required of US domestic issuers.
Retirement benefits	Under the Corporations Act, a company requires shareholder approval to pay benefits to directors and officers on their retirement or termination, except in certain circumstances. Under the ASX Listing Rules, termination benefits to directors (that are or may be payable to all officers) must not exceed 5% of the equity interests of a company as set out in its latest financial statements given to ASX. The 5% limit may, however, be exceeded with shareholder approval.	As the Company will continue to be governed by the Corporations Act, the legislative limitations on termination benefits will remain applicable. There is no equivalent limit under the Nasdaq Listing Rules or under United States law. The Company will disclose the total amounts set aside or accrued to provide pension, retirement or similar benefits, and the terms of any benefits payable on termination under Directors' service contracts, in each annual report on Form 20-F.
Release from liability and indemnification of directors and officers	Under the Corporations Act, a company may not generally exempt a director from, or indemnify him or her against, liability in connection with any negligence, default, breach of duty or breach of trust by him or her in relation to the company (or an associated company). The general prohibition against exemption or indemnification by a company of its directors is subject to the following exceptions: • the company may indemnify a director against liabilities incurred in connection with certain claims made by third parties, other than in relation to insolvent trading claims; and • the company is permitted to purchase insurance for its directors (or directors of its associated companies).	As the Company will continue to be governed by the Corporations Act, these requirements will remain applicable. Under US law, indemnification of directors and officers for liabilities arising under the United States Securities Act of 1933 is regarded by the SEC as against public policy and viewed as unenforceable.
Shareholder meetings		
Meetings of shareholders	Under the Corporations Act, a general meeting of a company's shareholders may be called from time to time by the company's board or by the company's individual directors. Shareholders with at least 5% of the votes that may be cast at a general meeting may call a meeting at their expense, or requisition the company's directors to call a meeting for a valid purpose.	As the Company will continue to be governed by the Corporations Act, the legislative requirements will remain applicable. Nasdaq Listing Rule 5620(b) requires a listed company to solicit proxies for all meetings of its shareholders. A foreign private issuer may follow the practice of its home country in lieu of that requirement. Shareholders who hold their Ordinary Shares through the US clearing system will receive notices of meeting and other meeting materials, and will give voting instructions, through their broker or nominee rather than directly from the Company.

Requirement	While listed on ASX	After delisted from ASX and listed on NASDAQ
Annual General Meeting (AGM)	The Corporations Act requires an Australian public company to hold an Annual General Meeting at least once each calendar year and within five months after the end of its financial year.	As the Company will continue to be governed by the Corporations Act, the AGM requirements will remain applicable.
Notice of meetings	Under the Corporations Act, a listed company must give at least 28 days' notice of a shareholder meeting. The minimum notice requirement is 21 days for a public unlisted company.	The minimum required notice period will be reduced from 28 days to 21 days once the Company delists from ASX. Nasdaq does not prescribe a minimum notice period. In practice, notice of a meeting must be given far enough in advance to allow meeting materials to reach beneficial holders through the United States clearing system and for voting instructions to be returned, and the Company expects to give more than the statutory minimum of 21 days' notice.
Quorum	Quorum under the Company's constitution is three Shareholders. If a quorum is not present within 15 minutes, the meeting must be dissolved (if the meeting was convened by members) or be adjourned.	As the Company will continue to be governed by its constitution, these requirements will remain applicable. The quorum of three Shareholders is lower than the quorum of not less than 33⅓% of the outstanding shares of the listed class required by Nasdaq Listing Rule 5620(c). As a foreign private issuer, the Company intends to follow Australian practice in lieu of that requirement.
Ordinary and special resolutions	Unless the Corporations Act or the constitution requires a special resolution, resolutions are passed by a simple majority of votes cast on the resolution by shareholders entitled to vote on the resolution. A special resolution may be passed if notice of a general meeting is given which specifies the intention to propose the special resolution and states the resolution to be proposed. A special resolution must be passed by at least 75% of the votes cast by shareholders entitled to vote. The Corporations Act requires certain matters to be resolved by a company by special resolution, including the change of name of the company, amendment of the constitution, a selective reduction of capital or selective share buy back, the conversion of the company from one type or form to another and a decision to voluntarily wind up the company.	As the Company will continue to be governed by the Corporations Act, these requirements will remain applicable. Nasdaq does not prescribe any voting threshold for shareholder approvals. The only Nasdaq requirements relating to shareholder approval are those in Listing Rule 5635, described above, in lieu of which the Company intends to follow Australian practice. Nasdaq Listing Rule 5640 provides that the voting rights of existing holders of a listed class of securities cannot be disparately reduced or restricted through any corporate action or issuance. That rule will apply to the Company from admission to Nasdaq and cannot be satisfied by following the practice of the Company's home country.
Shareholder proposed resolutions	Under the Corporations Act, shareholders holding at least 5% of the votes that may be cast at a general meeting, or at least 100 shareholders who are entitled to vote at the meeting, may by written notice to the	As the Company will continue to be governed by the Corporations Act, these requirements will remain applicable.

Requirement	While listed on ASX	After delisted from ASX and listed on NASDAQ
	company propose a resolution for consideration at the next general meeting occurring more than two months after the date of that notice.	US proxy rules, including the shareholder proposal rule in Rule 14a-8 under the Exchange Act, do not apply to foreign private issuers.
Protection of minority shareholders	Under the Corporations Act, any shareholder of a company can bring an action in cases of conduct which is contrary to the interests of shareholders as a whole, or oppressive to, unfairly prejudicial to, or unfairly discriminatory against, any company shareholder(s), whether in their capacity as a shareholder or in any other capacity. Former shareholders can also bring an action if it relates to the circumstances in which they ceased to be a shareholder.	As the Company will continue to be governed by the Corporations Act, the legislative requirements will remain applicable. US federal securities law provides additional remedies in respect of false or misleading statements in, or material omissions from, the Company's filings with the SEC, including a private right of action under Rule 10b-5 under the Exchange Act.
Winding up	A company can be wound up voluntarily by the shareholders. The directors must give a statutory declaration of solvency for such a winding up. This procedure is therefore instigated by a solvent company. A shareholders' voluntary winding up is started by the shareholders passing a special resolution. If the directors do not give a statutory declaration of solvency, a creditors' voluntary winding up can commence by the shareholders passing a special resolution. This procedure is therefore instigated by an insolvent company.	As the Company will continue to be governed by the Corporations Act, the legislative requirements will remain applicable. On a winding up, each Class B Share will participate in surplus assets on the same basis as an Ordinary Share.
Amendments to constituent documents	Any amendment to a company's constitution must be approved by special resolution.	As the Company will continue to be governed by the Corporations Act, the legislative requirement will remain applicable.
Takeovers and control transactions		
Takeover bids and schemes of arrangement	The Corporations Act restricts a person acquiring voting shares of a company where, as a result of the acquisition, that person's or someone else's voting power in the company increases from 20% or below to more than 20%, or from a starting point that is above 20% and below 90%. This prohibition is subject to a number of exceptions including the acquisition of not more than 3% of the voting shares in the company in the six month period before the acquisition, the acquisition is made with shareholder approval, or the acquisition is made under a takeover bid or scheme of arrangement made in accordance with Australian law. ***Takeover bids*** Takeover bids are offers to all holders of shares in a class to purchase their shares, which must treat all such shareholders alike, and must not involve any collateral benefits. A takeover bid can be made for ordinary shares, and in the case of the Company a	As the Company will continue to be governed by the Corporations Act, the 20% takeover limit and other legislative requirements will remain applicable. A takeover bid or scheme of arrangement (with separate arrangements for each class of shares on issue) could still be made after the Company delists from ASX in order to implement a control transaction. A takeover bid for the Ordinary Shares would in addition be a tender offer for the purposes of US law and would be subject to the tender offer rules in Regulations 14D and 14E under the Exchange Act, which include requirements that the offer be open to all holders of the class, that all holders be paid the highest consideration paid to any holder, and that the offer remain open for prescribed minimum periods. Exemptions from most of those requirements are available where holders resident in the United States hold no

Requirement	While listed on ASX	After delisted from ASX and listed on NASDAQ
	bid could extend to ordinary shares reclassified from Class B shares where the holder elects to do so in order to participate in the bid. *Schemes of arrangement* A scheme of arrangement is a court-approved method to acquire all of the shares in a company, which requires shareholder approval by at least a majority of shareholders voting on the scheme resolution and at a majority of least 75% of votes cast on the resolution. Separate scheme votes would be required in respect of ordinary shares and Class B shares, with shareholders voting in separate classes of shares.	more than 10% of the class, and partial exemptions where they hold no more than 40%. After the Delisting, when Nasdaq will be the only market on which the Ordinary Shares trade, those exemptions may not be available, and a bidder may be required to comply with the Australian and United States requirements together.
Takeovers Panel	A bidder, target, ASIC or a shareholder may make an application to the Takeovers Panel, a body which has broad powers under the Corporations Act to make a declaration of 'unacceptable circumstances' and associated orders with regard to the effect of circumstances on control of a company, or acquisition by a person of a substantial interest in the company, or where there is a contravention of the takeovers provisions in the Corporations Act. The Panel may make a finding and orders even if there is no breach of the Corporations Act.	As the Company will continue to be governed by the Corporations Act, the Takeovers Panel will continue to have jurisdiction in relation to the Company and its shareholders. There is no equivalent body under US law for businesses without national security implications.
Takeover bid defences	Under Australian takeovers legislation and Takeovers Panel policy, boards of target companies are limited in the defensive mechanisms that they can put in place to discourage or defeat a takeover bid. For example, it is likely that the adoption of a shareholders' rights plan (or so-called 'poison pill') would give rise to a declaration of unacceptable circumstances by the Takeovers Panel if it had that effect.	As the Company will continue to be governed by the Corporations Act, the legislative requirements and Takeovers Panel guidance will remain applicable. Nasdaq does not restrict defensive measures, and the Company will therefore remain more constrained in this respect than a United States domestic company listed on Nasdaq.
Disclosure of substantial holdings	Under the Corporations Act, a shareholder who begins or ceases to have a substantial holding in a company listed on an Australian stock exchange (such as ASX), or there is a movement in their holding by at least 1 percentage point, must give a notice to the company and ASX. A person has a 'substantial holding' if that person and that person's associates together have a relevant interest in 5% or more of the voting shares in the company.	As the Company will no longer be considered a 'listed company' under the Corporations Act, the substantial holder requirements will cease to apply after delisting from ASX. They will be replaced by the beneficial ownership reporting requirements under the Exchange Act. A person who acquires beneficial ownership of more than 5% of the Ordinary Shares must file a statement on Schedule 13D with the SEC within five business days, and must amend that statement within two business days of any material change. Certain qualified institutional investors and passive investors may instead report on the shorter Schedule

Requirement	While listed on ASX	After delisted from ASX and listed on NASDAQ
		13G, on longer but still prescribed deadlines. The holdings of persons acting as a group are aggregated for these purposes. Separately, from the date the Ordinary Shares are registered with the SEC, each Director and executive officer of the Company must report their holdings of, and transactions in, the Company's equity securities on Forms 3, 4 and 5 under section 16(a) of the Exchange Act.

Schedule 2 Class B Share rights and summary of amendments to Constitution

The full terms of the Class B Shares are set out in the new Schedule 1 to the Proposed Constitution. A non-exhaustive summary of the key Class B Share rights and a summary of the other principal amendments to the Constitution are set out below.

Term	Summary of Amendments
Class B Share terms (Schedule 1 to the Proposed Constitution)	
New Class	The Proposed Constitution introduces a new class of shares designated as Class B Shares. Their issue or subsequent Reclassification does not vary the rights attaching to Ordinary Shares. Class B Shares will not be quoted on any stock exchange.
Restriction on issue	Class B Shares may only be issued while the Company is not admitted to the Official List of ASX. Following the initial issue of the Class B Shares, no further Class B Shares may be issued except: • with the approval of a special resolution of the Class B Shareholders at a Class B Meeting; • in connection with a share split, bonus issue or consolidation that applies to Class B Shares on a pro rata basis; or • in connection with the Company's employee share scheme or incentive plan, if approved by ordinary resolution of the Class B Shareholders at a Class B Meeting.
Rights generally	Each Class B Share carries the same economic rights as an Ordinary Share (on an as-Reclassified basis), including as to dividends, return of capital and participation on winding up, except as otherwise provided in Schedule 1.
Voting rights	Each Class B Share carries 10 votes on a poll (compared to 1 vote per Ordinary Share), adjusted proportionately for any change in the Reclassification ratio as at the record date for the relevant meeting or resolution. On a show of hands, each Class B Shareholder has one vote. Class B Shares and Ordinary Shares vote together as a single class on all matters, except resolutions to vary Class B Share rights, to elect/remove Class B Directors, or when a class-specific vote is required in terms of Class B Shares. For example, Class B Shareholders will vote together with holders of Ordinary Shares on any election or removal of a Director who is not a Class B Director.
Reclassification	A Class B Shareholder may Reclassify any or all of its Class B Shares into Ordinary Shares at any time, at no cost, by notice to the Company. The Reclassification ratio is initially 1:1 (one Ordinary Share for each Class B Share), subject to proportional adjustment in the event of any reconstruction of the Company's share capital (such as a share split, consolidation or bonus issue). Ordinary Shares do not have the ability to reclassify or convert into Class B Shares.
Transferability	Class B Shares are not transferable except in limited circumstances, being, to the legal personal representative of the Class B Shareholder; as directed by the holder's will or the rules of intestacy; in accordance with a court order or as otherwise required by law; in accordance with a scheme of arrangement; or with the prior written consent of the Company.

Forced Reclassification	If a Class B Share is transferred in breach of the restrictions, the Company may compulsorily Reclassify it into Ordinary Shares as per the process outlined in paragraphs 6 and 7 of Schedule 1.
Adjustment for Reconstructions	If the Company undertakes a share split, consolidation or bonus issue affecting Ordinary Shares, Class B Shares or both, the Reclassification ratio is adjusted so that each Class B Shareholder receives on Reclassification the same number of Ordinary Shares as if the Class B Shares had been Reclassified immediately before the reconstruction.
Class B Directors	Class B Shareholders may appoint up to 3 directors (being the Class B Directors) by resolution to represent their interests. Nominees for election must be supported by Class B Shareholders holding at least 5% of Class B Shares, or by an existing Class B Director. This right of the Class B Shareholders is suspended if Class B Shares carry less than 10% of total votes (however, existing Class B Directors continue in office). A Class B Director cannot be removed by a vote of shareholders unless a replacement is appointed by a vote of Class B Shareholders. On the initial issue of Class B Shares, the Board may designate up to 3 existing Directors as the initial Class B Directors.
Chairman	While at least one Class B Director is willing to serve, the Chairman of Directors must be a Class B Director. The Chairman has a casting vote at a Board meeting in the event of a tied vote on a Board resolution.
Class B Shareholder meetings	Separate class meetings of Class B Shareholders may be convened by any Class B Director, the Board, or the requisite holders of Class B Shares under the Corporations Act. The circumstances in which a separate class meeting is required include: • where a separate class vote is required by applicable law; • where there is a proposed resolution to vary or abrogate the rights attaching to Class B Shares, including any amendments to this Schedule 1; or • where the election or removal of Class B Directors is to be considered.
Initial designation	On the initial issue of Class B Shares, the Board may designate up to 3 existing Directors as the initial Class B Directors.
Other Amendments in the Proposed Constitution	
Board composition	The Board must comprise a minimum of 3 and a maximum of 6 Directors, being up to 3 Class B Directors appointed by Class B Shareholders in accordance with Schedule 1, and any further changes to the maximum number of Directors is to be determined by resolution of the Class B Directors.
Class Meetings	Separate class meetings of Ordinary Shareholders may be convened as required under the Corporations Act, but otherwise holders of Ordinary Shares and Class B Shares vote together on ordinary matters.
Winding up	On a winding up, surplus assets are distributed among Shareholders in proportion to the Shares held by them, with each Class B Share counted on an as-Reclassified basis (at the applicable Reclassification Ratio, which is initially 1 for 1) for the purpose of determining each Shareholder's proportionate entitlement.

Payment of distributions (No cheques)	To prepare for the phase out of cheques as a method of payment in the next few years, the Constitution provides that dividends and other distributions may only be paid by electronic funds transfer or such other means as the Directors determine. If a Shareholder has not nominated in writing a financial institution or bank account acceptable to the Company for the receipt of dividends or distributions, the Company may withhold payment of any dividend, interest or other amount payable to that Shareholder until acceptable account details are provided.

Annexure A Independent Expert Report

LONERGAN EDWARDS
& ASSOCIATES LIMITED

ABN 53 095 445 560
AFS Licence No. 246532
Level 7, 64 Castlereagh Street
Sydney NSW 2000 Australia

Telephone: +61 2 8235 7500
www.lonerganedwards.com.au

The Independent Directors
Kelly + Partners Group Holdings Limited
Level 8, 32 Walker Street
North Sydney NSW 2060

21 September 2026

Subject: Acquisition of an asset from a related party / persons in a position of influence

Dear Independent Directors

Introduction

Loan account advanced by the Company to Mr Brett Kelly

1 On 30 October 2022, the Board of Kelly Partners Group Holdings Limited (KP+GH or the Company) approved a loan facility to Mr Brett Kelly (Mr Kelly), the Chairman, Chief Executive Officer and Executive Director of the Company. The facility is secured and personally guaranteed by Mr Kelly with interest charged at commercial rates.

2 On 16 April 2025, the Company, Mr Kelly and his related entity entered into a Secured Loan Agreement for the purpose of Mr Kelly's relocation to the United States of America (US). The facility limit was $6.5 million, and the repayment date was the earlier of:

(a) 18 months from the commencement date (i.e. October 2026); or

(b) five business days after the official listing day of the Company on a recognised stock exchange in the US.

A Deed of Variation was executed on 15 June 2026 with the repayment date extended to October 2028 (42 months from the commencement date).

3 Interest of 12.09% per annum is payable on the loan balance monthly in arrears. The loan is secured over shares in KP+GH held by Kelly Investments 1 Pty Ltd (an entity controlled by Mr Kelly and the guarantor of the loan).

4 The balance of Mr Kelly's loan account as at 30 June 2026 and 31 August 2026 was $6.390 million and $6.300 million respectively.

ESS Trust

5 In December 2019, the Company established the KPG EMP Share Plan Trust (ESS Trust) to remunerate KP+GH team members and senior executives through the grant of KP+GH shares.

In accordance with the operations of the Company's Employee Share Scheme (ESS) and Employee Incentive Plans (EIP), the Company does not issue new shares. The ESS Trust purchases KP+GH shares on market to satisfy the equity awards under the plans. The purchased shares are funded by loans from the operating business and loans from the Company. As at 30 June 2026, the ESS Trust:

(a) held 515,682 shares (having purchased 82,534 shares on market during the year ended 30 June 2026), of which 451,002 shares had been granted to employees and are unvested (with the remaining 64,680 shares available for allocation under the ESS and/or EIP)

(b) had a loan owing to the Company totalling $3.648 million ($3.134 million as at 30 June 2025). The loan funds advanced have been used over time to acquire KP+GH shares on market.

6 The KP+GH Board is currently considering the Company's EIP and long term incentives which will likely include awards to Directors (including Mr Kelly) and other senior Company executives. The ESS Trust will therefore have obligations with respect to granting a number of KP+GH ordinary shares under the Company's EIP. To facilitate the award of these shares, the ESS Trust would be required to purchase the requisite shares on market.

Proposed Transaction

7 The Company is currently proposing to delist from the Australian Securities Exchange (ASX) and relist on the Nasdaq. This proposal requires a number of steps to be undertaken which are set out in the Notice of Extraordinary General Meeting (Notice of Meeting) and Explanatory Memorandum in the form of the resolutions which KP+GH shareholders are being asked to consider:

(a) **Resolution 1** – KP+GH shareholder approval for removal from the official list of the ASX

(b) **Resolution 2** – amendments to Company's Constitution to establish Class B shares[1]

(c) **Resolution 3** – consolidation of existing ordinary shares on a 3:1 basis; and

(d) **Resolution 4** – approval of the acquisition of KP+GH shares from Mr Kelly's associated entity by the ESS Trust under ASX Listing Rule 10.1.

8 The above resolutions are interconditional, meaning that each resolution is conditional on the other three resolutions being passed. If any of the above resolutions are not passed, the remaining resolutions will not be passed and the proposed delisting from the ASX and relisting on the Nasdaq will not proceed.

9 Resolution 4 is being tabled to ensure that the Company complies with the Securities Exchange Act of 1934 (Exchange Act)[2]. Section 13(k) of the Exchange Act prohibits

---

[1] Class B shares are to be issued to all KP+GH shareholders at no cost on a pro-rata basis of one Class B share for every 21 ordinary shares held (on a pre-consolidation basis, or one for every 7 on a post-consolidation basis). A Class B share will carry 10 votes on a poll and will not be freely transferable. Class B shares must be converted into ordinary shares (on a one-for-one basis) if they are to be sold.

[2] As amended by section 402 of the Sarbanes-Oxley Act of 2002 (SOX), a US federal legislation covering financial reporting and corporate governance.

companies registered with the US Securities and Exchange Commission from extending or maintaining credit to a director. Accordingly, the loan from the Company to Mr Kelly is required to be repaid.

10 To clear Mr Kelly's loan balance, it is proposed that the Company (through the ESS Trust) acquire ordinary KP+GH shares from Kelly Investments 1 Pty Ltd (Mr Kelly's associated entity) with a value equivalent to the balance of Mr Kelly's loan account ($6.325 million as at 31 July 2026) based on the market price of the shares at the date of acquisition[3] (the Proposed Transaction). The market price will be calculated on a standard 5-trading day volume weighted average price (VWAP) basis.

11 The parties to the transaction will enter into a tripartite deed to facilitate the Proposed Transaction whereby the purchase price to be paid by the ESS Trust, will be satisfied by a set-off against the loan of the same amount currently owed by Mr Kelly to the Company. No cash will be paid by the Company to Mr Kelly or his associated entity. Following the acquisition of Kelly Investments 1 Pty Ltd's shares by the ESS Trust, the loan to Mr Kelly will be extinguished in full and the ESS Trust's loan from the Company will increase by the same amount[4].

12 Under the Proposed Transaction, the ESS Trust will acquire a number of KP+GH shares equivalent to the balance of Mr Kelly's loan account divided by the 5-day trading VWAP as at the date of settlement. If the Proposed Transaction completes, the ESS Trust will hold these shares (in addition to those unallocated shares already held) to satisfy its existing employee awards that vest under the terms of the Company's EIP, and potential future awards to eligible employees and Directors (although no firm decision has been made by the Board as to any such future awards). In the absence of acquiring the shares from Mr Kelly the ESS Trust would otherwise need to acquire the shares on market.

13 The Proposed Transaction cannot proceed without the approval of those shareholders in KP+GH that are not associated with Mr Kelly (KP+GH Non-Associated Shareholders). Accordingly, KP+GH Non-Associated Shareholders will be asked to vote on the following resolution[5] with respect to the Proposed Transaction:

"That, subject to and conditional upon Resolutions 1, 2 and 3 being passed, for the purposes of ASX Listing Rule 10.1 and for all other purposes, Shareholders approve the acquisition by the Company (through the ESS Trust) of Ordinary Shares from Kelly Investments 1 Pty Ltd as trustee for the Kelly Family Trust 1, on the terms and conditions set out in the Explanatory Memorandum."

14 The resolution will be passed by a simple majority (i.e. 50%) of those KP+GH shareholders whose votes in favour of the transaction are not to be disregarded under ASX Listing Rule 14.11. Mr Kelly (or his nominee) and any other person who will obtain a material benefit as a result of the Proposed Transaction, are excluded from voting on the resolution.

---

3 The acquisition of expected to complete within one month of the date of the Extraordinary General Meeting to approve the Proposed Transaction.

4 This loan being an extension of the facility already in place between the ESS Trust and the Company.

5 None of the above resolutions will take effect unless all three resolutions are passed.

Purpose of the report

15 The Proposed Transaction is considered to be a transaction with persons in a position of influence under ASX Listing Rule 10.1[6], and must be approved by way of an ordinary resolution (at a general meeting) by KP+GH Non-Associated Shareholders. ASX Listing Rule 10.5.10 requires the notice of meeting sent to shareholders to include a report from an independent expert's report (IER) stating whether the transaction is "fair and reasonable" to KP+GH Non-Associated Shareholders.

16 Accordingly, the Independent Directors[7] have requested that Lonergan Edwards & Associates Limited (LEA) prepare an IER stating whether, in our opinion, the Proposed Transaction is fair and reasonable to KP+GH Non-Associated Shareholders and the reasons for that opinion.

17 Our report will accompany the Notice of Meeting and Explanatory Memorandum to be sent to KP+GH Non-Associated Shareholders[8].

18 LEA is independent of KP+GH and Mr Kelly (including his associates) and has no involvement or other interest in the Proposed Transaction.

Summary of opinion

19 LEA has concluded that the Proposed Transaction is fair and reasonable to KP+GH Non-Associated Shareholders, in the absence of a superior proposal. We have formed this opinion for the reasons set out below.

Assessment of "fairness" and "reasonableness"

20 Pursuant to Australian Securities & Investments Commission (ASIC) Regulatory Guide 111 – *Content of expert reports* (RG 111)[9], a proposed related party transaction:

(a) is "fair" if the value of the financial benefit to be provided by the entity to the related party (in this case, the consideration to be provided by the ESS Trust) is equal to or less than the value of the assets to be acquired (in this case, the parcel of KP+GH shares). This comparison is required to be made assuming an arm's length transaction between knowledgeable and willing, but not anxious parties

(b) is "reasonable" if it is "fair". A related party transaction may also be "reasonable" despite being "not fair" if the expert believes there are other reasons for non-associated shareholders to vote for the proposal.

---

6 As it involves the acquisition of a substantial asset (i.e. ordinary shares in KP+GH with a value of more than 5% of the book value of the equity in KP+GH as reported in the latest set of accounts provided to the ASX) by the ESS Trust from Mr Kelly (and his associates) who is both a related party and a substantial (i.e. 10% or more) shareholder in the Company.

7 That is, the Directors of KP+GH that are not associated with Mr Kelly.

8 For the avoidance of doubt, we have not been engaged to, and do not express any opinion (whether express or implied), on any of the other resolutions (i.e. Resolutions 1, 2 or 3) set out in the Notice of Meeting and Explanatory Memorandum.

9 Which sets out the assessment framework to which an expert must adhere in evaluating the merits of a transaction.

Fairness

21 The number of KP+GH shares to be acquired from Mr Kelly (via Kelly Investments 1 Pty Ltd) by the Company (via the ESS Trust) is not fixed at the date of this report. It will be determined at completion by the following formula:

Share acquisition formula

$$Number\ of\ shares\ to\ be\ acquired = \frac{Loan\ balance\ at\ completion}{5\ day\ VWAP\ of\ KP + GH\ at\ completion}$$

22 Accordingly, whilst the dollar value of the consideration to be provided by the ESS Trust will equal the loan balance at completion, the size of the share parcel (by number and as a percentage of shares on issue) cannot be known with certainty and will vary based upon both the loan balance and the traded price of KP+GH (namely, the 5-day VWAP).

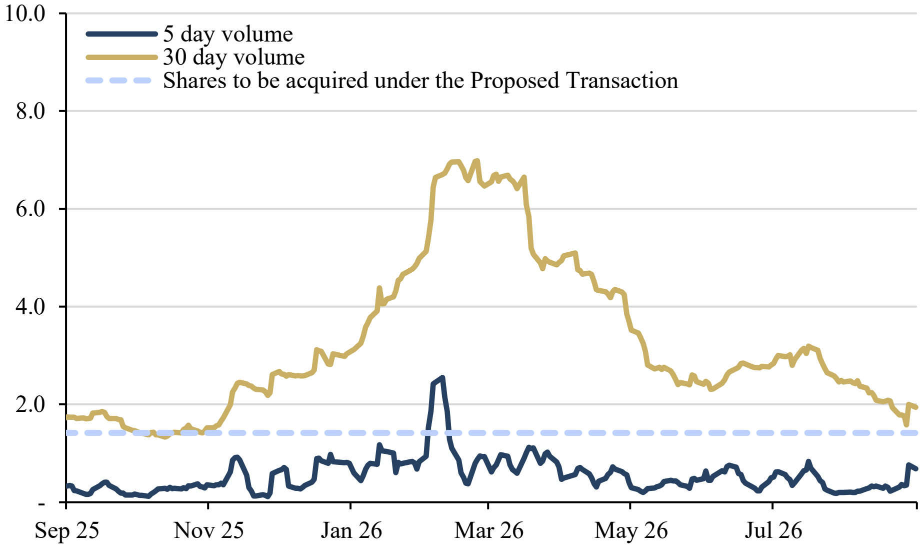
23 Given that there is a range of plausible outcomes (rather than a single fixed outcome) as to the size of the parcel, in our opinion, "fairness" should be assessed by reference to the mechanics of the above formula and whether the price per share that the formula requires the ESS Trust to pay (i.e. the 5-day VWAP) lies within the range of values that a knowledgeable and willing, but not anxious buyer (WBNAB) and seller (WBNAS) would agree to transact on a per share basis for, importantly, a parcel of shares of broadly equivalent size to that contemplated under the Proposed Transaction and having regard to the liquidity and characteristics of KP+GH shares.

24 As at 31 August 2026, Mr Kelly's loan balance was approximately $6.300 million. Based upon this balance and the 5-day VWAP to 31 August 2026 of $4.462 per share, the indicative number of shares that would be acquired by the ESS Trust totals 1.412 million. This represents circa 3% of the total KP+GH shares on issue as at 31 August 2026 and some 89% of the total volume of KP+GH shares traded in the 1 month ended 31 August 2026 (some 25% of the total volume of shares traded in the 3 months ended 31 August 2026).

25 Based on the above, we note that the indicative volume of shares KP+GH shares to be acquired by the ESS Trust under the Proposed Transaction generally exceed the 5-day average trading volume during the period set out above and has ranged from around 20% to 110% (average of 55%) of the 30 day trading volumes:

Liquidity in KP+GH shares relative to shares to be acquired under Proposed Transaction

Shares traded (millions) – 1 September 2025 to 31 August 2026



Source: FactSet and LEA analysis.

26 Given the liquidity of KP+GH shares (based on recent trading volumes), a sale by a WBNAS of a parcel of this size on market would likely place downward pressure on the quoted price and, as a result, would likely be priced at a discount to the prevailing market price to compensate buyers for liquidity risk and market impact. This is commonly referred to as a "block discount".

27 Conversely, a WBNAB seeking to acquire a volume of shares equivalent to the Company's loan balance with Mr Kelly would, if purchasing on market over a reasonable period, likely incur a premium to the pre-purchase prevailing market price. Accumulating a position of this size would place upward pressure on the quoted price, particularly where daily turnover is low and the buyer's demand is visible. In practice, a WBNAB would therefore expect to pay an average price above the pre-purchase prevailing market price.

28 In this context, the 5-day VWAP (or, alternatively, the closing price immediately prior to completion) represents an appropriate reference point for the "starting" market value of KP+GH shares for both parties. On the one hand, a WBNAS selling a block of this size would typically realise a price below this reference point (i.e. a discount). On the other hand, a WBNAB accumulating an equivalent position would typically pay a price above this reference point (i.e. a premium). The true arm's length negotiated price for a parcel of this size would therefore be expected to fall somewhere within the range bounded by these outcomes.

29 The Proposed Transaction fixes the price per share at the 5-day VWAP as at completion. This price lies between the discounted proceeds a WBNAS would likely receive in a block trade and the premium that a WBNAB would likely pay in order to accumulate an equivalent position on market. In other words:

(a) Mr Kelly receives more per share than he would likely realise via a block trade in a thin market; and

(b) the ESS Trust would pay less per share than the average price it would likely incur if it were to acquire an equivalent number of shares on market over time.

30 Both parties are therefore better off transacting with each other at the 5-day VWAP than pursuing their respective alternatives in the open market.

31 Where within the range the parties would ultimately settle in a negotiated outcome would depend on their relative bargaining power, timing constraints and alternative options. However, given the liquidity issues and the likely size of the parcel relative to normal trading volumes, it is reasonable to conclude that the 5-day VWAP falls within the range of prices that a WBNAB and WBNAS might agree for a parcel of shares of broadly equivalent size to that contemplated under the Proposed Transaction.

32 Given the above, in our opinion, the adoption of a-5 day VWAP for the market price per share is fair, and therefore in turn the Proposed Transaction is "fair" to KP+GH Non-Associated Shareholders when assessed in accordance with the guidelines set out in RG 111.

Reasonableness

33 Pursuant to RG 111, the Proposed Transaction is "reasonable" if it is "fair". Consequently, in our opinion, the Proposed Transaction is also "reasonable" to KP+GH Non-Associated Shareholders.

Other factors

34 Notwithstanding the regulatory requirement to conclude that the Proposed Transaction is reasonable solely because it is fair, we have also outlined below a range of other factors that may be relevant for KP+GH Non-Associated Shareholders in forming their view in respect of the Proposed Transaction, including:

(a) the impact of the ESS Trust holding a residual parcel of shares in the Company and the requirements for the purchase of KP+GH shares by the ESS Trust under the terms of the Company's ESS and EIP

(b) the potential market price impacts of an on market sale of shares by Mr Kelly to clear his loan account

(c) the implications for KP+GH if the Proposed Transaction does not proceed.

ESS Trust shares

35 We understand that the specific equity awards that the KP+GH Board propose to grant as a result of the proposed Nasdaq listing and the longer term ESS / EIP are still under consideration and have not yet been approved. However, it is expected that the ESS Trust's requirements for the purchase KP+GH shares for award equity will be broadly consistent with the number of shares expected to be purchased under the Proposed Transaction. Any residual shares will be held by the ESS Trust to satisfy the EIP currently being considered by the KP+GH Board. We understand that this program seeks to reward KP+GH Directors and senior executives for their contribution to and achievement of specified growth and share price targets.

Mr Kelly's position as founder and a substantial shareholder

36 We have assessed the fairness of the Proposed Transaction assuming a hypothetical WBNAS of a parcel of KP+GH shares. However, given Mr Kelly's position as founder, Chairman, Chief Executive Officer and Executive Director and substantial shareholder of KP+GH, the sale of a parcel of shares with value equivalent to Mr Kelly's loan account balance with the Company, may act as a negative signal to the market which could place further downward pressure on the KP+GH share price.

37 The Proposed Transaction reduces the risk of this negative price impact on KP+GH shares for KP+GH Non-Associated Shareholders.

Implications if the Proposed Transaction does not proceed

38 Prima facie, if the Proposed Transaction does not proceed, KP+GH will be unable to list on the Nasdaq as it will not comply with the Exchange Act and SOX requirements, which prohibit US-listed companies extending or maintaining credit to a director.

39 Further, we note that the four Resolutions being put to KP+GH shareholders in the Notice of Meeting are interconditional. That is, each Resolution is conditional on the other three Resolutions being passed, and none of the Resolutions can take effect unless all four are passed. Therefore, if the Proposed Transaction is not approved, the wider proposal to delist from the ASX and relist on the Nasdaq cannot not proceed.

General

40 This report contains general financial product advice only and has been prepared without taking into account the personal objectives, financial situations or needs of individual KP+GH Non-Associated Shareholders. Accordingly, before acting in relation to the Proposed Transaction, KP+GH Non-Associated Shareholders should have regard to their own objectives, financial situation and needs. KP+GH Non-Associated Shareholders should also read the Notice of Meeting and Explanatory Memorandum that has been issued by KP+GH in relation to (inter alia) the Proposed Transaction.

41 Furthermore, this report does not constitute advice or a recommendation (inferred or otherwise) as to whether KP+GH Non-Associated Shareholders should vote for, or against, the Proposed Transaction. This is a matter for individual KP+GH Non-Associated Shareholders based upon their own views as to value, their expectations about future economic and market conditions and their particular personal circumstances. If KP+GH Non-Associated Shareholders are in doubt about the action they should take in relation to the Proposed Transaction or matters dealt with in this report, KP+GH Non-Associated Shareholders should seek independent professional advice.

42 For further details as to our basis of assessment and information about KP+GH, we recommend that KP+GH shareholders read the remainder of our report.

Yours faithfully

Julie Planinic	Nathan Toscan
Authorised Representative	Authorised Representative

Table of contents

Appendices

I Scope of our report

Purpose

Corporations Act

43 Chapter 2E of the *Corporations Act 2001* (Cth) (Corporations Act) prohibits (in all but limited circumstances[10]) a public company from "giving a financial benefit" to a "related party" without the approval of the securityholders that are not a party to the transaction. Giving a financial benefit to a related party includes buying an asset from or selling an asset to a related party.

44 Whilst there is no specific requirement for an IER under the Corporations Act, the notice of meeting sent to securityholders must include all information that is reasonably required in order for the securityholders to decide whether it is in their best interests to pass the proposed resolution.

45 The Proposed Transaction is considered to be a related party transaction under Chapter 2E due to the significant interest that Mr Kelly has in KP+GH. However, the Company has indicated that it will not seek to obtain securityholder approval of the Proposed Transaction on the basis that the "arm's length terms" exemption in s210 of the Corporations Act applies.

ASX Listing Rules

46 ASX Listing Rule 10 – *Transactions with persons in a position of influence* (specifically Rule 10.1) states that an entity must ensure that it does not acquire a substantial asset from or dispose of a substantial asset to (amongst others) a related party, or a substantial securityholder[11], or associates of either without the approval of the holders of the entity's ordinary securities. Such approval must be obtained by way of an ordinary resolution at a general meeting and must be passed by securityholders who are not associated with the related party / substantial securityholder etc. (i.e. the non-associated securityholders).

47 ASX Listing Rule 10.2 states that an asset is substantial if its value, or the value of the consideration for it, is 5% or more of the book value of the equity interests of the entity as set out in the latest accounts provided to the ASX under the ASX Listing Rules.

48 ASX Listing Rule 10.5.10 requires that the notice of general meeting to include a report from an independent expert stating whether the proposed transaction is fair and reasonable to the non-associated holders of the entity's ordinary securities.

49 Mr Kelly (including his associates) is both a related party of KP+GH, by virtue of the fact that he is a Director of the Company, and a substantial shareholder in KP+GH. The Proposed Transaction also involves the acquisition of a substantial asset, because the value of the KP+GH shares to be acquired from Mr Kelly (or his nominee) by the ESS Trust exceeds 5% of the book value of the equity in KP+GH as at 30 June 2026, being the latest set of accounts lodged with the ASX (as at the date of this report).

---

[10] For example, if the financial benefit is considered to be given on "arm's length terms".

[11] A substantial securityholder is a person that holds a relevant interest in the entity of 10% or more (or has held the same at any time in the last six months).

50 Accordingly, there is a requirement for KP+GH to not only obtain the approval of the shareholders in the Company that are not associated with Mr Kelly (i.e. KP+GH Non-Associated Shareholders) but also to commission a report from an independent expert stating whether the Proposed Transaction is "fair and reasonable" to KP+GH Non-Associated Shareholders.

Our engagement

51 Given the above, the Independent Directors of KP+GH have requested that LEA prepare an IER stating whether, in our opinion, the Proposed Transaction is fair and reasonable to KP+GH Non-Associated Shareholders and the reasons for that opinion.

52 Our report will accompany the Notice of Meeting and Explanatory Memorandum to be sent to KP+GH Non-Associated Shareholders[12].

53 It should also be noted that this report is general financial product advice only and has been prepared without taking into account the personal objectives, financial situations or needs of individual KP+GH Non-Associated Shareholders. Accordingly, before acting in relation to the Proposed Transaction, KP+GH Non-Associated Shareholders should have regard to their own objectives, financial situation and needs. KP+GH Non-Associated Shareholders should also read the Notice of Meeting and Explanatory Memorandum that has been issued by KP+GH in relation to (inter alia) the Proposed Transaction.

54 Furthermore, this report does not constitute advice or a recommendation (inferred or otherwise) as to whether KP+GH Non-Associated Shareholders should vote for, or against, the Proposed Transaction. This is a matter for individual KP+GH Non-Associated Shareholders based upon their own views as to value, their expectations about future economic and market conditions and their particular personal circumstances. If KP+GH Non-Associated Shareholders are in doubt about the action they should take in relation to the Proposed Transaction or matters dealt with in this report, KP+GH Non-Associated Shareholders should seek independent professional advice.

Basis of assessment

55 In preparing our report, we have given due consideration to the ASX Listing Rules and Regulatory Guides issued by ASIC, particularly RG 111, which sets out the assessment framework to which an expert must adhere in evaluating the merits of a transaction, and Regulatory Guide 76 – *Related party transactions* (RG 76).

56 The ASX Listing Rules do not define the meaning of or describe the test to be applied in determining whether a related party transaction is "fair and reasonable". We note, however, that RG 111 expressly states that the expert's evaluation of a related party transaction (whether for the purposes of Chapter 2E of the Corporations Act or ASX Listing Rule 10.1) should be based upon a separate assessment of "fairness" and "reasonableness". RG 111 further states that the transaction should not be assessed simply by reference to the advantages and disadvantages of the transaction (as ASIC does not consider this to provide shareholders with sufficient valuation information).

12 For the avoidance of doubt, we have not been engaged to, and do not express any opinion (whether express or implied), on any of the other Resolutions set out in the Notice of Meeting and Explanatory Memorandum.

57 RG 111 provides that a proposed related party transaction:

(a) is “fair” if the value of the financial benefit to be provided by the entity to the related party (in this case, the consideration to be provided by the ESS Trust) is equal to or less than the value of the asset to be acquired (in this case, the parcel of KP+GH shares). This comparison is required to be made assuming an arm’s length transaction between knowledgeable and willing, but not anxious parties

(b) is “reasonable” if it is “fair”. A related party transaction may also be “reasonable” if, despite being “not fair”, the expert believes there are sufficient reasons for non-associated secuirtyholders to vote for the proposal.

58 Given the above, in our opinion, the most appropriate basis upon which to evaluate whether the Proposed Transaction is “fair and reasonable” to KP+GH Non-Associated Shareholders is to consider:

(a) the value of the shares to be purchased by the ESS Trust (on behalf of the Company) from Mr Kelly

(b) the value of the consideration to be paid by the ESS Trust to Mr Kelly (which will be applied to clear the Company’s loan receivable from Mr Kelly)

(c) the extent to which (a) and (b) differ in order to assess whether the Proposed Transaction is “fair”

(d) the impact of the ESS Trust holding a residual parcel of shares in the Company and the requirements for the purchase of KP+GH shares by the ESS Trust under the terms of the Company’s ESS and EIP

(e) the potential market price impacts of an on market sale of shares by Mr Kelly to clear his loan account

(f) the implications for KP+GH if the Proposed Transaction does not proceed.

Limitations and reliance on information

59 Our opinions are based on the economic, share market, financial and other conditions and expectations prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

60 Our report is also based upon financial and other information provided by KP+GH and its advisers. We understand the accounting and other financial information that was provided to us has been prepared in accordance with the Australian equivalents to International Financial Reporting Standards. We have considered and relied upon this information and believe that the information provided is reliable, complete and not misleading and we have no reason to believe that material facts have been withheld.

61 The information provided was evaluated through analysis, enquiry and review to the extent considered appropriate for the purpose of forming our opinion. However, we do not warrant that our enquiries have identified or verified all of the matters which an audit, extensive examination or “due diligence” investigation might disclose. Whilst LEA has made what it considers to be appropriate enquiries for the purpose of forming its opinion, “due diligence”

of the type undertaken by companies and their advisers in relation to (for example) prospectuses or profit forecasts is beyond the scope of an IER.

62 Accordingly, this report and the opinions expressed therein should be considered more in the nature of an overall review of the commercial and financial implications of the transactions, rather than a comprehensive audit or investigation of detailed matters. Further, this report and the opinions therein, must be considered as a whole. Selecting specific sections or opinions without context or considering all factors together, could create a misleading or incorrect view or opinion.

63 An important part of the information base used in forming an opinion of the kind expressed in this report is comprised of the opinions and judgement of management of the relevant companies. This type of information has also been evaluated through analysis, enquiry and review to the extent practical. However, it must be recognised that such information is not always capable of external verification or validation.

64 In forming our opinion, we have also assumed that:

(a) the information set out in the Notice of Meeting and Explanatory Memorandum (in respect of the Proposed Transaction) is complete, accurate and fairly presented in all material respects

(b) if the Proposed Transaction becomes legally effective, it will be implemented in accordance with the terms of the tripartite deed between the Company, the ESS Trust and Mr Kelly (or his nominee) for the sale and transfer of the Shares to the ESS Trust (as described in the Notice of Meeting and Explanatory Memorandum).

II Profile of KP+GH

Overview

65 KP+GH is a chartered accounting network that operates 43 offices primarily located in Australia as well as the US, Ireland, India, the Philippines and Hong Kong. The Company provides accounting, taxation, audit and wealth management services to over 25,000 active clients across diverse industries, specialising in the small to medium sized enterprise market. KP+GH utilises an owner-operator structure which involves all offices / businesses having partners who are part owners of their respective businesses. As at 30 June 2026, KP+GH had a team of 711 people, including 105 operating partners.

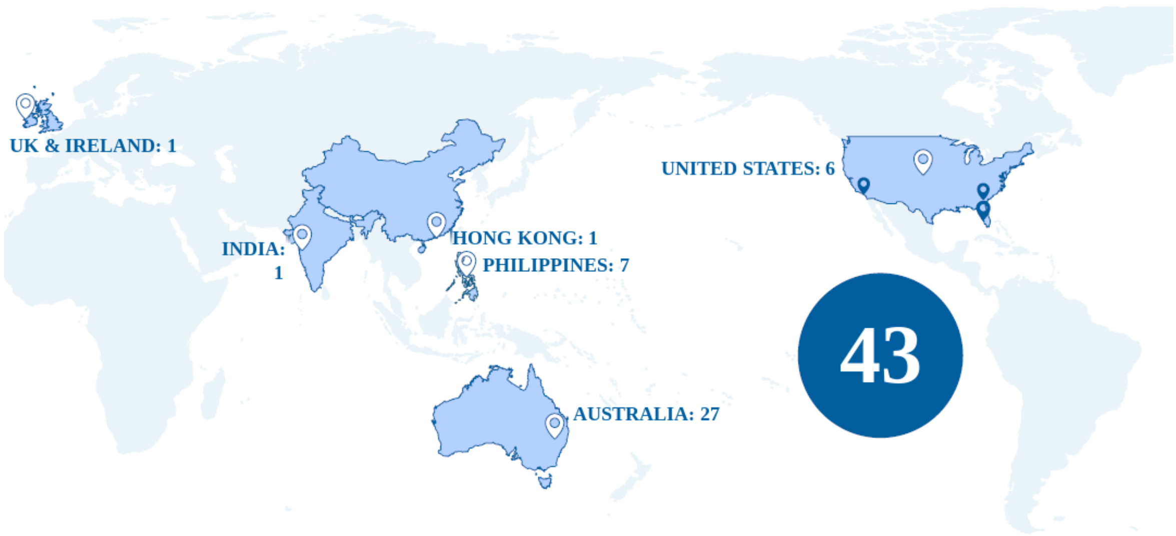
History and current network

66 The origins of KP+GH date back to 2006 when the business was founded in North Sydney by Mr Kelly, his wife Rebecca Kelly, Scott Elwin, Ada Poon and Craig Bullock. Over the following 10 years, KP+GH expanded its network through a combination of acquisitions of established accounting firms and the establishment of new greenfield businesses. By the time of its initial public offering in 2017, KP+GH operated from a network of 14 locations across Greater Sydney, an office in Hong Kong, and had a total team of 192 team members, which included 38 operating partners. On 21 June 2017, KP+GH listed on the ASX at an issue price of $1.00 per share, raising $7.3 million.

67 Since listing on the ASX, KP+GH has significantly accelerated its acquisition program, averaging around 7 partnership acquisitions per year, compared to around one per year prior to listing. In addition, the Company has recently expanded beyond its Australian base, entering the US market in 2023 initially through acquisitions of accounting firms in California and subsequently Florida and other states, and in 2025, expanded into the United Kingdom (UK) and Ireland. More recently, KP+GH has also expanded into the Philippines through the acquisition of a controlling stake in an outsourced services business which provides administration assistants, bookkeepers and accountants and has commenced a strategic partnership with Hello Ai Collective Limited, a specialist artificial intelligence consultancy headquartered in the UK.

68 KP+GH currently operates from 43 office locations across Australia, the US, Ireland, India, the Philippines and Hong Kong, as set out below:

KP+GH – locations



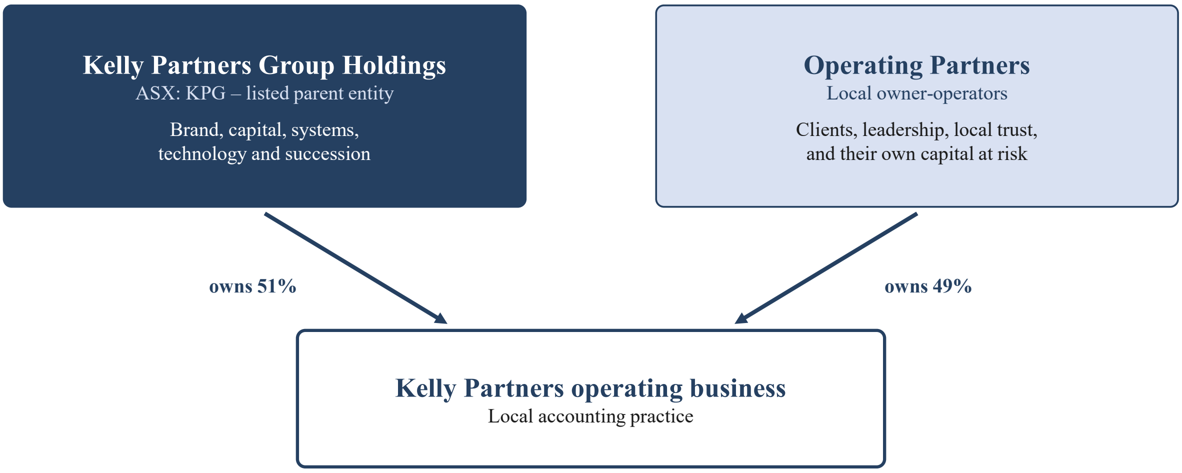
Source: KP+GH FY26 presentation.

Partner-Owner-Driver model

69 Under the Partner-Owner-Driver model, each KP+GH operating business is jointly owned by KP+GH and the relevant local operating partners. KP+GH holds a controlling 51% interest and contributes the brand, capital, systems and technology, together with a succession pathway for retiring partners. The operating partners hold the remaining 49%, which they acquire with their own capital and hold at their own risk and are responsible for client relationships and the leadership of the business at a local level. The profits of each operating business are shared between KP+GH and the operating partners in proportion to their respective equity interests (i.e. 51% and 49%). Operating partners are therefore remunerated principally through their equity participation rather than by way of performance-based bonuses, with this alignment of ownership and management supporting partner retention and the long-term stability of each operating business.

70 A diagrammatic overview of KP+GH Partner-Owner-Driver model is set out below:

KP+GH – Partner-Owner-Driver model

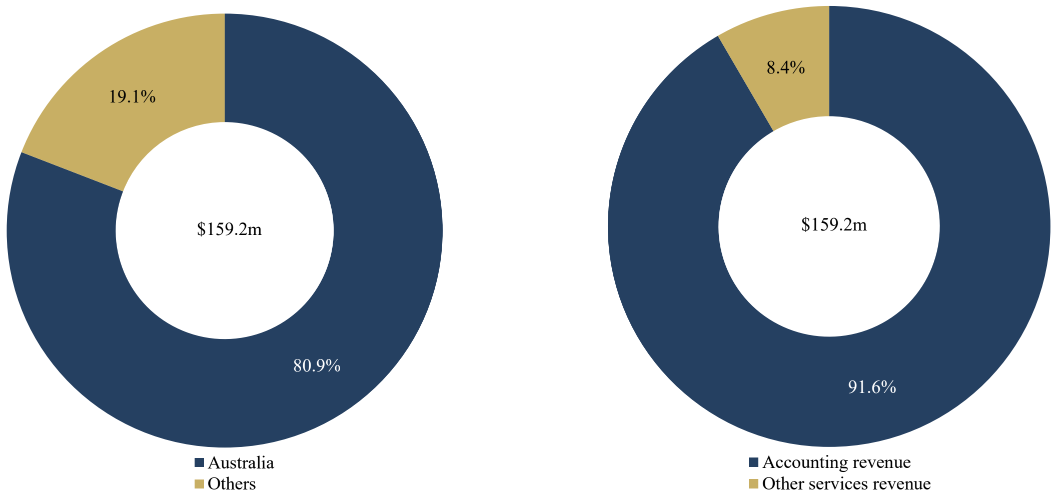


Revenue mix by service and location

71 KP+GH primarily generates its revenue from its Australian accounting practices, however, it also derives a reasonable portion of revenue from its international operations and other professional services as set out below:

KP+GH – FY26 revenue breakdown

Revenue by location (%) | **Revenue by service (%)**



Source: KP+GH FY26 Annual Report.

Financial performance

72 As KP+GH holds a controlling 51% interest in the majority of businesses in its network, for financial reporting purposes KP+GH consolidates 100% of the revenue, expenses and profit from these operating businesses, with the portion attributable to the operating partners (which hold the remaining 49%) recognised as non-controlling interests.

73 A summary of the reported consolidated financial performance of KP+GH for the three years ended 30 June 2026 (FY26) is set out below

KP+GH – summary of consolidated financial performance[1]

	FY24 $m	FY25 $m	FY26 $m
Professional services revenue	108.1	134.6	159.2
Other income	1.0	1.6	2.0
Total revenue and other income	109.2	136.2	161.2
Employment and related expenses	(54.2)	(66.0)	(81.5)
Occupancy costs	(1.4)	(1.7)	(2.8)
Other expenses	(17.5)	(26.5)	(29.1)
Business acquisition and restructuring costs	(2.6)	(2.7)	(2.0)
Depreciation and amortisation expense	(12.1)	(14.5)	(16.8)
Finance costs	(5.8)	(7.0)	(9.0)
Total expenses	(93.6)	(118.4)	(141.2)
Profit before income tax from continuing operations	15.6	17.8	20.0
Income tax expense	(2.1)	(1.3)	(2.3)
Profit after income tax from discontinued operations[2]	0.7	-	-
Net profit after tax (NPAT)	14.2	16.4	17.6
Less NPAT attributable to non-controlling interests	(10.7)	(13.0)	(14.1)
NPAT attributable to KP+GH shareholders	3.5	3.4	3.5

Note:
1 Rounding differences may exist.
2 In December 2023, KP+GH sold its Central Coast and Hunter Region private wealth and life insurance businesses and in June 2024 sold its Northern Beaches retail wealth business.
Source: KP+GH FY25 and FY26 Annual Reports.

74 In addition to the above, we set out a summary of the adjusted NPAT (NPATA) attributable to KP+GH shareholders as disclosed in the Company's recent results presentations:

KP+GH – underlying NPATA[1]

	FY24 $m	FY25 $m	FY26 $m
Statutory NPAT attributable to KP+GH shareholders	3.5	3.4	3.5
Add back amortisation	2.9	3.6	4.8
Add back share of non-recurring income / expenses[2]	1.8	2.0	2.4
Underlying NPATA attributable to KP+GH shareholders	8.0	9.1	10.8
Underlying NPATA margin	*7.3%*	*6.7%*	*6.8%*

Note:
1 Rounding differences may exist.
2 Primarily relate to one-off acquisition and strategic review costs. Further details of these items are set out in KP+GH results presentations.
Source: KP+GH FY25 and FY26 results presentations.

75 The recent revenue growth achieved by KP+GH has largely been driven by contributions from recently completed acquisitions, in addition to some organic growth. While statutory earnings have been impacted by the Company's recent international expansions, underlying NPATA margins have remained relatively consistent over the period set out above.

Financial position

76 The consolidated financial position of KP+GH as at 30 June 2025 and 30 June 2026 is set out below:

KP+GH – summary of consolidated financial position(1)

	30 Jun 25 $m	30 Jun 26 $m
Cash and cash equivalents	6.9	3.9
Trade and other receivables	19.0	20.2
Accrued income	8.1	9.1
Property, plant and equipment (PP&E)	13.0	13.7
Right-of-use (ROU) assets	26.9	31.9
Intangible assets	101.8	122.8
Non-current assets classified as held for sale	-	2.1
Loans to related parties	7.3	10.0
Other financial assets	13.1	12.9
Other assets	2.7	3.2
Total assets	199.0	229.9
Trade and other payables	(8.8)	(10.6)
Contract liabilities	(5.1)	(5.6)
Borrowings	(64.1)	(73.5)
Related party loans	(1.2)	(1.2)
Lease liabilities	(31.9)	(37.4)
Current tax liabilities	(2.2)	(3.9)
Deferred tax liabilities	(1.6)	(1.7)
Provisions	(5.8)	(6.7)
Contingent consideration	(7.0)	(11.3)
Other financial liabilities	(4.6)	(5.3)
Total liabilities	(132.5)	(157.2)
Net assets	66.5	72.7
Non-controlling interests(2)	(38.1)	(42.4)
Net assets attributable to KP+GH shareholders	28.4	30.2

Note:
1 Rounding differences may exist.
2 Relate to the interests in KP+GH operating businesses which are consolidated for financial reporting purposes but are held by operating partners (i.e. the 49% interest not held by KP+GH).
Source: KP+GH FY26 annual report.

77 In regard to the above, we note the following:

(a) **Property, plant and equipment (PP&E)** – primarily comprises land and buildings, leasehold improvements and plant and equipment (net of accumulated depreciation):

KP+GH – PP&E[1]	30 Jun 25 $m	30 Jun 26 $m
Land and buildings	3.9	1.9
Leasehold improvements	5.1	8.0
Plant and equipment	3.4	3.3
Motor vehicles	0.7	0.5
Total PP&E[1]	13.0	13.7

Note:
1 Excludes amounts attributable to the property at Unit 141, 39 Eastlake Parade, Kingston ACT (Canberra Property) and related leasehold improvements, which was classified as held for sale as at 30 June 2026.

(b) **ROU assets** – primarily comprise leased land and buildings:

KP+GH – ROU assets	30 Jun 25 $m	30 Jun 26 $m
Land and buildings	26.8	31.8
Plant and equipment	0.2	0.1
Total ROU assets	26.9	31.9

(c) **Intangibles** – the majority of KP+GH's intangible assets relate to goodwill and customer relationships recognised upon the acquisitions of accounting firms and other professional practices:

KP+GH – intangibles	30 Jun 25 $m	30 Jun 26 $m
Goodwill	60.0	78.6
Customer relationships	37.9	40.5
Brand names and intellectual property	3.3	3.3
Computer software and other intangible assets	0.6	0.5
Total intangibles	101.8	122.8

(a) **Loans to related parties** – comprises loans to Mr Kelly and the ESS Trust:

KP+GH – related party loans	30 Jun 25 $m	30 Jun 26 $m
Loans to director (Mr Kelly)	4.2	6.4
Loans to ESS Trust	3.1	3.6
Total loans to related parties	7.3	10.0

Regarding the above, we note that:

(i) **Loans to director** – on 30 October 2022, the KP+GH Board approved a loan facility to Mr Kelly. The loan facility is secured and personally guaranteed by Mr Kelly and interest is charged at commercial rates. Further details of this loan facility (which will be repaid under the Proposed Transaction) is set out at paragraphs 1 to 4

(ii) **Loans to ESS Trust** – in December 2019, the KP+GH Board approved the establishment of the ESS and EIP. The plans are designed to assist in the attraction, motivation, retention and reward of employees by allowing them to participate in the overall success and growth of the Company. A number of operating businesses and the Company have loaned amounts to the ESS Trust as part of the ESS, which have been used to acquire shares in KP+GH. During FY26, a total of 82,534 shares in KP+GH were purchased on market for $492,618 and the total loans provided to the ESS Trust increased to $3.6 million

(b) **Other financial assets** – predominately relate to loans to partners as set out below:

KP+GH – other financial assets

	30 Jun 25 $m	30 Jun 26 $m
Loans to partners	13.1	12.6
Loans to third parties	-	0.3
Total	13.1	12.9

Loans to partners primarily represents monies loaned to operating partners to assist them with their purchase of their equity interest in the operating businesses (i.e. the 49% interest which is not held by KP+GH). These loans are generally repaid over a 4-8 year period, typically from partner profit distributions. The funds for these partner loans are typically sourced from external borrowings drawn by the specific operating business to which the partner loan relates, which are shown as financial liabilities on the consolidated balance sheet of KP+GH

(c) **other assets** – comprise prepayments, deposits and other assets as set out below:

KP+GH – other assets

	30 Jun 25 $m	30 Jun 26 $m
Prepayments	1.1	1.9
Deposits	0.7	1.2
Other	0.9	0.1
Total other assets	2.7	3.2

(d) **borrowings** – KP+GH has borrowing facilities in place with Westpac Banking Corporation for all of its operating businesses, which consist of overdraft facilities, term loans, bank guarantees and other ancillary facilities.

KP+GH – borrowings

	30 Jun 25 $m	30 Jun 26 $m
Bank overdrafts	(7.7)	(7.5)
Bank loans	(56.4)	(66.0)
Total borrowings	(64.1)	(73.5)

(e) **related party loans** – relates to a loan advanced from the Kelly Partners Investment Office Special Opportunities Fund #2 (a related entity) to a wholly owned subsidiary of KP+GH to assist with the purchase of the Canberra Property

(f) **contingent consideration** – relates to contingent components of the purchase price of completed acquisitions and are subject to the achievement of certain targets

(g) **other financial liabilities** – comprise the following:

KP+GH – other financial liabilities	30 Jun 25 $m	30 Jun 26 $m
Loans from partners	(4.3)	(4.1)
Loans from others	(0.4)	(1.2)
Total	(4.6)	(5.3)

Regarding the above, we note that:

(i) as indicated above, loans from partners relate to amounts which have been borrowed and on lent to partners to assist them with their purchase of equity in KP+GH operating businesses

(ii) loans from others primarily relate to working capital loans provided by vendors to KP+GH operating businesses per the terms of the business acquisition and are generally repaid at the same time as the payment of any contingent consideration.

Share capital and performance

78 As at 31 August 2026, KP+GH had 45.3 million fully paid ordinary shares on issue. Of these, 0.52 million are held by the ESS Trust of which 0.45 million have been granted to employees but have not yet vested.

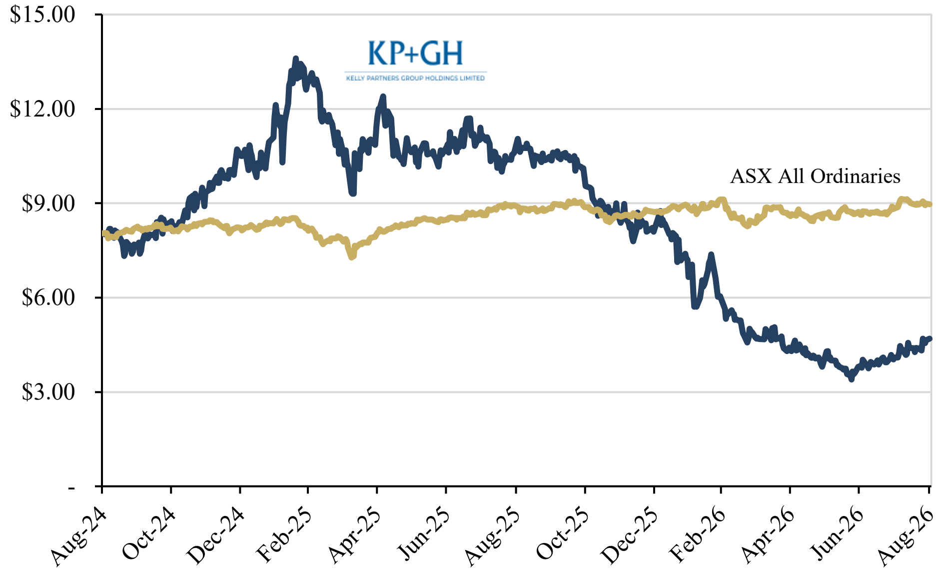
Substantial shareholders

79 As at 31 August 2026, the sole substantial shareholder in KP+GH was Kelly Investments 1 Pty Limited (an entity controlled by Mr Kelly), with a relevant interest of some 14.051 million shares, representing some 31.04% of total shares on issue.

Share price performance

80 The following chart illustrates the movement in the share price of KP+GH from 31 August 2024 to 31 August 2026:

KP+GH – share price history[1]
31 August 2024 to 31 August 2026



Note:
1 Based on closing prices. The ASX All Ordinaries Index has been rebased to the KP+GH' last traded price on 31 August 2024, being $8.04.
Source: FactSet.

Liquidity in KP+GH shares

81 The liquidity in KP+GH shares based on trading on the ASX over the 12 month period prior to 31 August 2026 is set out below:

KP+GH – liquidity in shares

Period	Start date	End date	No of shares traded 000	WANOS[1] outstanding 000	Implied level of liquidity Period[2] %	Implied level of liquidity Annual[3] %
1 month	1 Aug 26	31 Aug 26	1,585	45,275	3.5	42.6
3 months	1 Jun 26	31 Aug 26	5,570	45,275	12.3	49.3
6 months	4 Mar 26	31 Aug 26	12,556	45,275	27.7	56.2
1 year	1 Sep 25	31 Aug 26	27,902	45,275	61.6	61.8

Note:
1 Weighted average number of shares outstanding (WANOS) during relevant period.
2 Number of shares traded during the period divided by WANOS.
3 Implied annualised figure based upon implied level of liquidity for the period.
Source: FactSet and LEA analysis.

82 As shown in the table above, the annualised share turnover in KP+GH has been in the range of approximately 40% to 60%, with liquidity reducing in recent times. We note that liquidity is impacted by the relatively large parcel of shares held by Mr Kelly (and his related entity).

Appendix A

A Financial Services Guide

Lonergan Edwards & Associates Limited

1 Lonergan Edwards & Associates Limited (ABN 53 095 445 560) (LEA) is a specialist valuation firm which provides valuation advice, valuation reports and independent expert's reports (IER) in relation to takeovers and mergers, commercial litigation, tax and stamp duty matters, assessments of economic loss, commercial and regulatory disputes.

2 LEA holds Australian Financial Services Licence No. 246532, which authorises it to provide a broad range of financial services to retail and wholesale clients, including providing financial product advice in relation to various financial products such as securities, derivatives, interests in managed investment schemes, superannuation products, debentures, stocks and bonds.

Financial Services Guide

3 LEA has been engaged by KP+GH to provide general financial product advice in the form of an IER in relation to the Proposed Transaction. The *Corporations Act 2001* (Cth) (Corporations Act) requires that LEA include this Financial Services Guide (FSG) with our IER.

4 This FSG is designed to assist retail clients in their use of the general financial product advice contained in the IER. This FSG contains information about LEA generally, the financial services we are licensed to provide, the remuneration we may receive in connection with the preparation of the IER, and if complaints against us ever arise how they will be dealt with.

General financial product advice

5 The IER contains general financial product advice only and has been prepared without taking into account your personal objectives, financial situation or needs. You should consider your own objectives, financial situation and needs when assessing the suitability of the IER to your situation. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence to assist you in this assessment.

Fees, commissions and other benefits we may receive

6 LEA charges fees to produce reports, including this IER. These fees are negotiated and agreed with the entity who engages LEA to provide a report. Fees are charged on an hourly basis or as a fixed amount depending on the terms of the agreement with the entity who engages us. In the preparation of this IER, LEA is entitled to receive a fee estimated at $75,000 plus GST.

7 Neither LEA nor its directors and officers receives any commissions or other benefits, except for the fees for services referred to above.

8 All of our employees receive a salary. Our employees are eligible for bonuses based on overall performance and the firm's profitability, and do not receive any commissions or other benefits arising directly from services provided to our clients. The remuneration paid to our directors reflects their individual contribution to the company and covers all aspects of

performance. Our directors do not receive any commissions or other benefits arising directly from services provided to our clients.

9 We do not pay commissions or provide other benefits to other parties for referring prospective clients to us.

Complaints

10 If you have a complaint, please raise it with us first. LEA can be contacted by sending a letter to the following address:

Level 7
64 Castlereagh Street
Sydney NSW 2000

11 We will endeavour to satisfactorily resolve your complaint in a timely manner. Please note that LEA is only responsible for the preparation of this IER. Complaints or questions about the Notice of Meeting and Explanatory Memorandum should not be directed to LEA as it is not responsible for the preparation of these documents.

12 If we are not able to resolve your complaint to your satisfaction within 30 days of your written notification, you are entitled to have your matter referred to the Australian Financial Complaints Authority (AFCA), an external complaints resolution service. You will not be charged for using the AFCA service.

Compensation arrangements

13 LEA has professional indemnity insurance cover under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of the Corporations Act.

B Qualifications, declarations and consents

Qualifications

1 LEA is a licensed investment adviser under the Corporations Act. LEA's authorised representatives have extensive experience in the field of corporate finance, particularly in relation to the valuation of shares and businesses and have prepared hundreds of IERs.

2 This report was prepared by Ms Julie Planinic and Mr Nathan Toscan, who are each authorised representatives of LEA. Ms Planinic and Mr Toscan have over 26 years and 24 years' experience respectively in the provision of valuation advice (and related advisory services).

Declarations

3 This report has been prepared at the request of the Independent Directors of KP+GH to accompany the Notice of Meeting and Explanatory Memorandum to be sent to KP+GH Non-Associated Shareholders. It is not intended that this report serve any purpose other than as an expression of our opinion as to whether or not the Proposed Transaction is fair and reasonable to KP+GH Non-Associated Shareholders[13].

4 LEA expressly disclaims any liability to any KP+GH Non-Associated Shareholder who relies or purports to rely on our report for any other purpose and to any other party who relies or purports to rely on our report for any purpose whatsoever.

Interests

5 At the date of this report, neither LEA, Ms Planinic nor Mr Toscan have any interest in the outcome of the Proposed Transaction. With the exception of the fee shown in Appendix A, LEA will not receive any other benefits, either directly or indirectly, for or in connection with the preparation of this report.

6 LEA has, within the previous two years, prepared valuations of individual practice interests within the KP+GH network (i.e. individual office operations). Aside from these valuations, LEA has not, within the previous two years, had any other business or professional relationship with Mr Kelly (including his associates) or KP+GH (or any of its related parties), and holds no any financial or other interest that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Proposed Transaction.

7 We have considered the matters described in ASIC RG 112 – *Independence of experts*, and consider that there are no circumstances that, in our view, would constitute a conflict of interest or would impair our ability to provide objective independent assistance in this engagement.

8 LEA had no part in the formulation of the Proposed Transaction. Its only role has been the preparation of this report.

---

13 For the avoidance of doubt, we have not been engaged to, and do not express any opinion (whether express or implied), on any of the other resolutions set out in the Notice of Meeting and Explanatory Memorandum.

Appendix B

Indemnification

9 As a condition of LEA's agreement to prepare this report, KP+GH agrees to indemnify LEA in relation to any claim arising from or in connection with its reliance on information or documentation provided by or on behalf of KP+GH which is false or misleading or omits material particulars or arising from any failure to supply relevant documents or information.

Consents

10 LEA consents to the inclusion of this report in the form and context in which it is included in the Notice of Meeting and Explanatory Memorandum.

C Glossary

Term	Meaning
ASIC	Australian Securities & Investments Commission
ASX	Australian Securities Exchange
Canberra Property	Unit 141, 39 Eastlake Parade, Kingston ACT
Corporations Act	*Corporations Act 2001* (Cth)
EIP	Employee Incentive Plan
ESS	Employee Share Scheme
ESS Trust	KPG EMP Share Plan Trust
Exchange Act	Securities Exchange Act of 1934
FSG	Financial Services Guide
FY	Financial year
IER	Independent expert's report
Independent Directors	The Directors of KP+GH that are not associated with Mr Kelly
KP+GH / Company	Kelly + Partners Group Holdings Limited
KP+GH Non-Associated Shareholders	Shareholders in KP+GH that are not associated with Mr Kelly
LEA	Lonergan Edwards & Associates Limited
Mr Kelly	Mr Brett Kelly
Notice of Meeting	Notice of Extraordinary General Meeting
NPAT	Net profit after tax
NPATA	Adjusted NPAT
PP&E	Property, plant and equipment
Proposed Transaction	ESS Trust's acquisition of shares from Mr Kelly at a value equivalent to the balance of Mr Kelly's loan account based on the market price of the shares at the date of acquisition
RG 111	Regulatory Guideline 111 – *Content of expert reports*
RG 76	Regulatory Guide 76 – *Related party transactions*
ROU	Right of use
SOX	Sarbanes-Oxley Act of 2002
UK	United Kingdom
US	United States of America
VWAP	Volume weighted average price
WANOS	Weighted average number of shares
WBNAB	Willing but not anxious buyer
WBNAS	Willing but not anxious seller

KP+GH
KELLY PARTNERS GROUP HOLDINGS LIMITED
ABN 25 124 908 363

Need assistance?

Phone:
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)

Online:
www.investorcentre.com/contact

KPG
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Kelly Partners Group Holdings Limited Annual General Meeting

The Kelly Partners Group Holdings Limited Annual General Meeting will be held on Friday, 23 October 2026 at 11:00am (AEDT). You are encouraged to participate in the meeting using the following options:

MAKE YOUR VOTE COUNT

To lodge a proxy, access the Notice of Meeting and other meeting documentation visit www.investorvote.com.au and use the below information:

Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

For your proxy appointment to be effective it must be received by 11:00 am (AEDT) Wednesday, 21 October 2026.

ATTENDING THE MEETING VIRTUALLY

To view the live webcast and ask questions on the day of the meeting you will need to visit **https://events.teams.microsoft.com/event/d677727e-ede8-447c-b46a-ce88aff7709c@b35ee03f-2d90-4c39-8719-050017a5e241?source=copyLinkOneEventsShareDialog**

To vote online during the meeting you will need to visit **https://meetnow.global/MKYVJ2U**

For instructions refer to the online user guide www.computershare.com.au/onlinevotingguide

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

KP+GH

KELLY PARTNERS GROUP HOLDINGS LIMITED

ABN 25 124 908 363

KPG

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?

Phone:
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)

Online:
www.investorcentre.com/contact

YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (AEDT) on Wednesday, 21 October 2026.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative
If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate “Appointment of Corporate Representative”. A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

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

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with '**X**') should advise your broker of any changes.

I 9999999999 IND

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Kelly Partners Group Holdings Limited hereby appoint

☐ **the Chairman of the Meeting** **OR** ____________________

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of Kelly Partners Group Holdings Limited to be held as a virtual meeting on Friday, 23 October at 11:00am (AEDT) and at any adjournment or postponement of that meeting.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Delisting from the Official List of ASX	☐	☐	☐
Resolution 2	Amendments to Constitution for Class B Share terms	☐	☐	☐
Resolution 3	Consolidation of Ordinary Shares	☐	☐	☐
Resolution 4	Acquisition of a substantial asset from substantial (10%+) holder	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s)

This section must be completed.

Individual or Securityholder 1	Securityholder 2	Securityholder 3	
			/ /
Sole Director & Sole Company Secretary	Director	Director/Company Secretary	Date

Update your communication details *(Optional)*

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

Mobile Number	Email Address