

2020

Address by
Ray Kellerman
Non-Executive Chairman

Countplus Limited
2020 Annual General Meeting
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This address has been authorised for release
to the ASX by the Board of CountPlus Limited.

Good morning ladies and gentlemen.

My name is Ray Kellerman and I welcome you to the 2020 Annual General Meeting of Countplus Limited.

We come together in this live webcast to conduct this meeting. The online meeting has come to represent a daily reality for enterprise large and small worldwide during these times of fighting the COVID-19 pandemic.

Thank you all for your time today.

I spoke one year ago at our 2019 AGM of the opportunity ahead for CountPlus to leverage the progress made in bedding down the Count Financial acquisition; in completing our turnaround strategy and in setting targets for the future growth of the Company. We envisioned in late 2019 the opportunity to generate greater shareholder value from the CountPlus culture, governance frameworks and financial strength, and in making further targeted inroads into a dislocated financial advice market in Australia.

Nobody foresaw the dramatic global events of early 2020 precipitating an international health and economic crisis. The word 'unprecedented' best describes the breadth and depth of the impact around the world of the COVID-19 pandemic.

CountPlus people rallied during this time in support of their clients and communities. I was proud to see such support as our nation faced the challenges of flattening the case number curve, locking down schools and businesses and the overnight economic disruption of a nation going into hibernation.

Today, in late 2020, the CountPlus Board remains alert to the ongoing health, economic and social risks of the pandemic. This is the 'complex jeopardy' of COVID-19. We are especially cognisant of the challenges for small to medium enterprise during these times, and we stand ready to assist our member firms around the country. CountPlus members serve a high proportion of small business clients who are typically longstanding business owners, families and trusted enterprises within their communities.

Your Board remains focused on navigating the available opportunities being presented to the Company despite the ongoing risks and difficulties of an uncertain operating environment.

Growth

In broader terms, there is a growing need for more client centric focused financial advice and accounting services in Australia. This need characterises the demand side of our market. The supply side is comprised of almost 35,000 accounting firms and some 19,500 financial planning firms – generating combined revenues of \$25 billion.

CountPlus is well-positioned in these core markets. The Company remains committed to its growth targets, alert to future opportunity and the prudent deployment of capital where our considerable market strengths and strategic advantage allow.

Due to the considerable dislocation in the financial advice market opportunities are arising, and potential deal flow is stronger than any other time in the last 5 years. Critical to your Board is only executing on opportunities that are consistent with building a stronger business with greater profitability, sustainably, over the medium to long term. CountPlus is well positioned financially and operationally to avail itself of the right opportunities, while ensuring it remains financially strong to deal with future economic shocks that may arise as a result of the global pandemic.

We operate in a rapidly changing environment. However, the long-term dynamics of our market – coupled with our resolve to become the leading network of professional accounting and advice firms in Australia – is resolute.

Board

Your Board welcomes Carolyn Colley who joined as a Director on October 6, 2020. Carolyn brings highly complementary skills and deep experience in financial services and information technology to her non-executive directorship.

Carolyn joins a focused Board. I thank the Board for its guidance on key targets, enabling the Company to:

- ▶ significantly reduce debt and boost operating cash flow;
- ▶ implement and embed the Count Financial acquisition;
- ▶ guide the Company to stay focused through and beyond the health and economic challenges of COVID-19.

Dividend

The Company was pleased to make a 1.25 cent per share fully franked dividend for the period to June 30, 2020. This represents a 25 per cent increase in dividend on the previous reporting period for 2019.

Focus

Finally, the Company remains focused and disciplined. In these days of lockdown and social distancing, our collective future certainty is no given. The global pandemic and its consequences for the Australian economy with flow-on effects to CountPlus member firms, affiliates and their small business clients, have proven challenging and difficult.

The Company will remain vigilant to managing the downside risks of prevailing economic conditions, but also prepared to deploy capital wisely as the right opportunities arise.

That completes my address to the meeting.

Thank You.

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Ray Kellerman
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