

ASX ANNOUNCEMENT - KPG

Thursday, 15th July 2021

Kelly+Partners Strategy Update Acquisitions Completed in FY21

Kelly Partners Group Holdings Limited ("Group", ASX: KPG) continues to deliver on its published 5 year plan (Appendix A). The key elements of that plan are to grow the group organically and continually make tuck in acquisitions to the existing sites. KPG is also growing its complementary wealth, finance, general insurance, and investment office business gradually over time.

In line with this plan, the Group announces today that it has completed the acquisition of 2 accounting firms, located in Newcastle and Sydney CBD since the commencement of this new financial year. Both of these acquisitions were previously announced in an ASX release and have now been completed successfully.

Completion of Hunter Region acquisition

KPG announces that its Newcastle office, Kelly+Partners Hunter Region, has successfully completed on the acquisition of an accounting firm located in Newcastle on 1 July 2021. The acquisition is expected to contribute approximately \$950,000 in annual recurring revenue to the consolidated Group and approximately \$125,000 NPATA to the parent post transaction improvements. The acquired firm will remain at its existing location in Newcastle.

Completion of Sydney CBD acquisition

KPG also announces that its Sydney CBD office has successfully completed on the acquisition of an accounting firm located in Sydney CBD on 12 July 2021. The acquisition is expected to contribute up to \$2,400,000 in annual recurring revenue to the consolidated Group and approximately \$300,000 NPATA to the parent post transaction improvements. The acquired firm has relocated to the Group's existing office in Sydney CBD.

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Acquisitions completed in FY21 and Jul-21

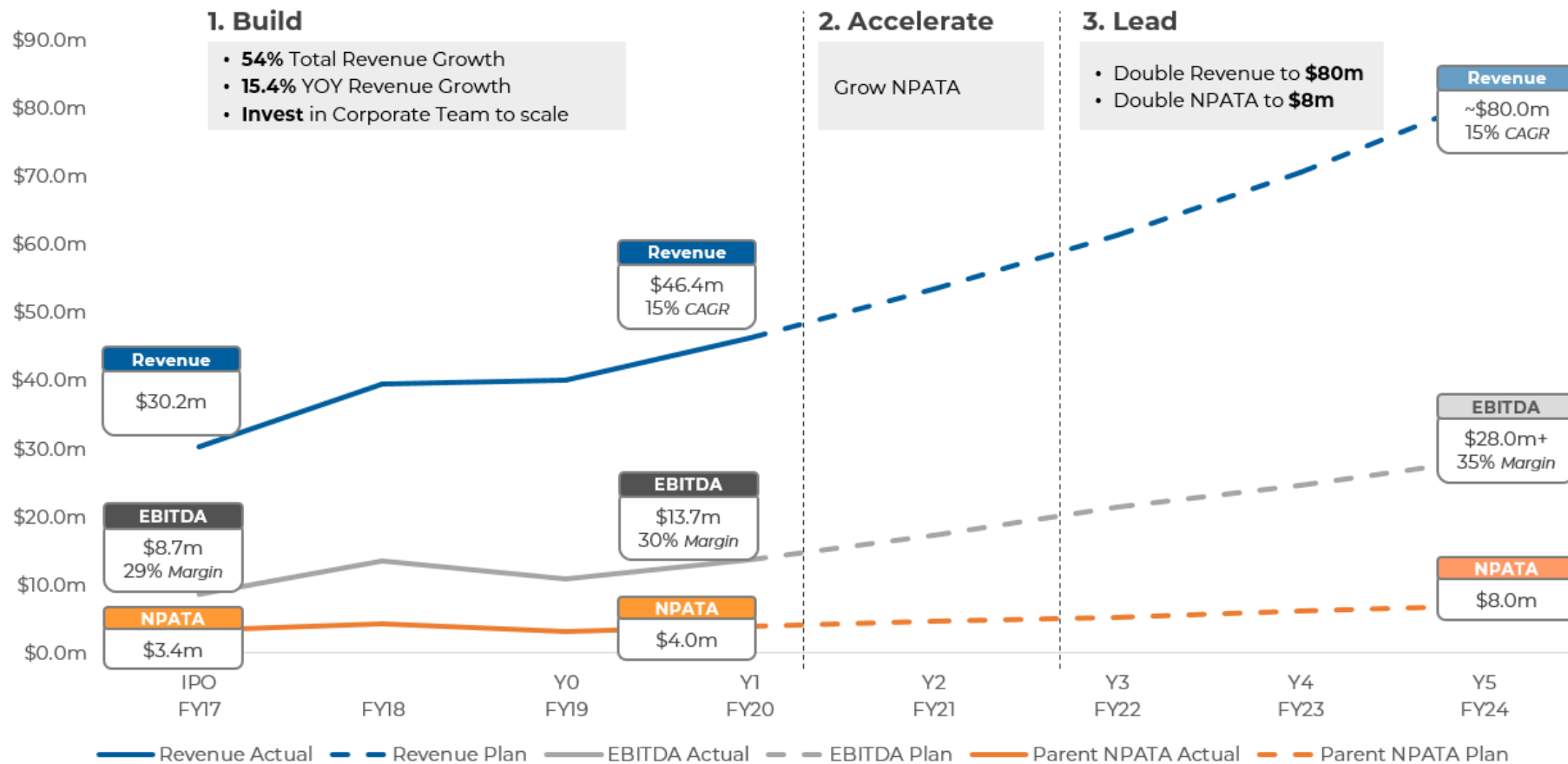
The Group has completed 7 acquisitions totalling \$6.9m to \$8.2m in annual revenues, representing a \$0.8m-\$1.0m NPATA contribution to the parent. The Group has exceeded the \$3.8m target acquisition for FY21 as per the Group's 5 year plan.

#	Acquired	Location	Type	Acquired Revenue
1	Jul-20	Inner West	Tuck-in	\$0.1m
2	Nov-20	Oran Park	Tuck-in	\$0.5m
3	Mar-21	Inner West	Tuck-in	\$0.8m
4	Apr-21	Central Coast	Tuck-in	\$2.5m-\$3.0m
5	Jul-21	Newcastle	Marquee	\$0.8m-\$1.0m
6	Jul-21	Sydney CBD	Tuck-in	\$1.9m-\$2.4m
7	Pending Completion	Norwest	Tuck-in	\$0.3m-\$0.4m
Total				\$6.9m - \$8.2m
% of FY20 Revenue (\$46.4m)				14%-18%

The Board of Directors of Kelly Partners Group Holdings Limited has approved the release of this document to the market.

Appendix A: KPG - 5 Year Growth Plan

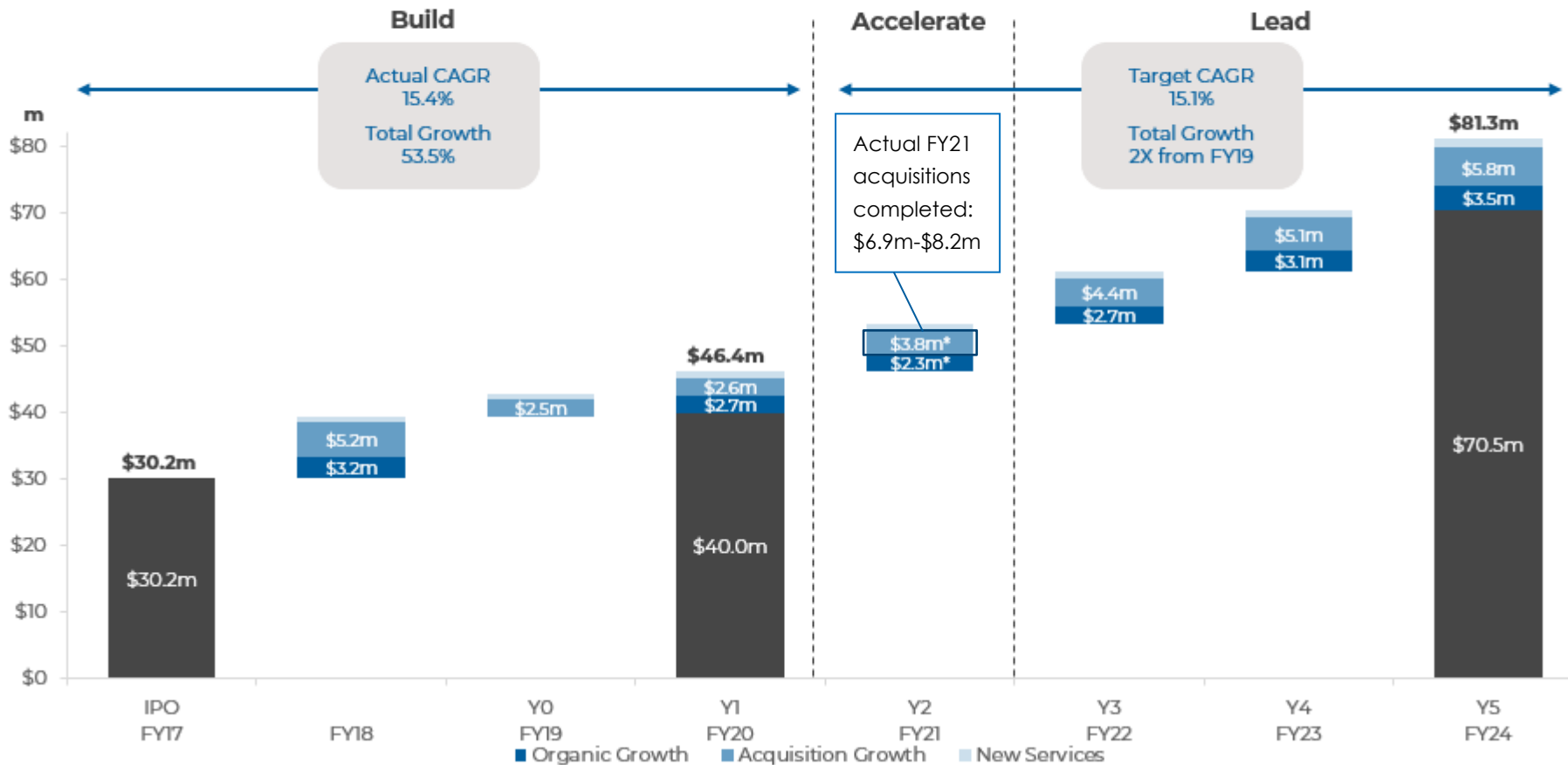
Build, accelerate and lead Double revenue to \$80m+ by FY24



Appendix B: KPG Existing and Target Locations

5 Year Revenue Growth Plan to FY24

Double revenue to \$80m+ by FY24



Kelly+Partners – Current Office Locations



About Kelly+Partners

Kelly+Partners is a specialist chartered accounting network established in 2006 to provide a better service to private clients, private businesses & their owners, and families. Growing from two greenfield offices in North Sydney and the Central Coast, Kelly+Partners now consists of 25 operating businesses across 17 locations in Greater Sydney, Melbourne and Hong Kong. In total, the team consists of more than 250 people, including 54 partners, who service over 8,000 SME clients. Our holding company, Kelly Partners Group Holdings, was successfully listed on ASX on 21 June 2017. Over the past 15 years, Kelly+Partners has undertaken 43 individual transactions in order to build the current accounting network. This includes the transformation of 27 external firms, and the launch of 16 greenfield businesses. Our ownership structure and operating model is unique in the Australian accounting market and provides a strong platform for long-term sustainable growth. The combination of a proven business model and specialist operational expertise enables Kelly+Partners to help solve many of the issues currently facing both the accounting sector and our SME clients.

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