

## KPG ANNOUNCEMENT – KPG

Friday, 1<sup>st</sup> August 2025

### CPA Firm located in California chooses Kelly+Partners

Kelly Partners Group Holdings Limited ("Group", ASX:KPG) announces today that it has completed a partnership with James Howard Accountancy Corporation, a CPA firm located in California, United States.

James Howard Accountancy Corporation has been a **leading accounting group to McDonalds franchisees for 50 years** who own and operate approximately 2% of all McDonalds restaurants in USA. Together with our business in Florida and North Carolina (Kelly Partners FRS), Kelly Partners now services ~8% of all franchisees who own and operate McDonalds restaurants in the USA. Kelly+Partners services franchisees that own ~10% of McDonalds restaurants in Australia.

The details of the partnership are as follows:

Location:	California, United States
<b>Revenue to Group:</b>	<b>\$USD2.8m-\$USD3.7m (\$AUD4.3m-\$AUD5.7m)</b>
NPATA to Parent:	\$USD0.3m-\$USD0.4m (\$AUD0.4m-\$AUD0.5m) (based on 35% EBITDA margin post improvements)
Purchased interest:	50.10%

A wholly owned subsidiary of Kelly Partners Group Holdings Limited will acquire 50.1% of the business with the remaining 49.9% held by all three existing equity partners of the business under our **Partner-Owner-Driver™** model. All four existing equity partners have made long term commitments to the new partnership (2 by 5 years and 1 by 10 years).

The partnership is not material to KPG, however it confirms the attractiveness of the Kelly+Partners offer and our Partner-Owner-Driver® model to owners of accounting businesses in the USA market.

James Howard, the Founding Partner of James Howard CPA said,

**'The firm history is that I passed the CPA exam in 1975 and began working for Keith Bills and Lee Wurtz, who had McDonald's clients going back to the 1960s. I became a partner in the firm Bills, Wurtz and Howard in 1977 after completing my 2 years of experience and being licensed as a CPA. Bills, Wurtz and Howard was the original predecessor for James Howard, An Accountancy Corporation. Bills and Wurtz retired in 1983. I am proud to be partnering with KELLY+PARTNERS.'**



KELLY PARTNERS GROUP HOLDINGS LIMITED

Founder and CEO of Kelly+Partners, Brett Kelly said,

**“We are humbled to be chosen by this terrific group of Partners in this leading USA accounting firm. The partnership confirms the attractiveness of the Kelly+Partners offer and our Partner-Owner-Driver™ model to owners of leading accounting firms.**

**KPG annual revenue at IPO in 2017 was \$30m after 11 years since founding in 2006. KPG has duplicated this revenue growth in 2.5 years of activity in the USA market.”**

A summary of partnerships completed since July 2025 are as follows:

#	Date of completion	Location	Type	Revenue to Group (\$AUD)
1	31 July 2025	Mission Viejo, California	Marquee	\$4.3m to \$5.7m
	<b>Total</b>			<b>\$4.3m to \$5.7m</b>
	<b>% of Run Rate Revenue (\$138.0m)</b>			<b>3.1% to 4.1%</b>

The annual run rate revenue of the Group post completion is \$AUD143m. Please see the following page for a calculation of the run rate revenue. US businesses now account for ~20% of the Group's revenue.

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

#### KPG Consolidated Group FY26 Run Rate Revenue

	\$m	Growth %
<b>FY24 Revenue</b>	<b>108.1</b>	<b>29.3</b>
<b>FY25 Run Rate Revenue Estimate</b>	<b>138.0</b>	<b>27.7</b>
1. Mission Viejo, California	<b>5.0</b>	
<b>FY26 Run Rate Revenue Estimate</b>	<b>143.0</b>	<b>3.6</b>

## **Background on James Howard, Founder of James Howard CPA**

President of James Howard, an Accountancy Corporation. Jim has been providing accounting, tax and consulting services to McDonald's Owner/Operators and other clients for 50 years. Jim's client was selected as the lead case, and Jim served on the team that successfully defended the right of taxpayers to amortize for tax purposes the cost of acquiring a franchise (see *Canterbury v. Commissioner* 99 T.C. 223). Jim led a panel of experts presenting a variety of tax topics at the National 2001, 2003 and 2005 McDonald's CPA Conferences. Jim has been honored as a recipient of the Los Angeles/San Diego McDonald's Purchasing Committee's "Customer Care Award" (1997), "Supplier Appreciation Award" (1998-2012) and "Supplier Volunteer Award" (2005).

Education -- California State University, Long Beach: Bachelor of Science in Business Administration with a major in accounting. Master of Business Administration.

Member -- American Institute of Certified Public Accountants, The California Society of Certified Public Accountants, The Society of California Accountants, and the Scholastic Honor Societies of Beta Gamma Sigma and Phi Kappa Phi, founding member of the Board of Directors and former treasurer of the National Franchise Consultant's + Accountants (NFCA), an organization of independent CPA firms dedicated to serving the needs of McDonald's franchise owners.

Former President (1995-2004), former Treasurer (1991-1995) and founding member (1988-2015) of the Orange County Ronald McDonald House Board of Trustees.

Former Treasurer (1992-2004) and former member (1990-2004) of the Board of Directors of Ronald McDonald House Charities of Southern California, a nonprofit corporation containing the Los Angeles, Orange County, Long Beach, Pasadena, and Loma Linda Ronald McDonald Houses, Camp Ronald McDonald for Good Times and the Ronald McDonald House Charities Community Grants Board.

Former Chairman (1998-2000) and founding member (1994-2000) of the Advisory Board for the McDonald's Charities Investment Program "McCIP". This Board manages the investments for the National and Participating Domestic Ronald McDonald House Charities. Funds under management of this program grew to over \$175,000,000 during Jim's six-year term on this Board.

Co-Founder and Chairman (2004-2015) of the RMHCSC Rock the House fundraising event featuring the Steve Plotkin Band. The event raised over \$500,000 for the benefit of Ronald McDonald House Charities of Southern California.

## About Kelly+Partners Group Holdings Ltd (ASX:KPG)

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 37 operating businesses across 35 locations in Australia, Hong Kong and the United States. In total, the team consists of more than 600 people, including 100 partners, who service over 23,000 SME clients.

The holding company, Kelly Partners Group Holdings Limited, was listed on ASX on 21 June 2017. Over the past 18 years, Kelly+Partners has undertaken 80 individual transactions in order to build the current accounting network. This includes the transformation of 50+ external firms, and the launch of 30+ greenfield businesses.

KPG's Hold Co ownership structure and unique operating model (**Partner-Owner-Driver®**) is transforming 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 KPG to help solve many of the issues currently facing both the accounting sector and the SME clients of our firms.

### Kelly+Partners – Current Locations



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