

KP+GH

KELLY PARTNERS GROUP HOLDINGS LIMITED

+ Kelly Partners Group Holdings Limited (KPGH)

Sydney Microcap Conference Presentation

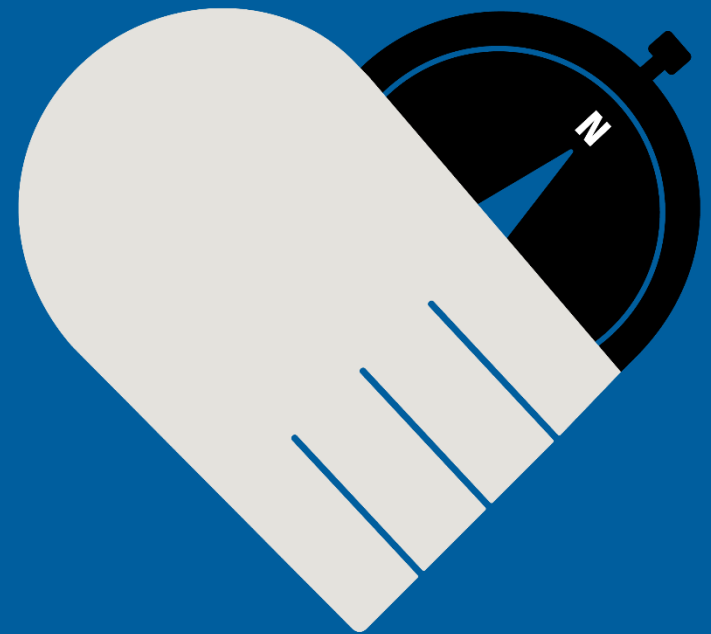
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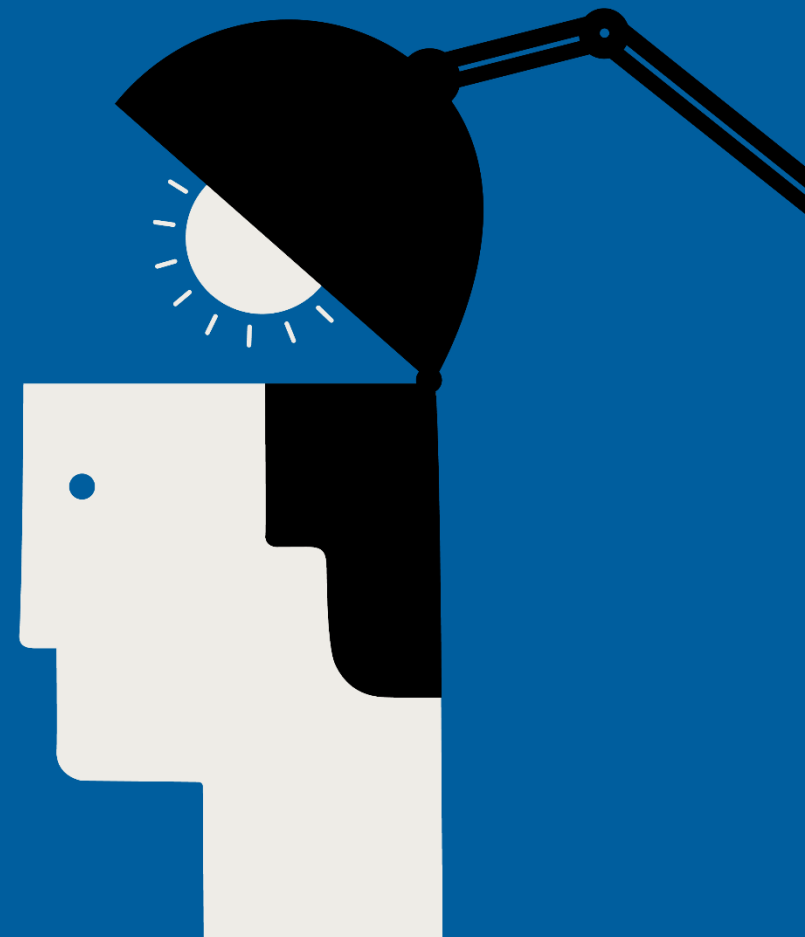
Brett Kelly, CEO and Executive Chairman

April 2019

Kelly Partners Group Holdings Limited
kellypartnersgroup.com.au



+ Business Overview



KP+GH

KELLY PARTNERS GROUP HOLDINGS LIMITED

+ Kelly+Partners Key Statistics

15 LOCATIONS	22 BUSINESSES
41 OPERATING PARTNERS	250 TOTAL TEAM
42 AVERAGE AGE OF OPERATING BUSINESS OWNERS	20 ACQUISITIONS COMPLETED SINCE INCEPTION



+ Top 25, Growing, Only located in Sydney

AFR Top 100 Accounting Firms 2018

Rank	Firm	Revenue	Revenue Growth	Partners	Aus Offices
1	PwC	\$2.35b	10.80%	679	9
2	Deloitte	\$2.01b	14.60%	786	12
3	EY	\$1.79b	9.50%	561	
4	KPMG	\$1.64b	9.30%	553	14
5	Crowe Horwath	\$363.96m	-2.00%	261	79
6	BDO	\$268.29m	8.70%	173	10
7	Grant Thornton	\$255.44m	8.00%	162	6
8	Pitcher Partners	\$252.19m	7.30%	122	6
9	RSM	\$189.3m	4.40%	96	30
10	PKF	\$117m	8.50%	84	13
11	KordaMentha	\$115m	-4.20%	44	6
12	William Buck	\$110.06m	5.30%	90	7
13	Bentleys Australia	\$105.16m	4.80%	67	15
14	HLB Mann Judd	\$102.2m	5.90%	79	9
15	Nexia Australia	\$92.49m	0.10%	74	10
16	Walker Wayland Australasia	\$77.7m	10.40%	66	35
17	Countplus	\$74.39m	-9.70%	56	28
18	Moore Stephens Australia	\$73.55m	46.80%	75	14
19	McGrathNicol	\$70m	7.70%	32	5
20	Hall Chadwick Australia	\$68.43m	11.00%	53	11
21	DFK Australia New Zealand	\$56.35m	-4.30%	56	17
22	ShineWing Australia	\$56m	3.50%	33	3
23	Synergy Group Australia	\$41.8m	39.20%	12	1
24	Kelly + Partners	\$40.82m	34.60%	48	13
25	UHY Haines Norton	\$37.54m	4.10%	38	11

9.05%

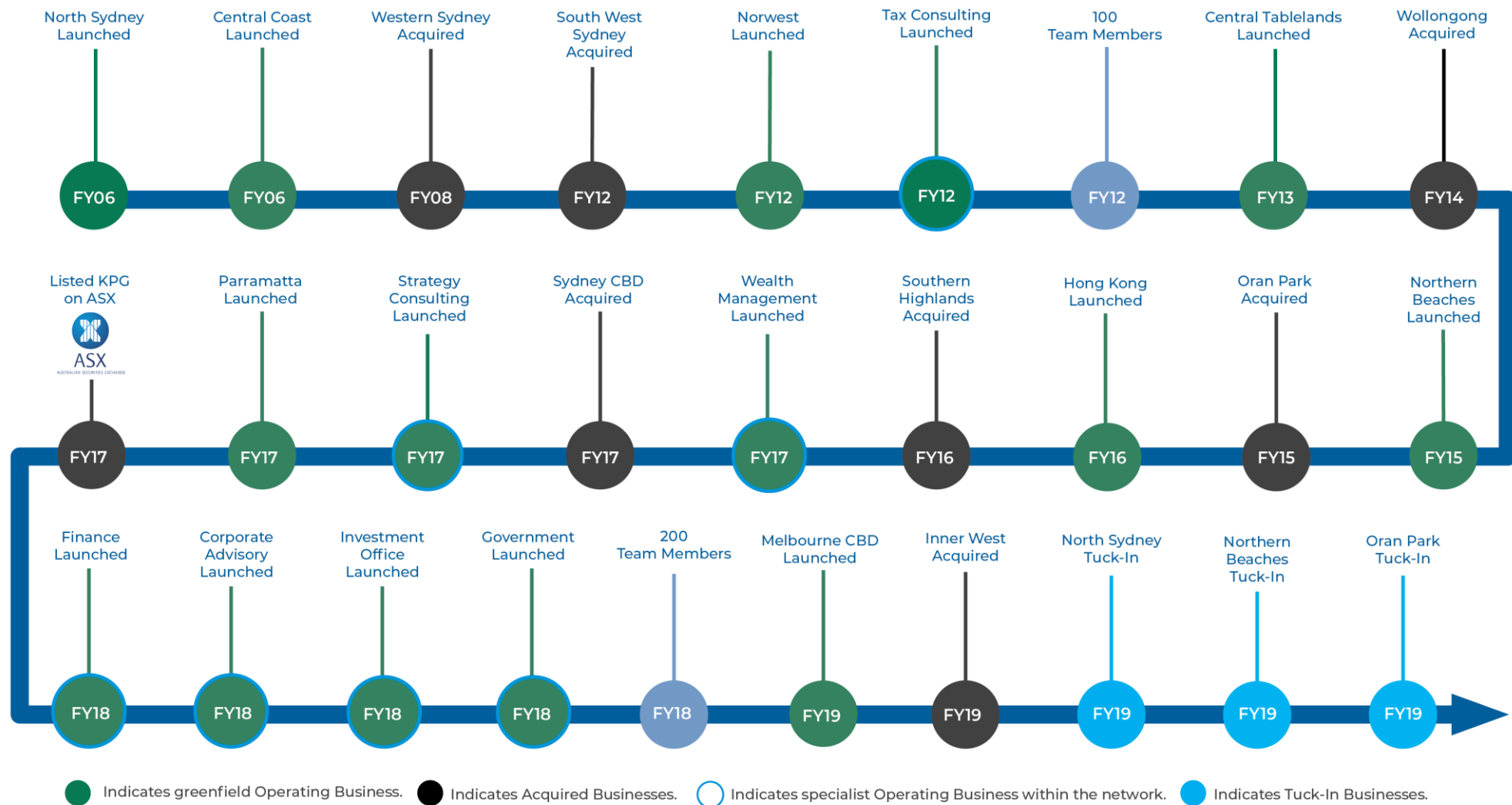
Source: Financial Review Top 100 Accounting Firms (2018) Available at:
<https://www.afr.com/business/accounting/who-are-australias-top-100-accounting-firms-for-2018-20180821-h148nl>

Big 4 Growth	Avg Growth
10.80%	ex Big 4
14.60%	ex Big 4
9.50%	ex Big 4
9.30%	ex Big 4
	-2.00%
	8.70%
	8.00%
	7.30%
	4.40%
	8.50%
	-4.20%
	5.30%
	4.80%
	5.90%
	0.10%
	10.40%
	remove low
	remove high
	7.70%
	11.00%
	-4.30%
	3.50%
	39.20%
	34.60%
	4.10%

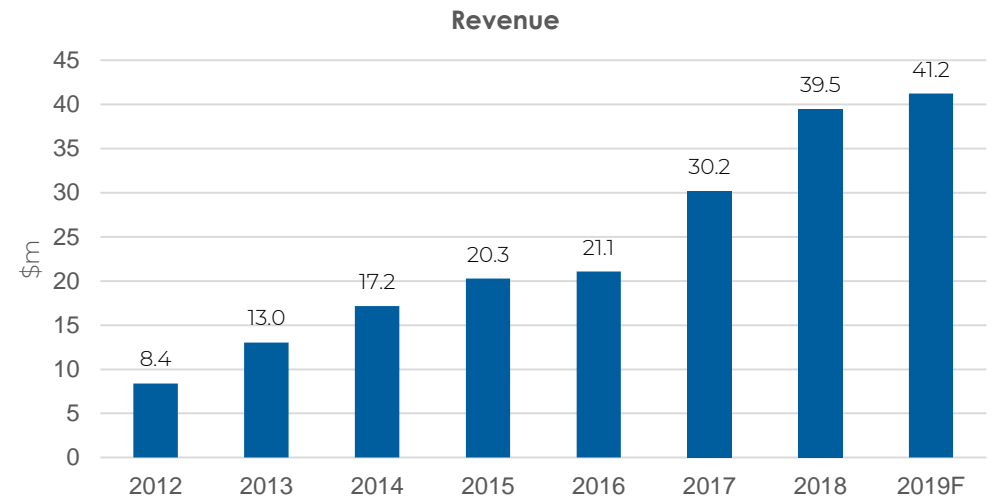
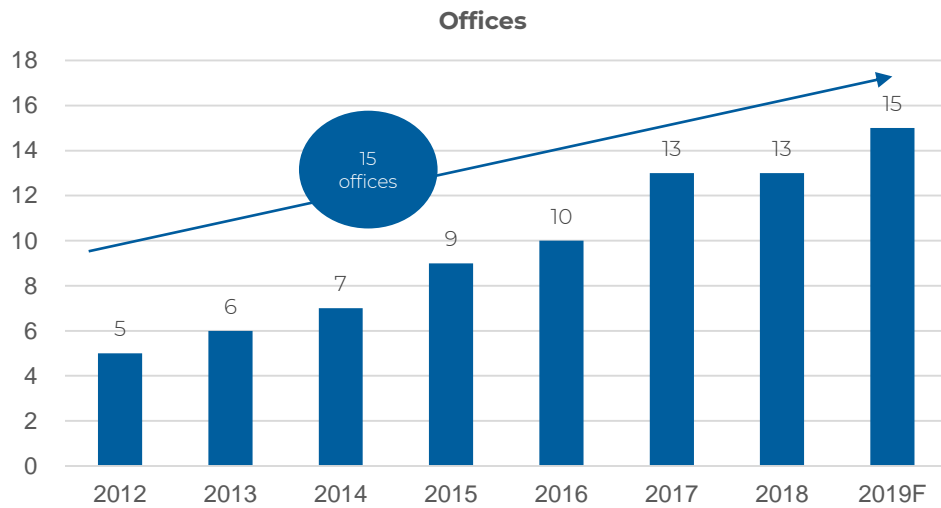
11.05%

8.05%

+Timeline



+ Track Record of Growth



+ Operating Business Model

Mission + Values



Clearly Defined Mission and Values

Strategy + Market



SME focus in Greater Sydney Area

Brand



Single Brand and Marketing

Intellectual Property



Proprietary Systems and Procedures

Structure



51/49 Owner-Driver Partnership Model

Management



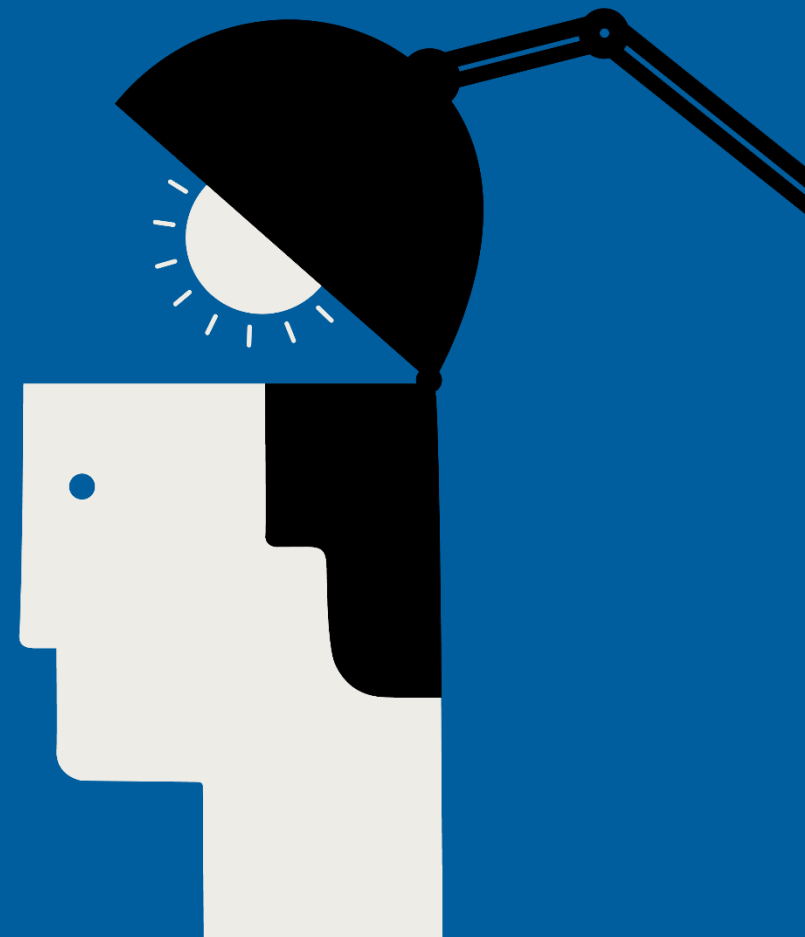
Centralised Back Office

Growth



Growing Network and Service Offering

+ Financial Performance



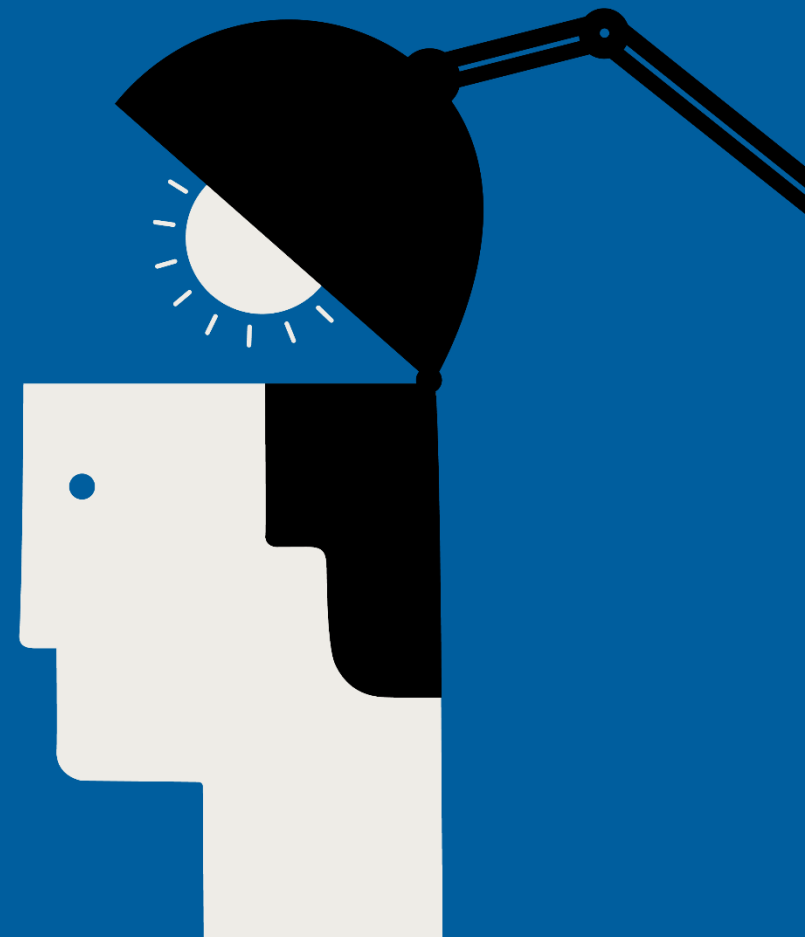
+ 1H19 Statutory Income Statement

Consolidated	1H19 ¹ (\$m)	1H18 ¹ (\$m)	% Change
Revenue	19.7	19.2	2.6%
Expenses	15.0	14.4	4.1%
EBITDA	4.7	4.8	(2.1%)
Depreciation	0.2	0.2	7.1%
EBIT	4.5	4.6	(2.4%)
Interest	0.4	0.3	26.5%
NPBT	4.1	4.3	(4.5%)
Tax	0.5	0.6	(15.7%)
NPATA	3.6	3.7	(2.8%)

Attributed	1H19 ¹ (\$m)	1H18 ¹ (\$m)	% Change
EBITDA	2.0	2.1	(1.4%)
Depreciation	0.1	0.1	24.0%
EBIT	1.9	2.0	(2.7%)
Interest	0.3	0.3	18.5%
NPBT	1.6	1.7	(5.8%)
Tax	0.3	0.5	(27.4%)
NPATA	1.3	1.2	6.1%

¹ Rounded to the nearest \$100,000

+ Outlook and Future Growth

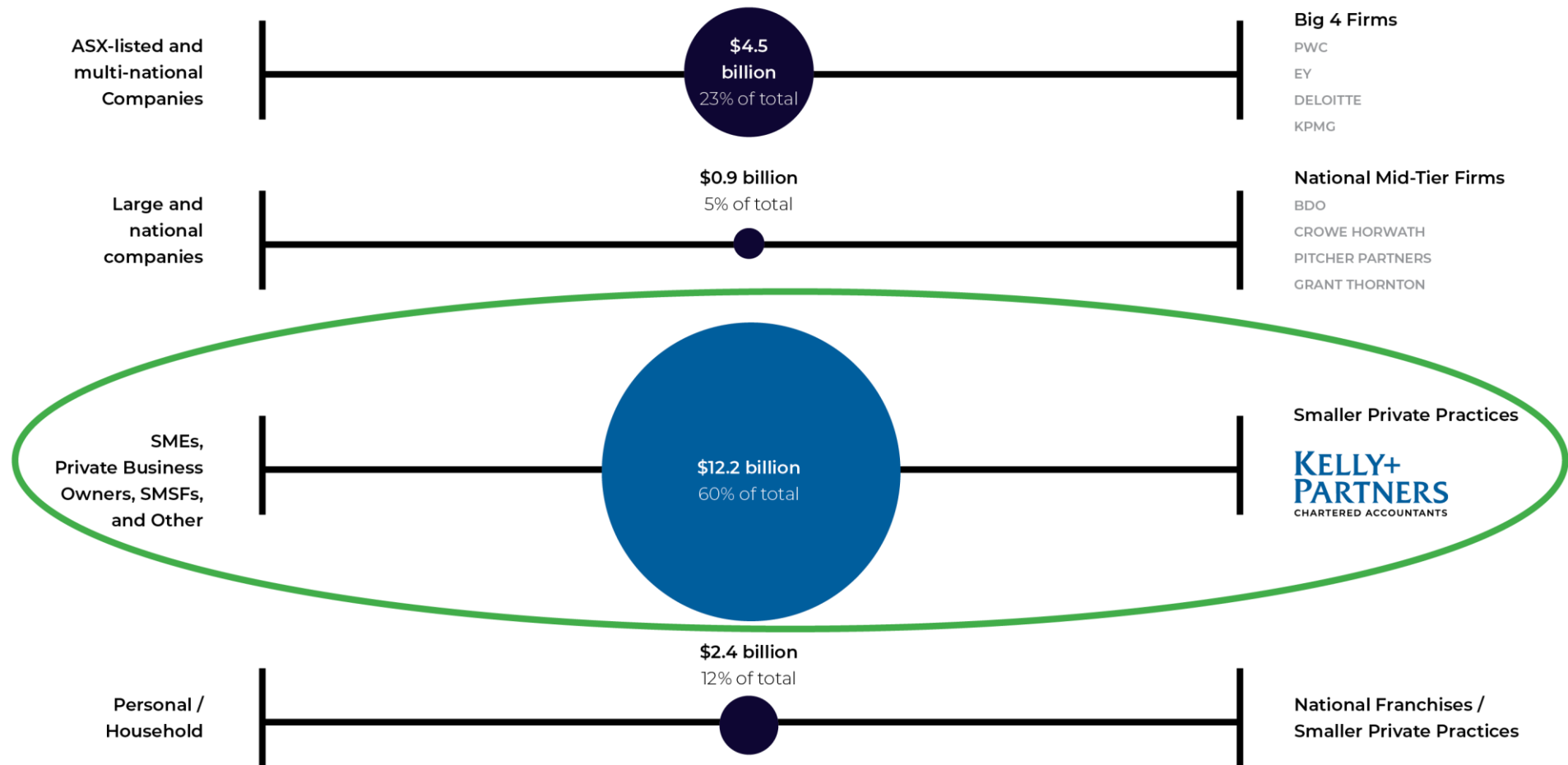


+Market Opportunity

Total Market \$20 Billion Annual Revenue

Typical Client Base

Typical Accounting Provider



+ 5 Year Growth Strategy

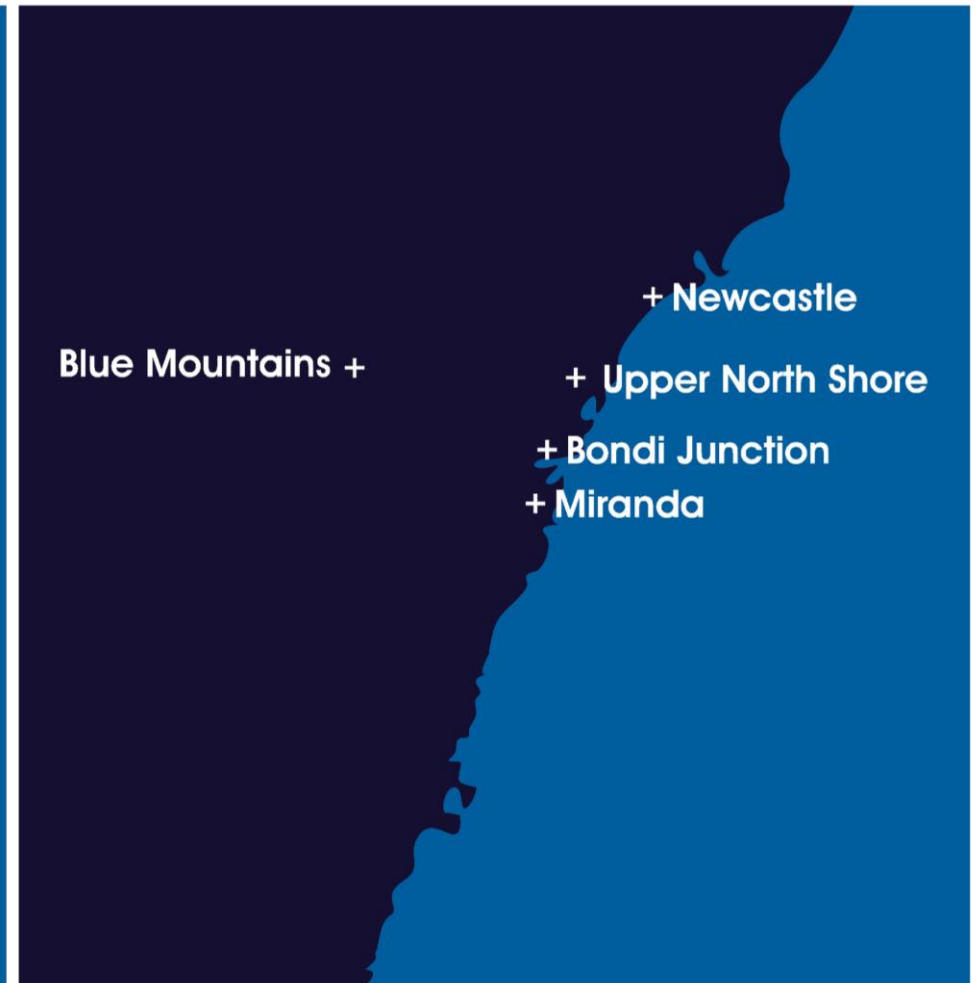
EXISTING GROUP	ORGANIC	NETWORK EXPANSION			NEW SERVICES	TARGET GROUP
	ORGANIC GROWTH	ACQUISITION – TUCK-IN	ACQUISITION – MARQUEE	OR GREENFIELD		
	5% p.a	2+ tuck-ins per year 8 existing sites \$1.0m+ revenue each 112 spare seats Integration cost 10% of price 60 days integration Target ROI – 30%+	5 new sites \$2.0m+ revenue each 2+ partners Integration cost 20% of price 2 year integration Target ROI – 30%+	5 new sites \$2.0m revenue target 2 partners target Start-up cost \$50-\$250k 3 years to target metrics Target ROI - 30%+ after 3 years	Wealth Finance Corporate Advisory Investment Office	
	Self Funded / Overdraft	Self Funded / Overdraft	Self Funded / KPG / Overdraft	Self Funded / Overdraft	Self Funded / Overdraft	Self Funded / Overdraft
~\$41m Revenue	\$12m+ Revenue Opportunity	\$12m+ Revenue Opportunity	\$10m+ Revenue Opportunity		\$5m+ Revenue Opportunity	\$80m+ Revenue Opportunity
~\$10m EBITDA	\$4.2m+ EBITDA Opportunity	\$4.2m+ EBITDA Opportunity	\$3.5m+ EBITDA Opportunity		\$1.8m+ EBITDA Opportunity	\$28m+ EBITDA Opportunity

+ Acquisition: Tuck-in & Marquee

Tuck-In (8 existing sites)



Marquee (5 new sites)



+ Disclaimer

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KELLY PARTNERS GROUP HOLDINGS LIMITED

+Thank you

April 2019

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