

ASX Announcement - KPG

Acquisition Announcement - Tuck in (Northern Beaches)

Tuesday 4 December 2018

Kelly+Partners Group Holdings Limited has continually outlined its growth strategy in the following terms:

1. Organic
2. Network Expansion (tuck in to existing site or new site)
3. New Services

The business continues to growth strongly organically and receive significant levels of interest from talented professionals and firms looking to join the business.

An acquisition agreement has been signed for Kelly+Partners Northern Business to acquire a 100% interest in an accounting firm in Warriewood to assist in the succession of the senior practitioner. The business will be tucked into the existing Kelly+Partners Northern Beaches business to create synergies and operating leverage.

The firm is more than 15 years old and occupies a leading position in accounting and taxation services to SMEs and individuals in its sub-market (upper northern beaches).

The business will operate as part of Kelly+Partners Northern Beaches from 4 December 2018.

The acquisition, together with the acquisitions announced in August in the Inner West of Sydney and North Sydney in total represent approximately \$4m of recurring tax, accounting billings.

We expect that the combination of these three acquisitions will contribute a material amount to NPAT in the year ended 30 June 2019. The acquisition is the third post-listing.

Acquisition discussions continue with other firms.

The existing offices have the capacity to carry up to a further \$25m of billings and we continue to actively pursue our strategy of building out these offices.

For more information, please contact:

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KELLY+PARTNERS
GROUP HOLDINGS LIMITED

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 21 operating businesses across 13 locations in Greater Sydney, plus Melbourne, Hong Kong and Auckland. In total, the team consists of more than 200 people, including 42 operating partners, who service over 5,000 SME clients. Our holding company, Kelly Partners Group Holdings, was successfully listed on ASX on 21 June 2017.

Over the past 12 years, Kelly+Partners has undertaken 28 individual transactions in order to build the current accounting network. This includes the transformation of 15 external firms, and the launch of 13 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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