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KELLY PARTNERS GROUP HOLDINGS LIMITED

ASX ANNOUNCEMENT - KPG
Tuesday, 9th November 2021

Kelly+Partners Acquires Penrith Firm

Kelly+Partners 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 through its unique Partner-Owner-Driver™ strategy and model. KPG is also growing its complementary wealth, finance, general insurance, and investment office business gradually over time.

In line with this plan, Kelly Partners Group Holdings Limited ("Group", ASX:KPG) announces today that it has exchanged agreements to acquire an accounting firm located in Penrith, NSW. The details of the acquisition are as follows:

Location:	Penrith, NSW
Type of Acquisition:	Tuck-in
Acquired by:	Kelly Partners (Western Sydney)
Revenue to Group:	$3,230,000 to $4,250,000
NPATA to Parent:	$400,000 to $500,000 post transactional improvements
Consideration – cash:	$3,300,000 to $4,400,000
Consideration – equity:	Two existing partners of the acquired business will acquire a 20% equity interest in the combined business.
Upfront / Retention:	70%/30%
Retention period:	2 years
Completion date:	11 November 2021 pending satisfaction of conditions precedent.

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

"**The acquisition confirms the attractiveness of the Kelly+Partners Partner-Owner-Driver™ model to owners of progressive accounting firms."**

Further details on this acquisition will be provided on completion of the transaction.

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

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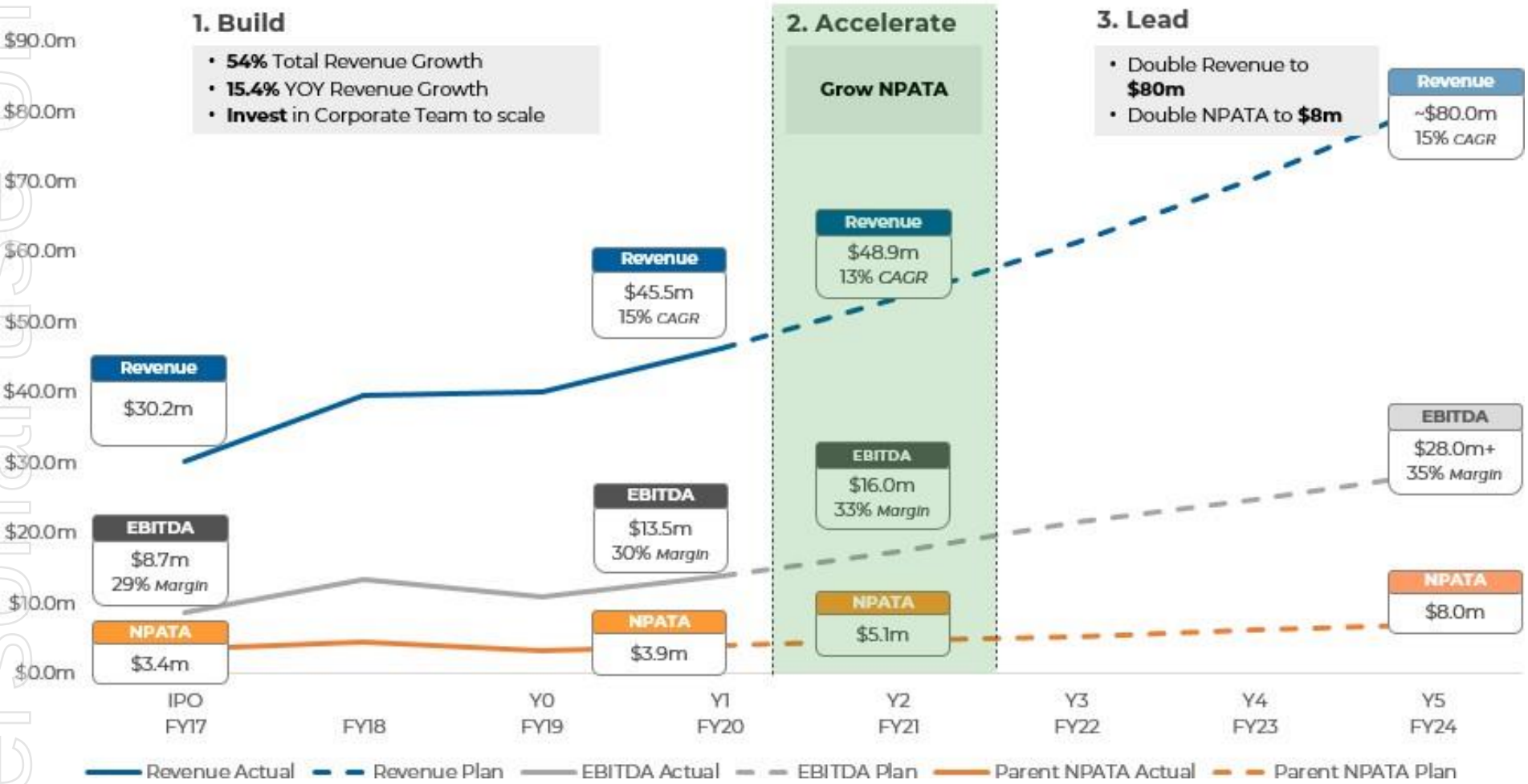
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Appendix A: KPG - 5 Year Growth Plan

Build, accelerate and lead

Double revenue to $80m+ by FY24



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Appendix B: KPG Existing and Target Locations

NSW



NSW Existing Locations: 15



NSW Target Tuck-in Locations: 6 (completed: 3)



NSW Target Marquee Locations: 2 (completed: 1)

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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 26 operating businesses across 17 locations in Greater Sydney, Melbourne and Hong Kong. In total, the team consists of more than 250 people, including 51 partners, who service over 9,500 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 44 individual transactions in order to build the current accounting network. This includes the transformation of 28 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.

For more information, please contact:

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