KELLY PARTNERS GROUP HOLDINGS LIMITED

KELLY PARTNERS GROUP HOLDINGS
(ASX: KPG)

1H24 RESULTS PRESENTATION

PRESENTED BY

Brett Kelly Founder and CEO **Kenneth Ko** CFO

February 2024

KPG IN 10 SECONDS

PROFIT & LOSS

- ↑23.1% REVENUE GROWTH — **REVENUE**
- ↑2.6% EBITDA MARGIN — **MARGIN**
- ↑25.0% UNDERLYING NPATA GROWTH — **PARENT NPATA**

BALANCE SHEET

- ↓7.4% RETURN ON EQUITY — **RETURN**
- ↑0.01x NET DEBT TO UNDERLYING EBITDA — **GEARING**

CASHFLOW

- ↑21.1% OPERATING CASHFLOW — **CASHFLOW**
- ↓5.0% CASH CONVERSION — **EFFICIENCY**

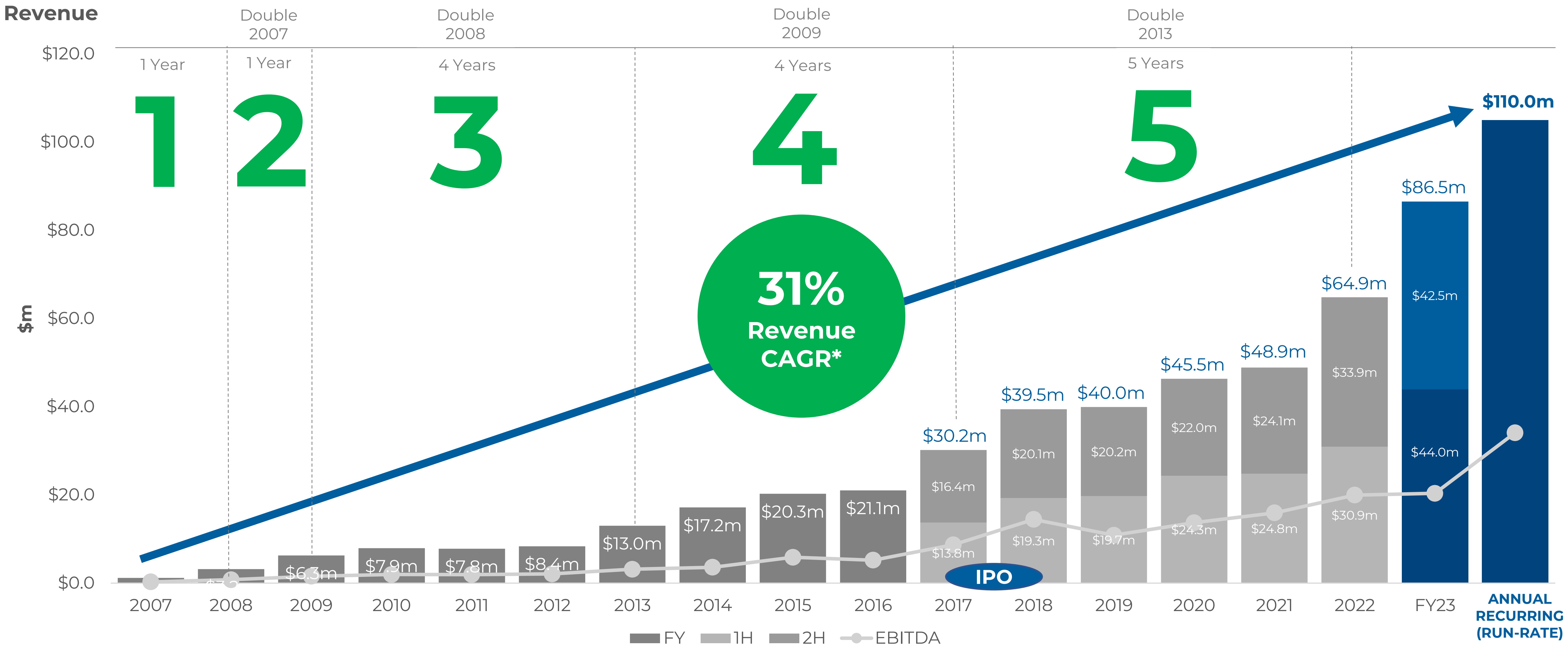
	REVENUE	MARGIN	PARENT NPATA	RETURN	GEARING	CASHFLOW	EFFICIENCY
1H24	$52.9m	29.3%	$4.4m	35.3%^	1.94x	$17.0m	101.4%
1H23	$42.9m	26.9%	$3.5m	42.7%	1.93x	$14.0m	106.4%
	Revenue from ordinary activities	Underlying EBITDA pre AASB 16 to Revenue	Underlying NPATA attributable to parent	Underlying Group NPATA on Group Equity	Net Debt on Underlying Group EBITDA	Operating Cashflow pre AASB 16	Operating Cashflow (before finance costs and tax) on EBITDA

Supplementary Statistics

	Revenue / FTE	Firm EBITDA %	Underlying Group NPATA	Group ROIC*	Lockup Days	Receipts from Customers	Operating Cashflow
1H24	$239K / FTE	30.6%	$11.1m	19.9%	55.2	$59.0m	$17.0m
1H23	$209K / FTE	30.3%	$8.6m	21.5%	56.4	$48.4m	$14.0m

^ Return on equity impacted by in year acquisitions that do not contribute full year earnings. Adjusting for this results in a 40.6% ROE
**Return on invested capital impacted by in year acquisitions that do not contribute full year earnings. Adjusting for this results in a 21.9% ROIC*

DOUBLE 5 TIMES IN A ROW



**CAGR means Compound Annual Growth Rate and represents the constant rate of compound revenue growth over the period since inception (with the business founded in 2006, and the calculation based on 2007 representing the first full year of operations). Audited numbers from FY2013 onwards.*

NEXT 5 YEARS (FY25-FY29)

OBJECTIVE

TOP 10 IN AUSTRALIA

Grow to become a top 10 accounting firm in Australia

SCALE COMPLEMENTARY

Build vs. Buy vs. Partner

GO GLOBAL

Growing Kelly+Partners System, Business Model and Partner-Owner-Driver® model in markets globally

SCOPE

	Financial Review Top 100 Accounting Firms ($m)	Rev ($m)
1	PwC	3,170.0
2	Deloitte	2,850.0
3	EY	2,660.0
4	KPMG	2,378.0
5	BDO	474.9
6	Findex	403.9
7	RSM Australia	331.6
8	Grant Thornton	328.1
9	Pitcher Partners	326.0
10	PKF	158.8
11	William Buck	155.8
12	Bentleys Network	135.0
13	Nexia Australia	131.8
14	HLB Mann Judd	120.2
15	Synergy Group	119.4
16	McGrathNicol	118.7
	Kelly Partners (FY24 est.)	**110.0**
17	Walker Wayland Australasia	92.1
18	Count Limited	88.9
	Kelly Partners (FY23)	**86.5**
19	Hall Chadwick	88.9
20	Moore Australia	88.4

1	Finance	?
2	Insurance	austbrokers
3	Wealth	?

We intend to discover the natural conversion rate of finance (10%), insurance (10%) and wealth (30%) services required by our accounting clients.

Country	TAM in AUD
US	$190bn
UK	$63bn
Canada	$17bn
NZ	$3bn
Total TAM	**$273bn (20x AUS)**

ADVANTAGE

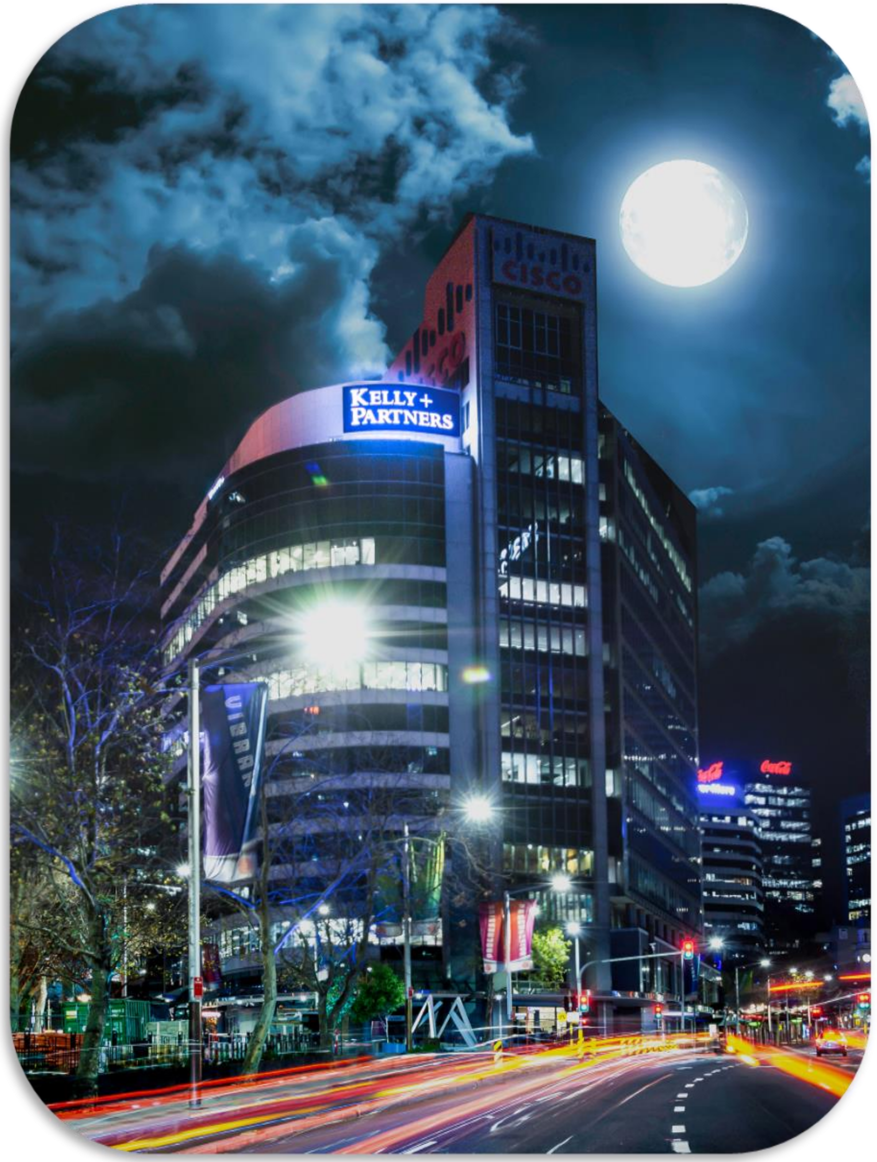
Kelly+Partners System, Kelly+Partners Business Model, Partner-Owner-Driver® , Central Progress Team

ABOUT

KP+GH

INTRODUCTION

- Kelly+Partners Group Holdings Limited ("KPGH" or the "Company") is Australia's leading accounting services platform, delivering transformational outcomes for operating partners and exceptional returns for shareholders
- The Company was founded by Brett Kelly in 2006 and listed on the ASX in 2017, generating more than 600% Total Shareholder Return since listing
- KPGH's unique 'Partner-Owner-Driver'® model delivers operational excellence and enhanced financial return, with operating margins of acquired businesses typically increasing to ~33% vs industry average of ~19%
- This successful programmatic acquisition strategy has delivered ~30% revenue CAGR since inception and +40% average return on equity over the last five years
- Following this success in Australia, KPGH identified similar market dynamics and opportunity in the US, entering the market in 2023 with California serving as a beachhead for expansion
- KPGH's objective is to become Australia's first global accounting services firm, leveraging its proven 'Partner-Owner-Driver'® model and programmatic acquisition strategy, validated by almost two decades of growth



LEADING PLATFORM

Our people	**542 team members** *Inc. 91 operating partners*	**34 office locations** *28 Australia and 6 global*	**49 acquisitions** *Since inception*	**90% Great Place to Work®**
Our clients	**23,000 active clients** *Across Australia*	**88% tax & accounting** *Proportion of FY23 revenue*	**5% organic growth p.a.** *Historical revenue growth rate*	**+70 NPS vs industry's -18**
Our shareholders	**+30% revenue growth p.a.** *CAGR since 2006*	**+40% return on equity** *Five-year average*	**97% cash conversion** *Five-year average*	**~610% TSR since IPO**

BUSINESS HIGHLIGHTS

1. Industry leading disruptive operator in highly attractive accounting services market
2. Exceptional track record of disciplined founder-led growth, pursuing programmatic acquisitions to drive profitability and returns
3. Annuity-style revenue mix supported by long-standing and diverse SME client base
4. Unique 'Partner-Owner-Driver'® model that empowers operators with equity and a platform that delivers operational excellence and enhanced financial return
5. Significant runway for continued growth within accounting services and complementary offerings, both in Australia and offshore
6. Founder-led company with proven ability to deliver strategy and generate strong shareholder value

OVERVIEW

Overview

- Kelly+Partners Group Holdings Limited is one of the fastest growing accounting platforms in Australia with market cap of ~$250m
- Since inception 17 years ago, the business has achieved 30% average revenue growth p.a., successfully executing a programmatic acquisition strategy within the Australian accounting services market
- KPGH owns a ~51% interest in its operating businesses, which are run by highly engaged and incentivised co-owners who benefit from the group's established platform

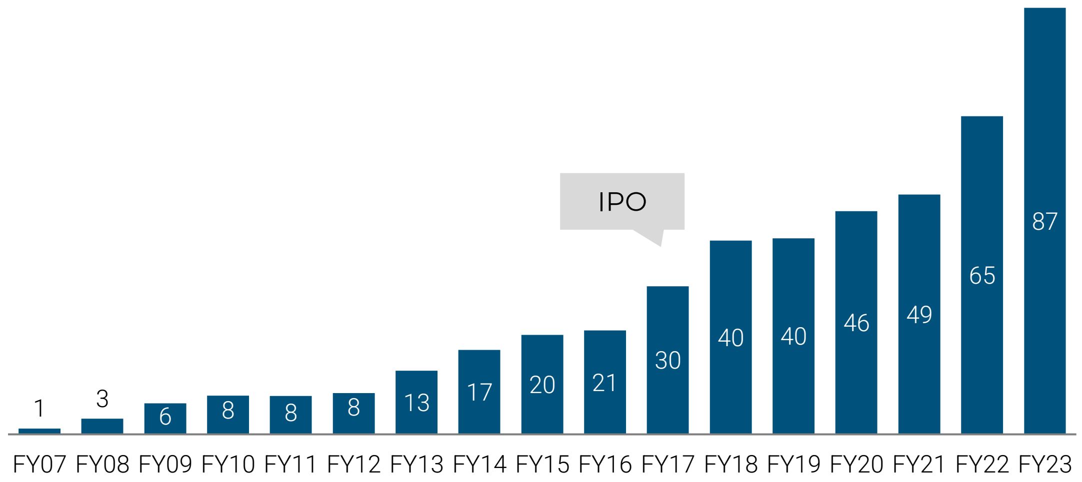
Key business attributes

- Defensive annuity-style revenue stream
- 23,000 client groups across diverse industries
- Leading operating business margins, almost double industry average
- Exceptional profitability and return metrics

Revenue mix

~99% annuity			~1% transactional
91%	6%	2%	1%
Accounting & Tax	Wealth	Finance	Investment Office

30% 15YR revenue CAGR (A$m)

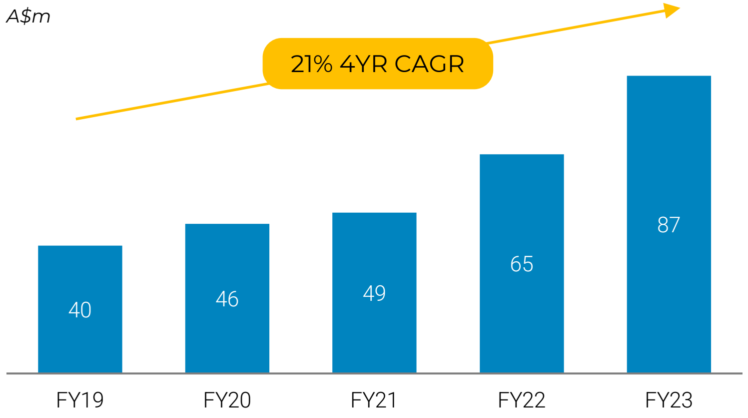


Objective To become Australia's first global accounting services firm, leveraging a proven 'Partner-Owners-Driver'® model and programmatic acquisition strategy

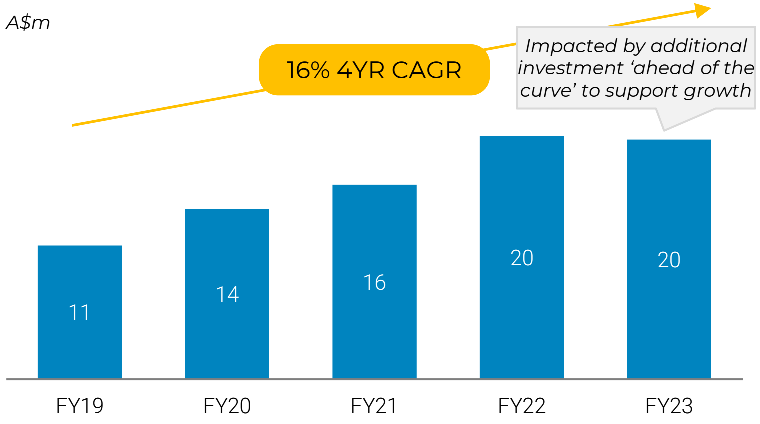
Source: IBIS World Accounting Services in Australia Industry Report (April 2020), Company filings.

PERFORMANCE

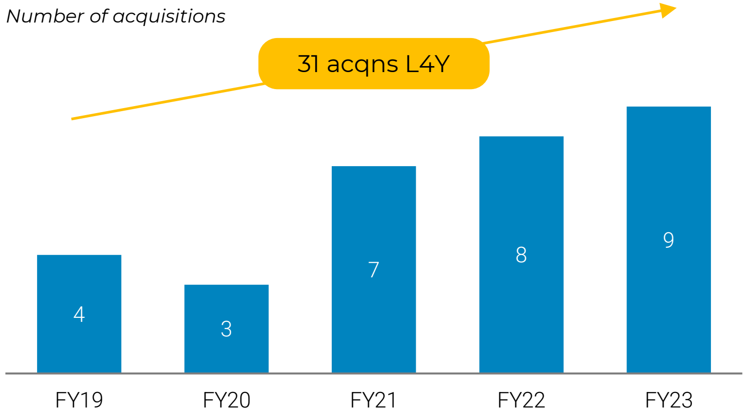
Consistent revenue growth



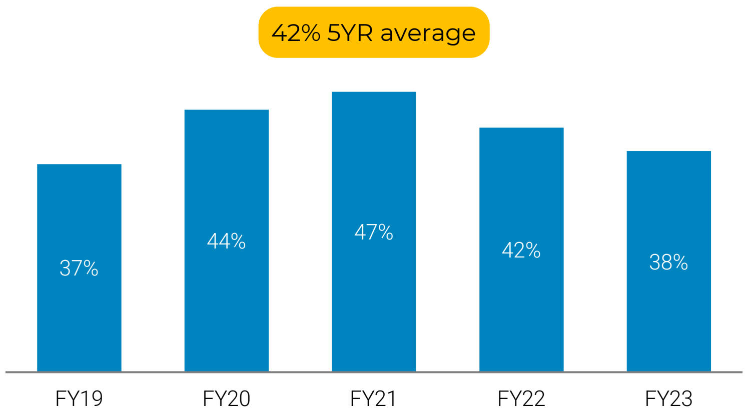
EBITDA approximately doubled since FY19[1]



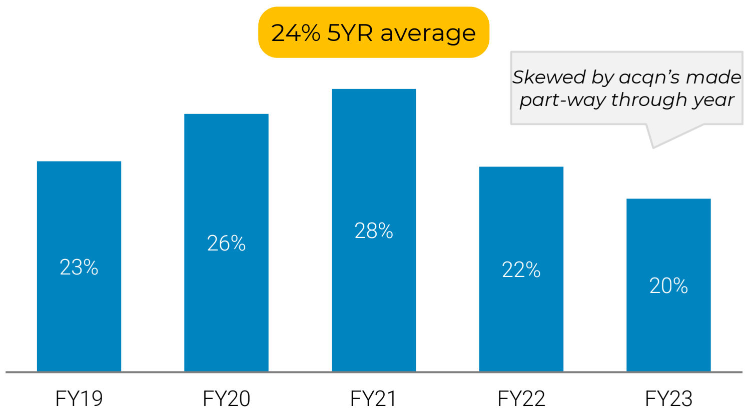
Successful programmatic acquisition strategy



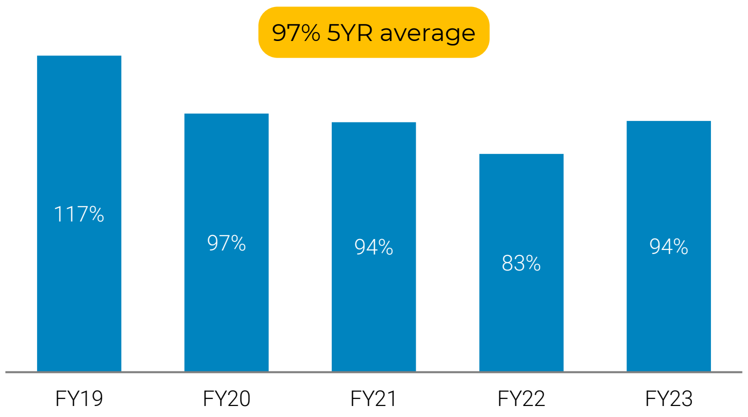
+40% Return on Equity[2]



+25% Return on Invested Capital[3]



Cash conversion[4]



Note: (1) Pre AASB 16. (2) ROE calculated as underlying NPATA / Equity. (3) ROIC calculated as (NPAT plus interest) / (Equity + Debt). (4) Cash conversion calculated as last reported operating cash flow divided by EBITDA.

PARTNER-OWNER-DRIVER®

Target partner profile

- Alignment with KPGH's vision and culture
- Capacity to meet KPGH's target financial and operating metrics
- Long-term commitment of Operating Business Owners via ~49% ownership
- Long-term client relationships, with strong SME / SMSF profile
- Focus on accounting and taxation services
- Provides geographic expansion opportunities for KPGH

Key terms of operating model

POD Partner-Owner-Driver®

- Parent ownership ⇨ **>50%**
- Agreement term ⇨ **10 years + rollover**
- Consideration ⇨ **partial upfront + earn-out**
- Standardised branding and marketing
- Fees paid for centralised back-office services and IP
- Defined base salaries and monthly distributions
- Agreed operating methods, metrics and protocols
- Non-recourse debt to parent

17-year track record

KP+GH
KELLY PARTNERS GROUP HOLDINGS LIMITED

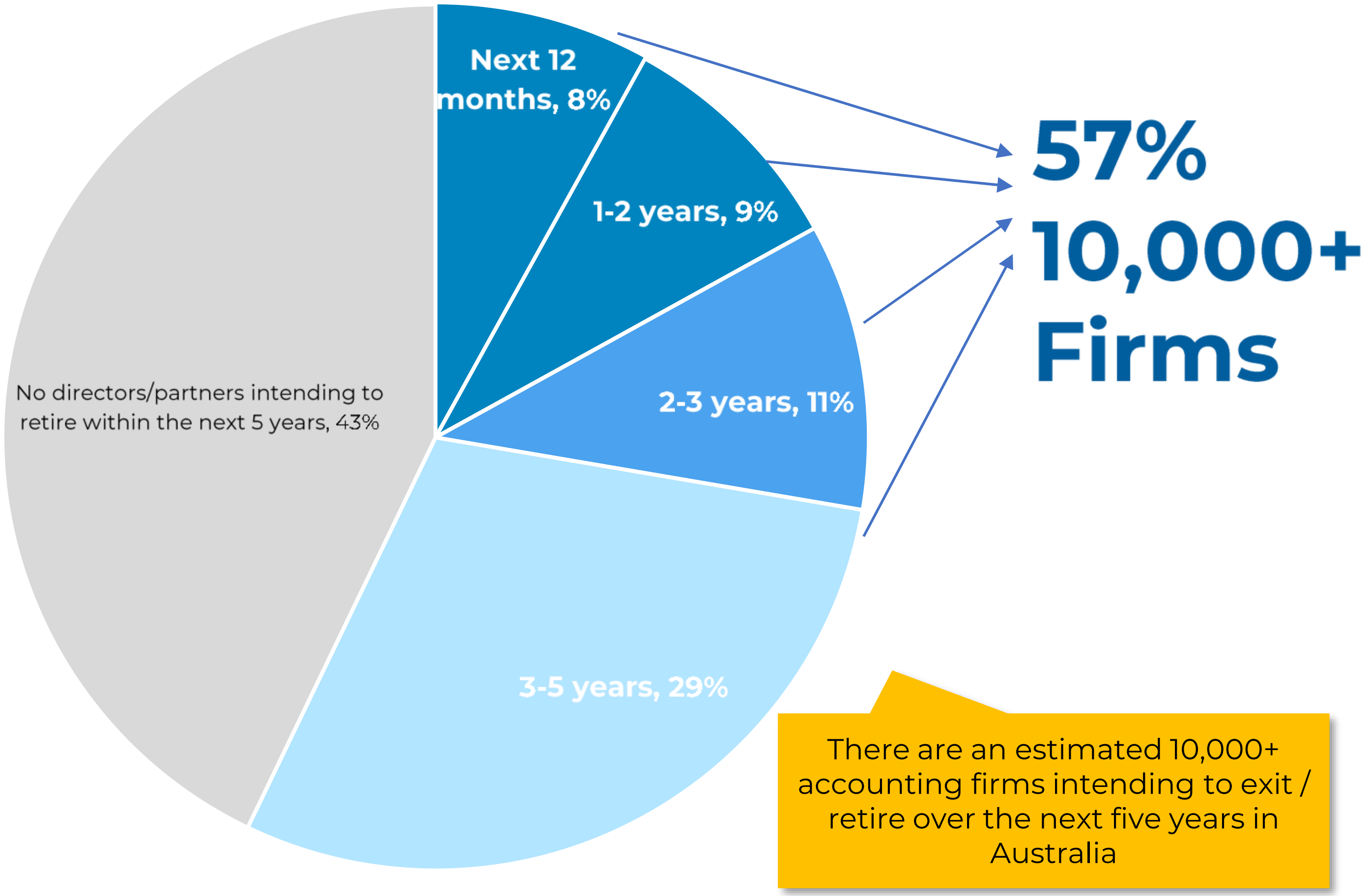
- ✓ 30% revenue CAGR since inception
- ✓ 49 acquisitions completed to date with robust inbound pipeline
- ✓ Track record of increasing operator EBITDA margins to ~33% vs industry average of ~19%
- ✓ +40% return on equity (last five years)
- ✓ Nil equity capital raised
- ✓ ~610% TSR since IPO

KPGH's programmatic acquisition strategy and Partner-Owner-Driver® model has been validated in Australia and is highly portable into offshore markets

SUCCESSION

Accounting firms intending to exit / retire

Source: Good Bad Ugly Insight Report – Succession 2018 report



Global tax megatrends

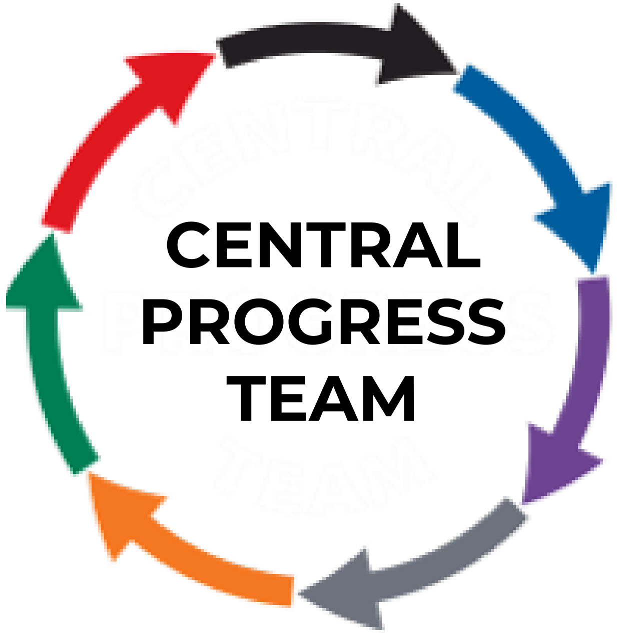
- ✓ Shrinking tax base demographic
- ✓ Societal pressure to increase personal taxes
- ✓ Competitive pressure to reduce corporate taxes
- ✓ Increasing tax complexity and compliance
- ✓ Heightened corporate disclosure
- ✓ Ongoing government budget deficits

ADVANTAGE

GROUP	MODEL	BUSINESS	TEAM

POD

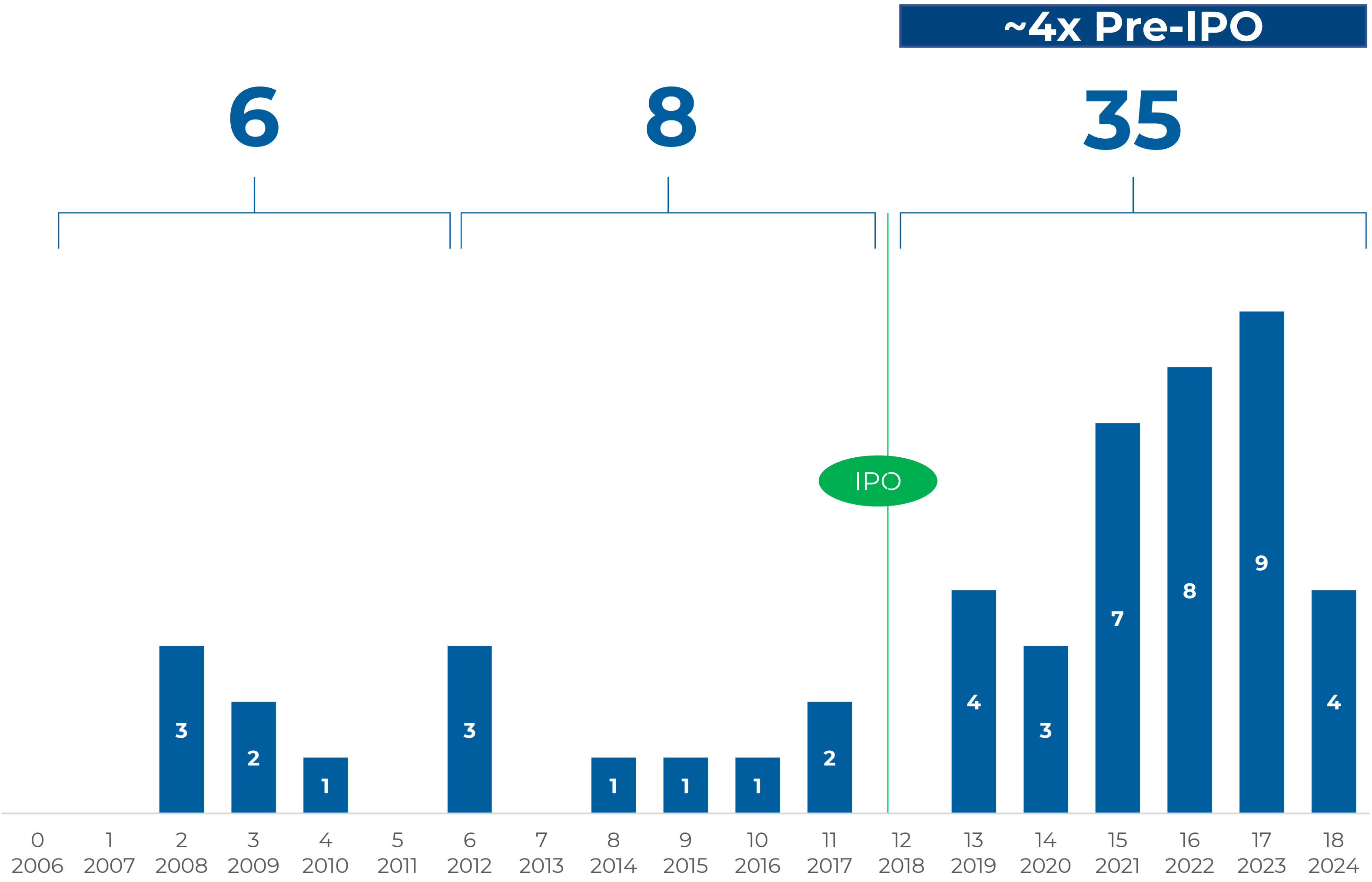
Partner-Owner-Driver ®



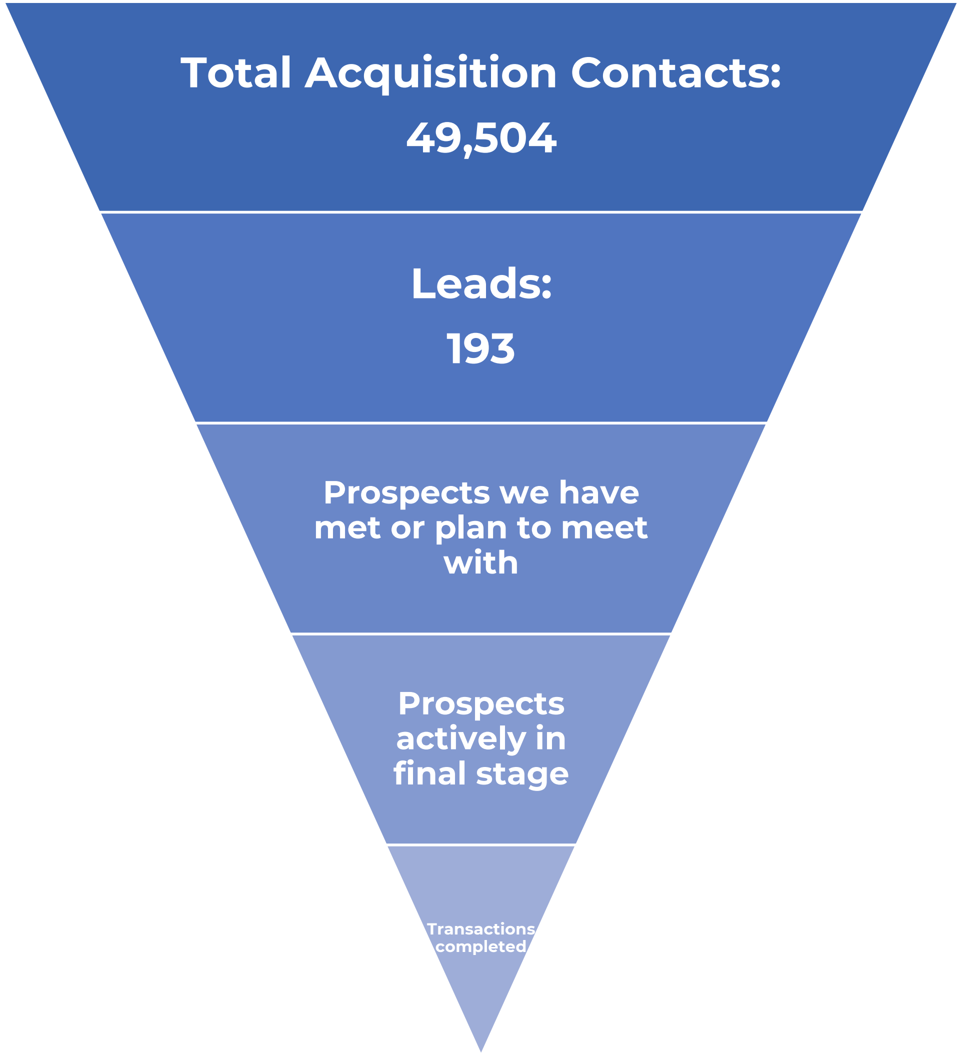
Kelly Partners' Programmatic Acquisition System

HEDGEHOG / IKIGAI

PROGRAMMATIC ACQUISITIONS



Note: based on acquisitions that are announced in the stated financial year, e.g. acquisition that was announced in FY22 but completed in FY23 is shown in FY22.



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CAPITAL ALLOCATION

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CAPITAL ALLOCATION – HY

	KPG aims to build per-share intrinsic value by:		FY23	1H23	1H24
1	Improving the earning power of our operating businesses	✓	27.3%	30.3%	30.6%
			EBITDA Margin of Operating Businesses		
2	Further increasing their earnings through acquisitions	✓	28.7%	34.5%	20.4%
			Contribution to revenue growth		
3a	Growing our existing accounting subsidiaries	✓	2.9%	5.6%	3.1%
			Contribution to revenue growth		
3b	Growing our existing complementary businesses	✓	1.8%	2.1%	(0.4%)
			Contribution to revenue growth		
4a	Making programmatic acquisitions	✓	8	5	3
			Number of acquisitions		
4b	Making an occasional large acquisition (i.e. >$5m in revenue)	⊖	1	0	0
5	Repurchasing KPG shares	✓	0	0	0
	Number of Shares On Issue	✓	45.0m	45.0m	45.0m

CAPITAL ALLOCATION – FY

KPG aims to build per-share intrinsic value by:			FY18	FY19	FY20	FY21	FY22	*FY23*
1	Improving the earning power of our operating businesses	✓	34.0%	27.7%	32.5%	33.4%	30.9%	27.3%*
			EBITDA margin of operating businesses					
2	Further increasing their earnings through acquisitions	✓	17.2%	6.4%	6.6%	4.8%	26.5%	28.7%
			Contribution to revenue growth					
3a	Growing our existing accounting subsidiaries	✓	10.3%	(6.4%)	6.6%	1.5%	4.7%	2.9%
			Contribution to revenue growth					
3b	Growing our existing complementary businesses	✓	2.7%	1.8%	1.4%	1.2%	1.5%	1.8%
			Contribution to revenue growth					
4a	Making programmatic acquisitions	✓	0	4	3	7	8	8
			Number of acquisitions					
4b	Making an occasional large acquisition (i.e. >$5m in revenue)	✓	0	0	0	0	0	1**
5	Repurchasing KPG shares	✓	0	2k	95k	400k	0	0
	Number of Shares On Issue	✓	45.5m	45.5m	45.4m	45.0m	45.0m	45.0m

**see slide 24 "profitability" for EBITDA margins by cohorts.* ***announced in FY23, completed in Jul-23*

ROIC

"And when we think about Invested Capital, we think about the shareholder capital that has been invested in the businesses, plus any Adjusted Net Income less any distributions. Obviously, when you divide Adjusted Net Income by Invested Capital, you get a measure of the return on our shareholders' investment (i.e. ROIC). If you add Organic Net Revenue Growth to ROIC, you get what we believe is a proxy for the annual increase in Shareholders' value. In a capital intensive business you couldn't just add Organic Net Revenue Growth to ROIC, because growing revenues would require incremental Invested Capital. In our businesses we can nearly always grow revenues organically without incremental capital" – *Mark Leonard, 2009 President's Letter, page 2*

Year	Group Underlying NPATA + Cash Interest	Invested Capital (Debt + Equity)	ROIC	Organic Revenue Growth (YOY)	ROIC + Organic Revenue Growth
2017	$7,961,219	$34,791,080	22.9%		22.9%
2018	$12,132,817	$38,886,264	31.2%	13.0%	44.2%
2019	$9,650,748	$42,755,818	22.6%	-4.3%	18.3%
2020	$10,955,031	$41,935,241	26.1%	8.0%	34.1%
2021	$12,410,693	$44,924,311	27.6%	2.7%	30.3%
2022	$15,209,546	$68,289,664	22.3%	6.2%	28.4%
2023	$16,136,313	$80,725,640	20.0%	4.7%	24.7%
1H24 TTM*	$20,246,775	$94,589,037	19.9%	2.8%	22.7%
Average (2018 to 1H24)			**24.2%**	**4.7%**	**29.0%**

**Return on invested capital impacted by in year acquisitions that do not contribute full year earnings. Adjusting for this results in a 21.9% ROIC*

ADDITIONAL INVESTMENT

- Additional investment of $0.7m (0.7% of run rate revenue) to ensure we can handle next stage of growth (revenue growing 60% from FY22 ($64.9m) to FY24 run rate of $100-$110m). Additional investment for the half year has reduced ~40% compared to prior year
- We have always invested in advance to have the right team and platform to service newly acquired businesses joining the Group
- Significant additional investment only required and intentionally spent during times of extraordinary growth

Sources of Capital

Internal cashflow
Issue Debt
Issue Equity

Use of Capital

Invest in existing operations
Buy other companies
Pay down debt
Pay dividends
Repurchase shares

	FY18	FY19	FY20	FY21	FY22	FY23	1H24	Recurring
Group revenue	$39,468,666	$39,975,031	$45,495,584	$48,906,446	$64,862,110	$86,524,364	$52,862,454	$100-$110m
Revenue growth	-	+1.3%	+13.8%	+7.5%	+32.6%	+33.4%	+23.1%	+21.4%
Additional investment	$371,913	$742,439	$1,630,905	$371,127	$77,836	$2,479,110	$725,664	
% of Revenue	0.9%	1.9%	3.6%	0.8%	0.1%	2.9%	1.4%	
Cumulative Additional Investment	$371,913	$1,114,352	$2,745,257	$3,116,384	$3,194,220	$5,673,330	$6,398,994	
Underlying NPATA	$4.3m	$3.2m	$3.9m	$5.1m	$6.3m	$5.4m	$4.2m	$10.0-$11.0m

58.7% - 74.6%

SOFTWARE ENGINEERING

Harvard Business Review

What Is Strategy?

by Michael E. Porter

I. Operational Effectiveness Is Not Strategy

For almost two decades, managers have been learning to play by a new set of rules. Companies must be flexible to respond rapidly to competitive and market changes. They must benchmark continuously to achieve best practice. They must outsource aggressively to gain efficiencies. And they must nurture a few core competencies in race to stay ahead of rivals.

Positioning—once the heart of strategy—is rejected as too static for today's dynamic markets and changing technologies. According to the new dogma, rivals can quickly copy any market position, and competitive advantage is, at best, temporary.

But those beliefs are dangerous half-truths, and they are leading more and more companies down the path of mutually destructive competition. True, some barriers to competition are falling as regulation eases and markets become global. True, companies have properly invested energy in becoming leaner and more nimble. In many industries, however, what some call *hypercompetition* is a self-inflicted wound, not the inevitable outcome of a changing paradigm of competition.

The root of the problem is the failure to distinguish between operational effectiveness and strategy. The quest for productivity, quality, and speed has spawned a remarkable number of management tools and techniques: total quality management, benchmarking, time-based competition, outsourcing, partnering, reengineering, change management. Although the resulting operational improvements have often been dramatic, many companies have been frustrated by their inability to translate those gains into sustainable profitability. And bit by bit, almost imperceptibly, management tools have taken the place of strategy. As managers push to improve on all fronts, they move farther away from viable competitive positions.

Operational Effectiveness: Necessary but Not Sufficient. Operational effectiveness and strategy are both essential to superior performance, which, after all, is the primary goal of any enterprise. But they work in very different ways.

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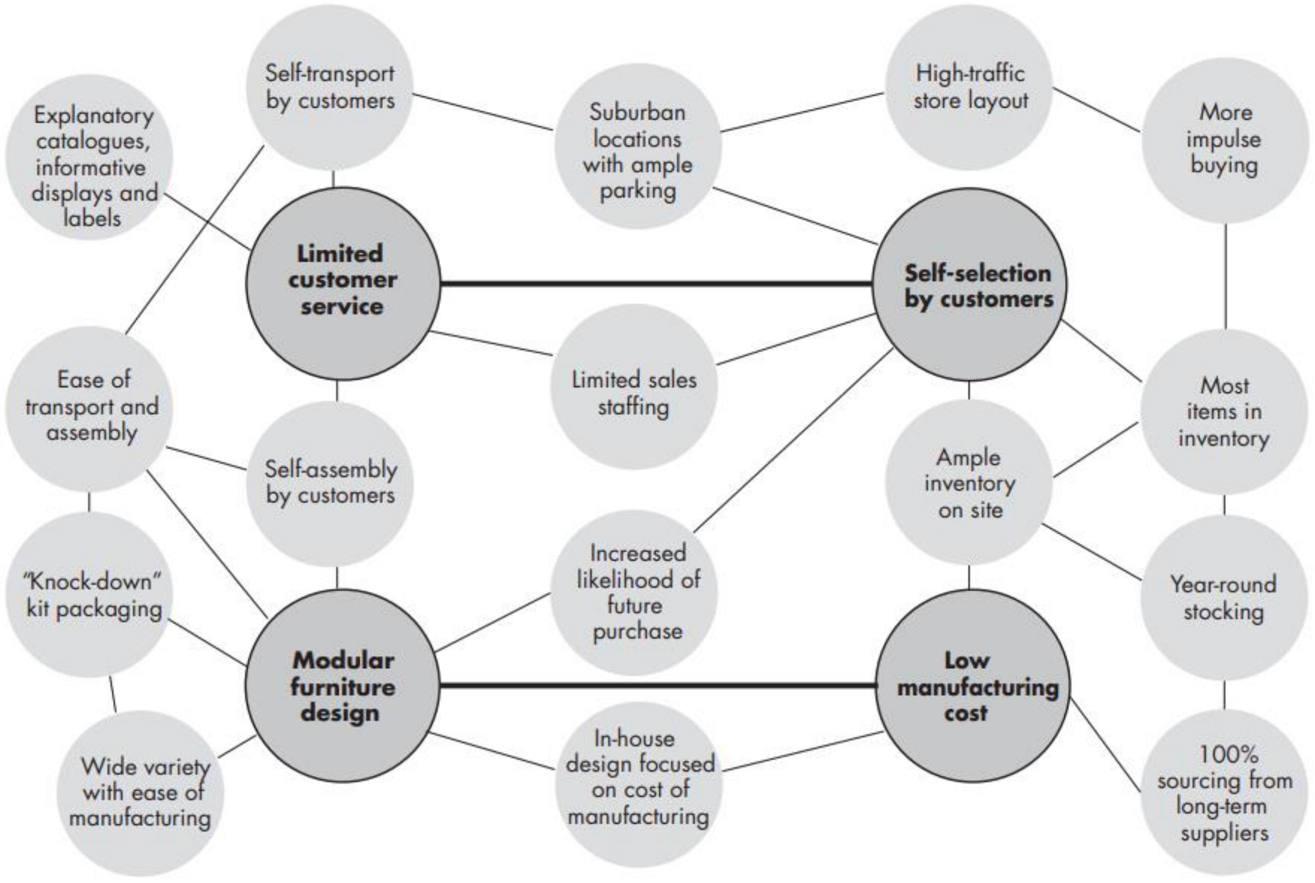
Mapping Activity Systems

Activity-system maps, such as this one for Ikea, show how a company's strategic position is contained in a set of tailored activities designed to deliver it. In companies with a clear strategic position, a number of higher-order strategic themes (in dark grey) can be identified and implemented through clusters of tightly linked activities (in light grey).



STRATEGIC REVIEW

- As part of the Strategic Review announced on 11 August 2023, Kelly Partners Group Holdings Limited ("KPG") continues to review its strategy, capital structure and governance in the context of its Australian and emerging US growth strategy
- The Strategic Review has identified the following general observations that support the Company's strategy:
  1. Founder-led companies perform up to 3x stronger than non-founder-led companies
  2. Programmatic acquirers generate superior returns compared to other M&A approaches
  3. KPG outperforms select sector participants and compares favourably with best-in-class compounders
  4. There are many global accounting firms, with an opportunity for KPG to emerge as one of Australia's first
  5. Illustrative analysis shows there is potential to generate meaningful incremental earnings from ceasing to pay dividends and reinvesting capital
- While no decision has been made, the Strategic Review has also identified the potential for a US listing to be supportive of KPG's US growth opportunity and enhance shareholder value over the long-term

"The dividend was a tactic, not a strategic move."

"Another obvious fix for our cash constraints would be to axe the dividend. ***The dividend was a tactic, not a strategic move***. It broadened the appeal of our stock and thereby helped us find an exit for our private equity investors. We appreciate the confidence in CSI that many of the new investors expressed in buying the PE shares. We recognise that these investors bought, in part, because of the dividend and the implicit promise of continued yield. Eliminating it would disenfranchise a group of shareholders to whom we owe our independence. That wouldn't sit right with me and many of the senior management team, so I don't see it happening." – ***Mark Leonard***, *Constellation Software President's Letter 2012*

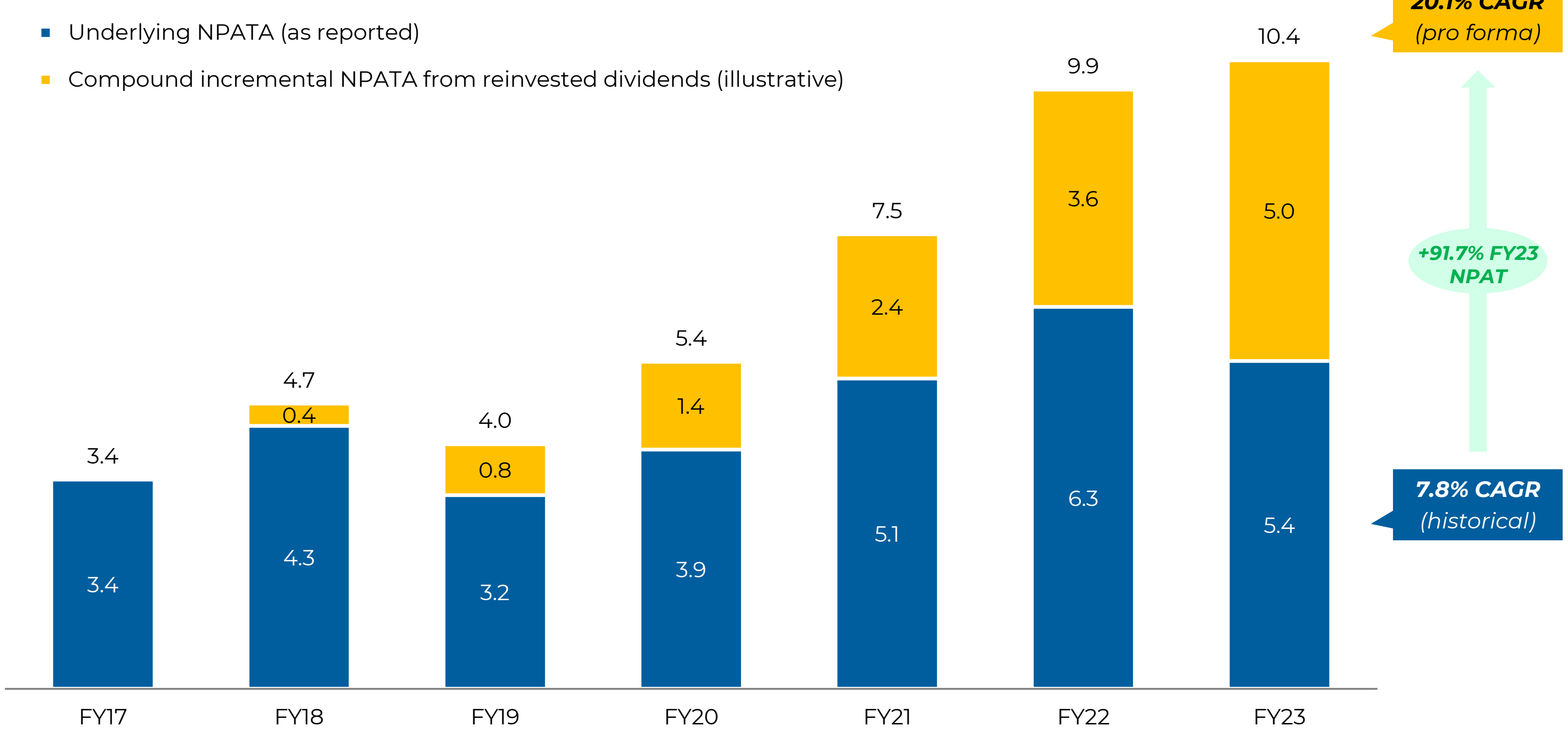
- KPG Quarterly dividends – from 1 July 2017 to 31 December 2020
- KPG Monthly dividends – from 1 January 2021 to now

"Inspired by Berkshire and Constellation, KPG has sought to follow the best capital allocation disciplines since inception. It was important to demonstrate the cash generative ability of KPG to attract a quality shareholder group that understood our approach to business. As Tom Murphy has been quoted as saying "*The goal is not to have the longest train, but to arrive at the station first using the least fuel*", KPG's shareholders have repeated requested us to consider not paying them a dividend but rather continuing to invest it further at our high rates of return in the business. We are now confident that we have access to continuing sufficient deals of high quality to warrant further investing of the capital of the business to take advantage of those opportunities." – ***Brett Kelly***

DIVIDEND REINVESTMENT

Illustrative pro forma analysis demonstrates the incremental earnings potential from ceasing dividends and reinvesting capital.

Illustrative pro forma historical Underlying NPATA assuming reinvestment of dividends[1]



Return on Equity (KPG Parent)							*Average*
29.5%	29.1%	21.5%	24.8%	28.5%	30.4%	26.3%	*27.2%*

Commentary

- Illustrative analysis shows pro forma historical Underlying NPATA assuming KPG ceased to pay dividends and instead reinvested capital
- Assumes retained capital generates a ~20% compound return, which is lower than KPG's average since IPO of ~27%
- Results in Underlying NPATA of ~$10.4m by FY23, almost double that generated while paying dividends, implying a valuation almost double that of today (based on KPG's current trading P/E multiple)
- Equates to Underlying NPATA CAGR of ~20% between FY17-23, compared to actual reported Underlying NPATA CAGR of ~8% during this time

Sensitivity analysis

- Sensitising the ROE assumption shows the impact on pro forma NPATA, CAGR and uplift to actual reported results in FY23

ROE assumption	10.0%	15.0%	20.0%	25.0%	30.0%
FY23PF NPAT	7.4	8.7	10.4	12.3	14.6
FY17-23PF CAGR	13.6%	16.8%	20.1%	23.6%	27.2%
FY23 NPAT uplift	37.0%	61.8%	91.7%	127.8%	170.9%

Note: (1) Incremental NPATA from reinvesting dividends illustrative only and calculated as ~20% of cumulative capital retained, compounding at a rate of 20% p.a., consistent with KPG's definition of Return on Equity (Underlying NPATA / Total Equity).

APPENDIX

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CONTENTS

Note all totals and other calculations presented in this presentation may be impacted by rounding

1
GROWTH

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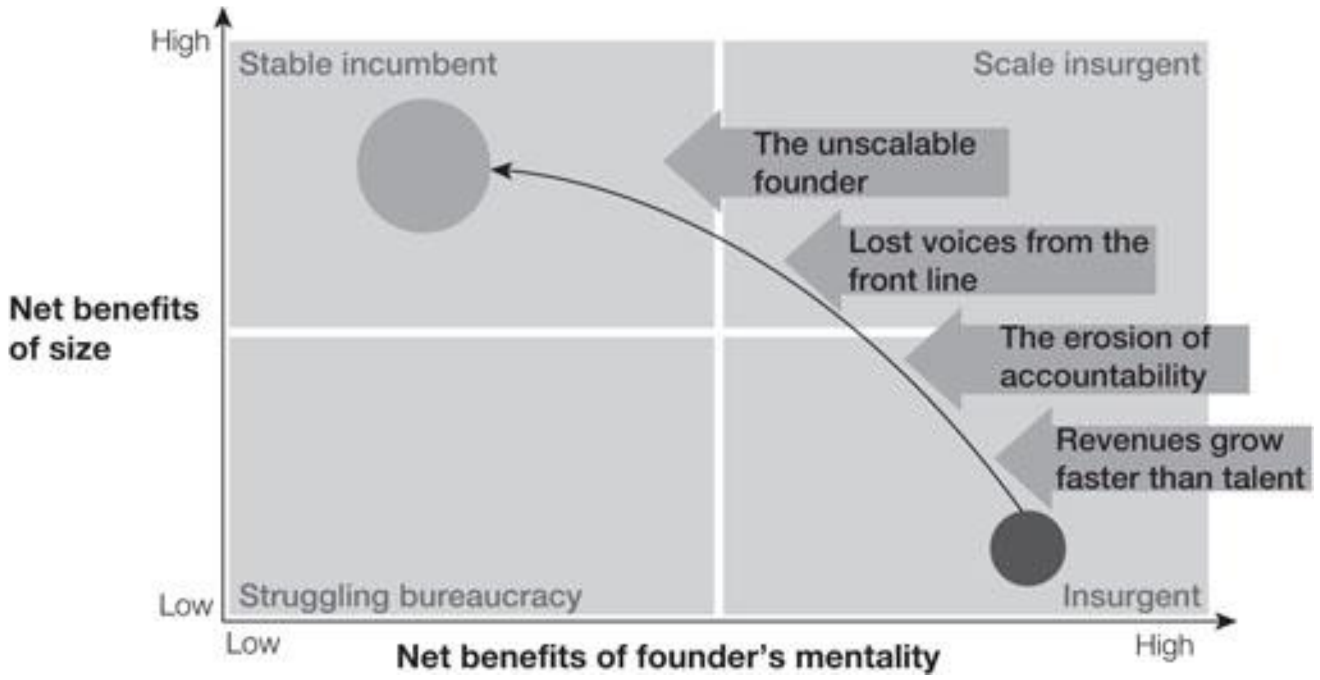
INCUMBENTS

PwC scandal: Australian Tax Office tried to get federal police to investigate in 2018

In their own words: What staff say about EY

'The partners protect bullies. Often they are bullies and aggressive themselves': EY personnel describe what it is like working at the big four consulting firm.

KPMG accused of inflating Defence invoices, billing for hours never worked

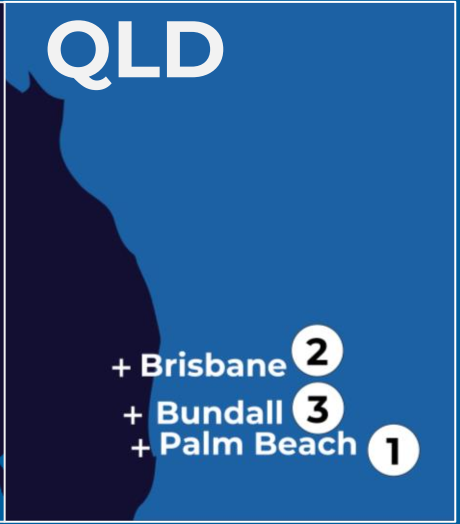


OFFICES

34

32

+2 / +6%



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REVENUE & EPS

	YOY	Contrib.
INTERNAL **Accounting**	3.3%	3.1%
INTERNAL **Complementary**	-5.2%	-0.4%
EXTERNAL **Acquired**	∞	20.4%

Excluding organic growth from acquisitions made in the last 12-24 months (where we typically do not implement significant price or volume changes) and other one off and cyclical changes, organic growth was at **4.7%** on prior year

+23.1%

Revenue compounded annual growth rate since 2006

30.5%

Earnings per share annual growth rate since IPO (TTM 1H24)

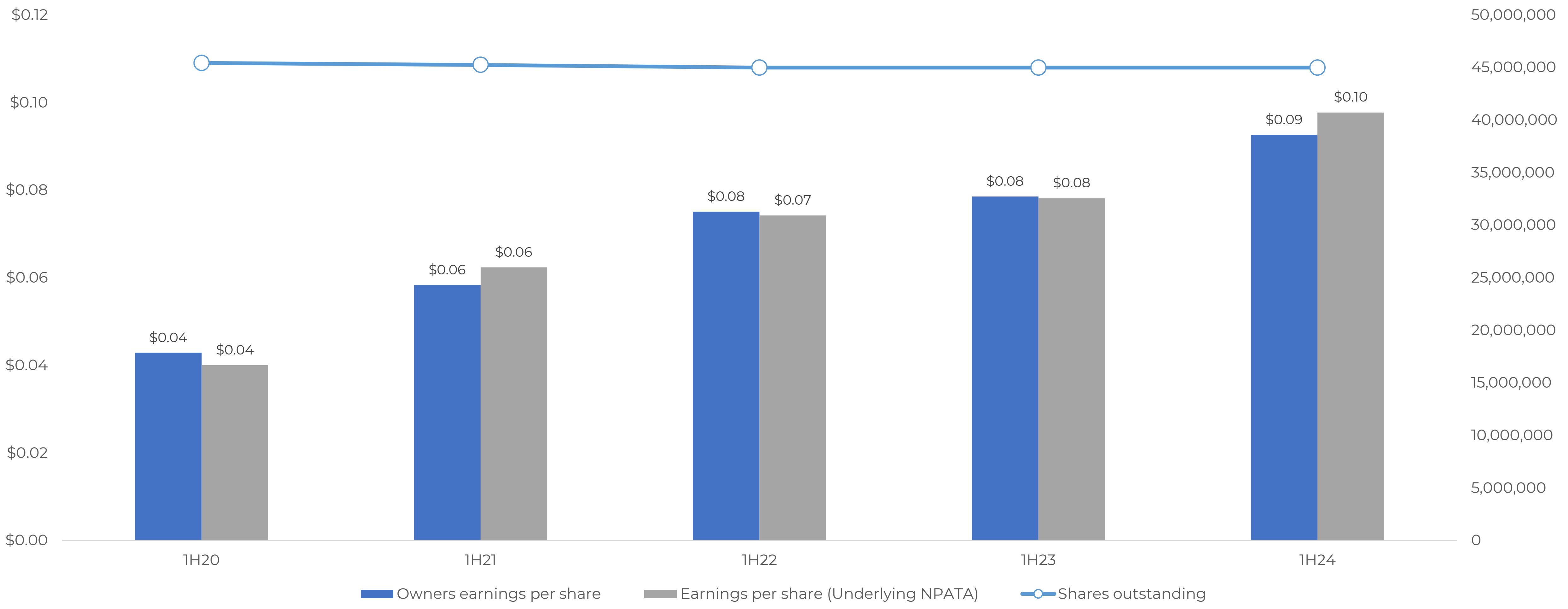
9.0%

OWNER EARNINGS

	1H20	1H21	1H22	1H23	1H24	CAGR
Owner earnings	$1.9m	$2.6m	$3.4m	$3.5m	$4.2m	20.9%
Owner earnings per share (cents)	4.29	5.83	7.51	7.86	9.26	
% Growth		36.1%	28.8%	4.6%	17.9%	
Underlying NPATA	$1.8m	$2.8m	$3.3m	$3.5m	$4.4m	
Cashflow Conversion - Parent	**107%**	**94%**	**101%**	**101%**	**95%**	

- **Owner earnings** represent the cashflow available to the parent entity. Owner earnings is used to measure cashflow to the Group (after taxes and finance costs) after taking in to account:
  - additions or reductions in working capital investment (debtors, creditors and other accrual movements);
  - deductions required for the maintenance capital expenditure of the business to maintain ongoing operations in the long term
- For the parent entity, owner earnings equates to Cashflow from Operating Activities as there is minimal capital expenditure required to maintain the activities of the parent entity
- One off expenses relating to the strategic review has been excluded from owner earnings for the purposes of comparing to Underlying NPATA (which excludes these one off expenses)

EPS & OWNERS' EARNINGS

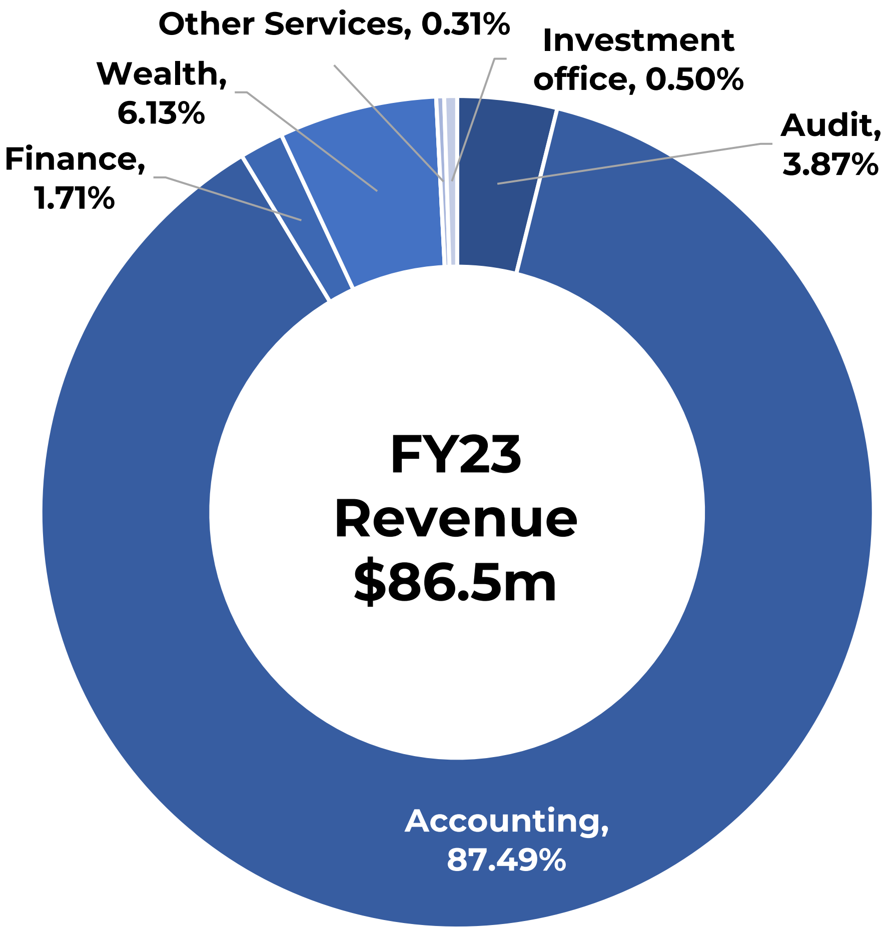


+20.9% p.a.
Owner Earnings (Parent) per share growth from 1H20 to 1H24

PEOPLE

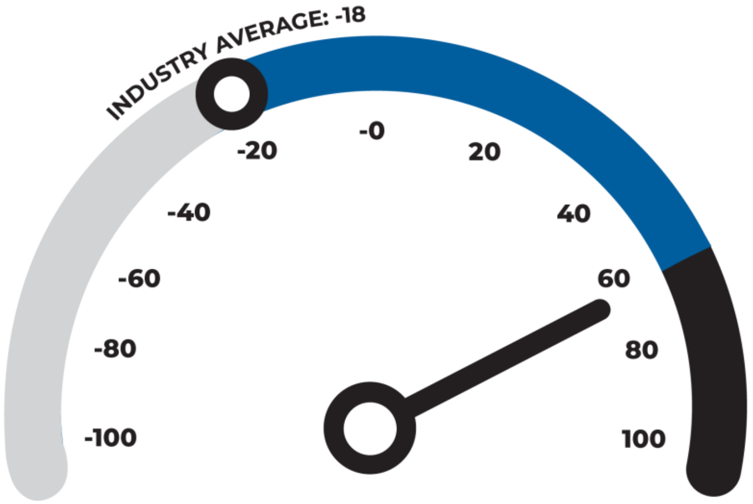
542 Team Members

SERVICES



$86.5m Revenue (+33%)

CLIENTS



+70
NPS

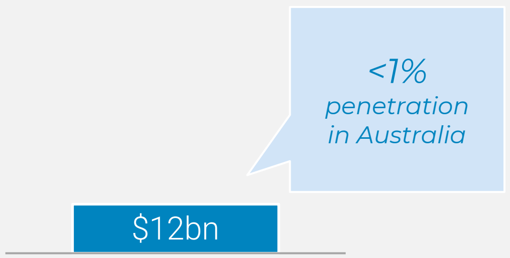
23,000 Groups (+22%)

2
GROWTH - USA

GLOBAL TAM

Australia

Estimated TAM (A$bn)



- ✓ Proven model with 45 acquisitions to date
- ✓ <1% penetration translates to significant runway
- ✓ 10k+ firms identified
- ✓ Pipeline built on exceptionally strong inbound interest driven by KPGH brand and reputation

United States

Estimated TAM (A$bn)

- ✓ Larger scale market with many global operators
- ✓ ~46k firms representing a ~$145bn target market
- ✓ Californian well scoped to become beachhead with "target list" of firms and areas identified

United Kingdom

Estimated TAM (A$bn)

- ✓ Larger scale market with many global operators

Combined TAM of $265bn for target geographies, which display similar market dynamics to Australia, including:

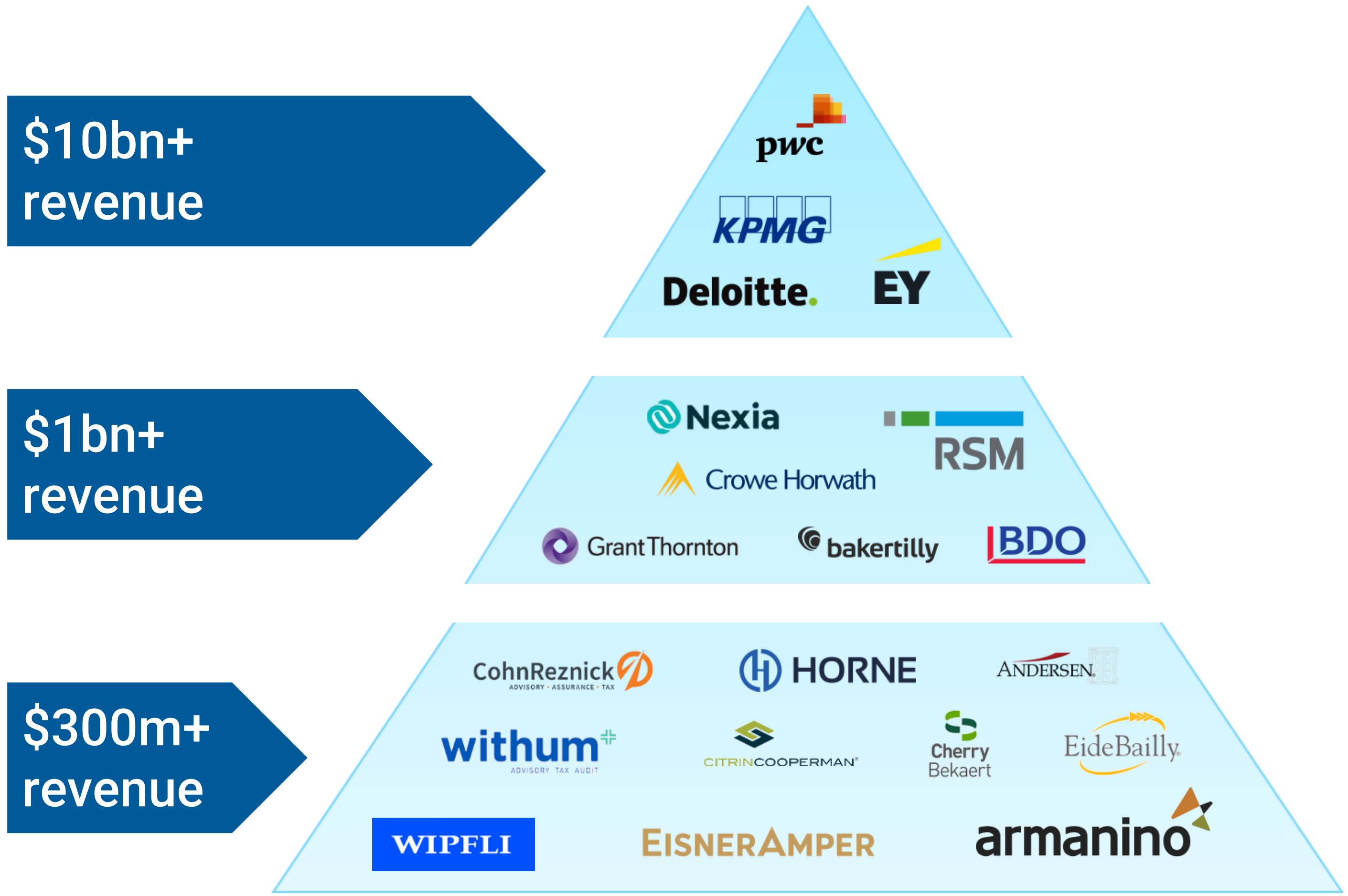
✓ **Highly complex tax regimes** ✓ **High compliance costs** ✓ **Lack of trust towards global incumbents** ✓ **Succession crisis for smaller firms**

Source: Accounting Today, Inside Public Accounting, American Institute of Certified Public Accountants, Statista, World Bank and OECD. Note charts not to same scale.

GLOBAL ACCOUNTING FIRMS

Top US-based global accounting firms by revenue

(Example operators that meet USD revenue threshold shown)



Many global operators face challenges of an outdated model

- ✗ Misaligned incentives given ownership hierarchy
- ✗ Commoditised approach to service
- ✗ Breakdown in transparency and governance
- ✗ Increased scrutiny following recent scandals

Proven capability positions KPGH to become Australia's first global accounting firm

- ✓ Partner-Owner-Driver® model strongly aligns interests
- ✓ Proven programmatic acquisition strategy ensures operational excellence and culture is never compromised
- ✓ Personalised approach to servicing SME clients
- ✓ Founder-led with track record of exponential growth
- ✓ Target geographies display similar market dynamics to Australia

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KELLY PARTNERS GROUP HOLDINGS LIMITED

Source: Inside Public Accounting – Top 500 Firms 2023.

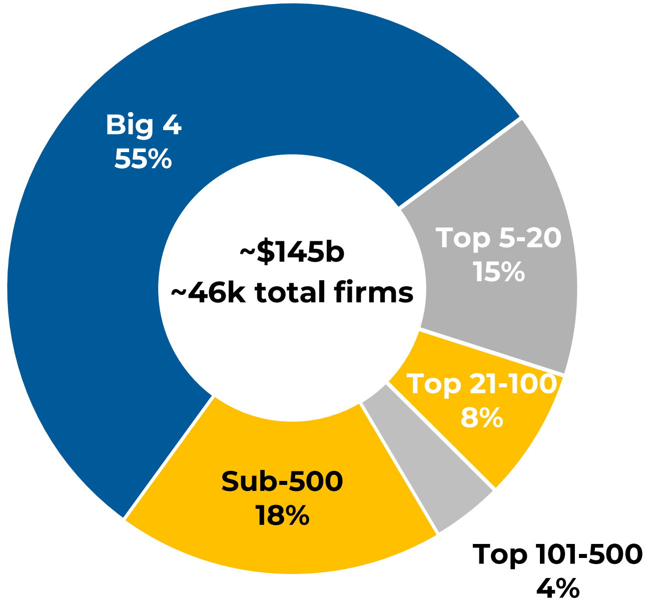
US OPPORTUNITY

US Economy vs Australia *($ USD)*

Rank	Country	GDP ($T)
1	**United States**	**25.5**
2	China	18.0
3	Japan	4.2
4	Germany	4.1
5	India	3.4
6	United Kingdom	3.1
7	France	2.8
8	Russia	2.2
9	Canada	2.1
10	Italy	2.0
11	Brazil	1.9
12	**Australia**	**1.7**

15.0x

US accounting services revenue by firm cohorts (2023) *($ USD)*



Kelly+Partners' US acquisition targets:

- ✓ Estimated ~45k+ firms in the U.S.
- ✓ Estimated ~$27b total market size
- ✓ Average revenue <$15 million

USA DEMAND DRIVERS

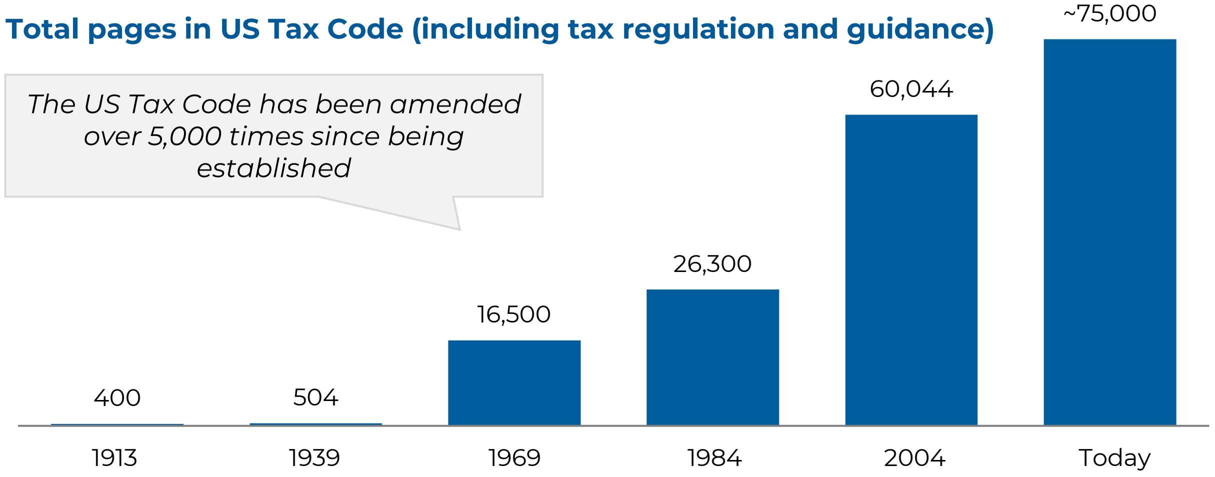
Paying taxes in the U.S. is even more difficult than in Australia

Ease of paying taxes (ranked easiest to hardest)[(1)]

United Arab Emirates	1	Switzerland	18
Hong Kong / China	3	Netherlands	20
Ireland	5	**AUSTRALIA**	**25**
Denmark	7	Norway	26
Singapore	8	Sweden	28
United Kingdom	10	**UNITED STATES**	**36**
New Zealand	11	Germany	48
Finland	13	France	63
Canada	17	Japan	70

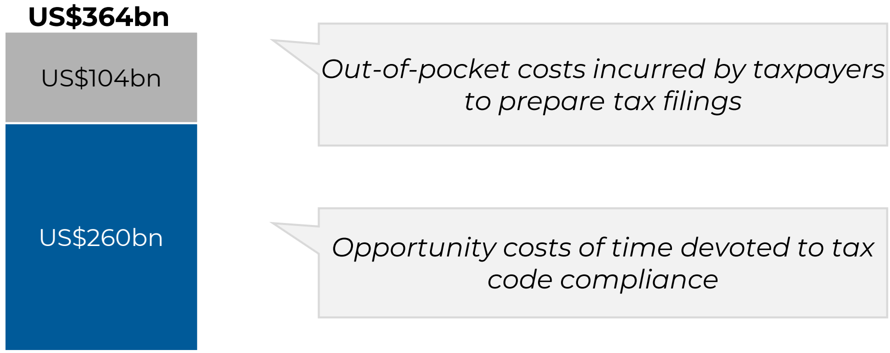
The US tax code is incredibly complex and growing each year

Total pages in US Tax Code (including tax regulation and guidance)



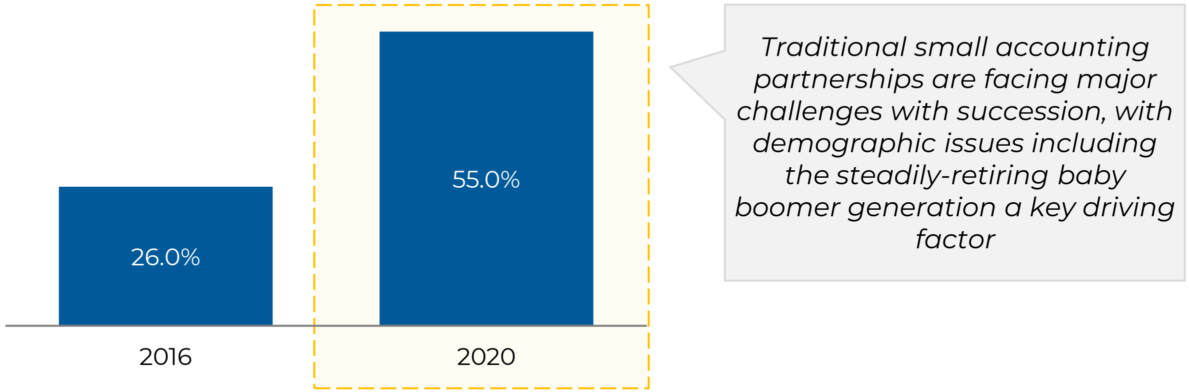
Taxpayers pay massive costs to comply with income tax codes

Estimated tax compliance burden (2022)



US accounting firms are facing a succession crisis

% of multi-owner accounting firms facing succession challenges



Sources: World Bank, Doing Business Report, 2017; Commerce Clearing House; National Taxpayers Union Foundation analysis of Office of Information and Regulatory Affairs and Bureau of Labor Statistic data; AICPA Private Companies Practice Section and Succession Institute LLC

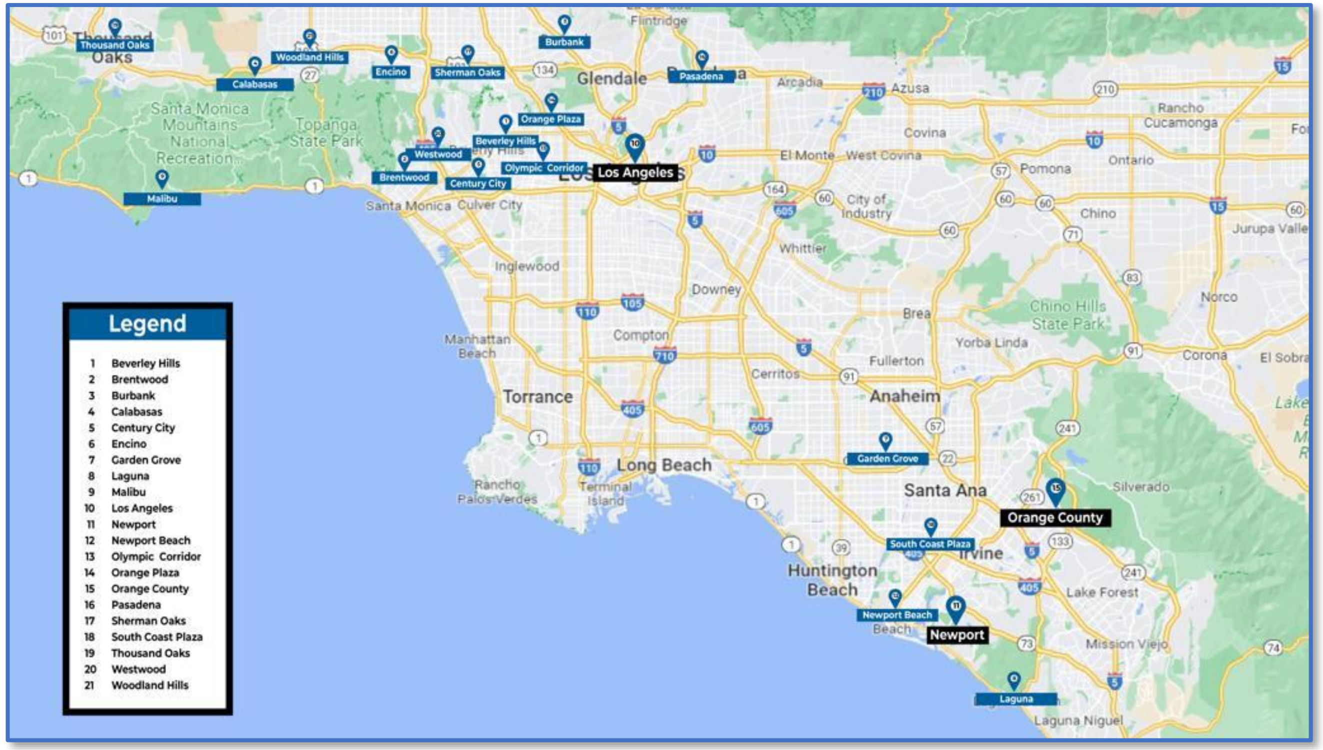
Notes: (1) Represents overall ranking including post filing index, ranked against 190 economies globally.

USA EXPANSION

California is a gateway to the APAC region and a logical beachhead for KPG's expansion, as it is the US' most populous state and the world's 5th largest economy despite a much smaller footprint than Australia

	CALIFORNIA	AUSTRALIA
Population	39.0m	26.4m
GPD *(USD $trillion)*	$3.6tn	$1.7tn
Land *(thousands sq miles)*	164	2,996
Population density *(Per sq mile)*	251	9
Median household income *(USD$)*	$84,097	$63,393
% with bachelors	22%	20%
GDP per capita	$91,982	$63,405

KPGH has developed a "target list" of areas and firms just outside the wealthy enclaves of LA / Beverly Hills, Newport Beach and Orange County



Key population centres	LOS ANGELES	SAN DIEGO	BAY AREA	SANTA BARBARA	VENTURA COUNTY
Population	7.8m	3.2m	7.8m	0.4m	0.8m
Median income	$76k	$88k	$125k	$84k	$94k

Sources: World Bank, Doing Business Report, 2017; Commerce Clearing House; National Taxpayers Union Foundation analysis of Office of Information and Regulatory Affairs and Bureau of Labor Statistic data; AICPA Private Companies Practice Section and Succession Institute LLC
Notes: (1) Represents overall ranking including post filing index, ranked against 190 economies globally.

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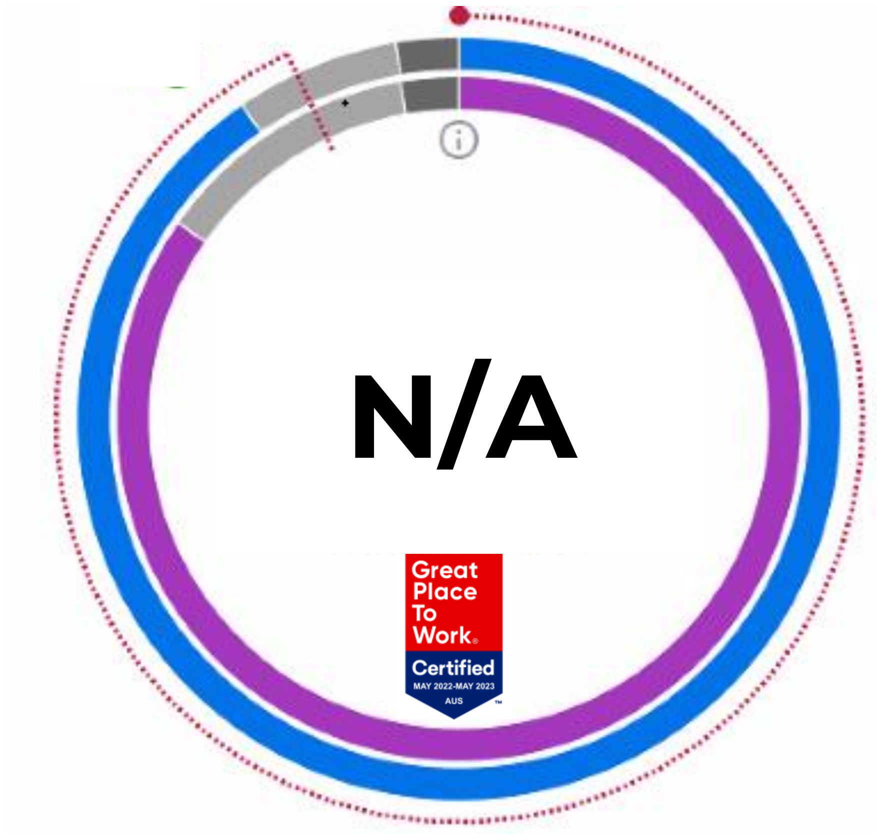
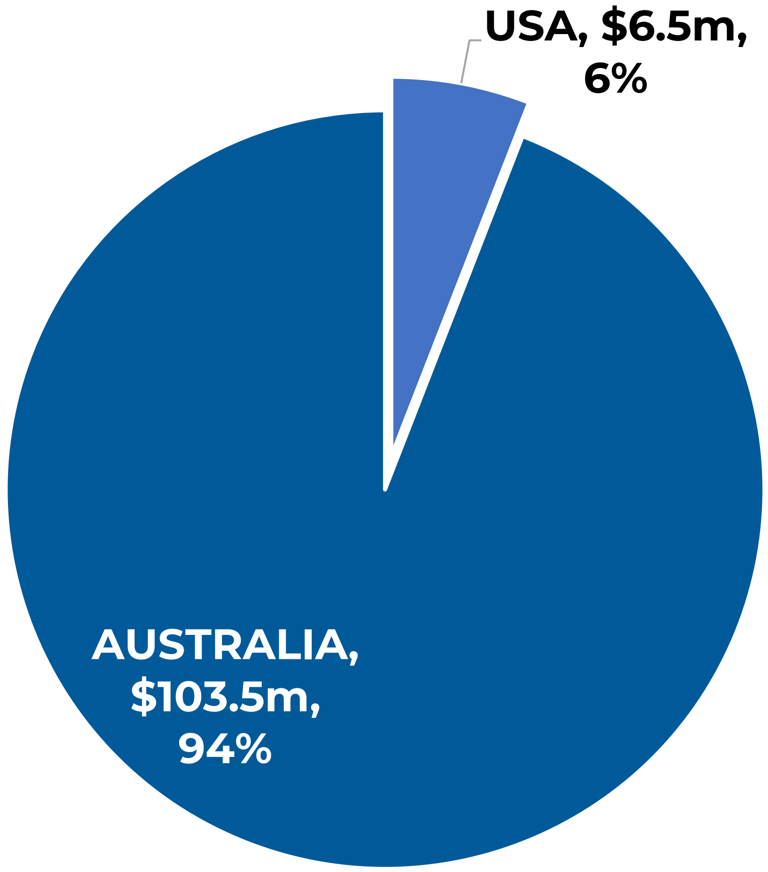
USA STATISTICS

PEOPLE



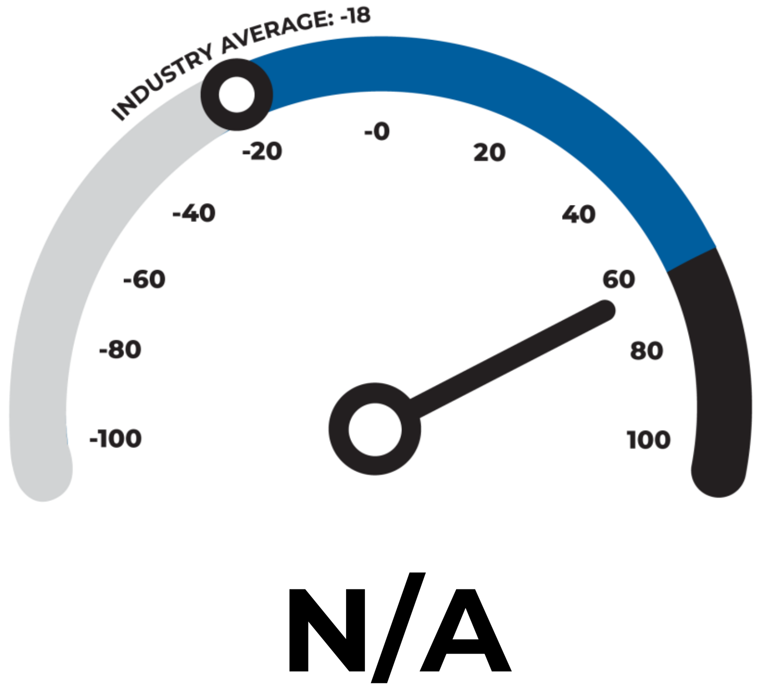
23 Team Members

REVENUE



$6.5m Revenue (6%)

CLIENTS



~2,000 Groups

3
FINANCIALS

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HIGHLIGHTS

1H24 Financial Highlights (m)	KPGHL & Controlled Entities			KPGHL Attributed (parent only)		
P&L and Cashflow	1H23*	1H24	% Change	1H23	1H24	% Change
Revenue	**$42.9**	**$52.9**	**23.1%**	–	–	–
Underlying EBITDA (pre AASB 16)	**$11.6**	**$15.5**	**33.7%**	–	–	–
Margin %	**26.9%**	**29.3%**	**8.6%**	–	–	–
EBITDA (pre AASB 16)	$11.4	$14.2	25.0%	–	–	–
Underlying NPATA	**$8.6**	**$11.1**	**29.1%**	**$3.5**	**$4.4**	**25.0%**
Margin%	20.0%	21.0%	4.9%	–	–	–
NPATA	$8.3	$10.0	19.5%	$3.2	$3.3	3.5%
Dividends & Distributions Paid	$7.7	$6.5	-15.0%	$1.1	$1.2	10.2%
Cash from Operating Activities (pre AASB 16)	**$10.3**	**$11.5**	**11.4%**	–	–	–
Owners' Earnings[1]	**$10.0**	**$11.1**	**11.2%**	**$3.5**	**$4.2**	**17.9%**
Gearing (Net Debt / Underlying EBITDA)	1.93x	1.94x	–	–	–	–
Cash Conversion (Operating Cash Flow / EBITDA)	106.4%	101.4%	–	-	-	–
Earnings per share (Underlying NPATA) (cents)	–	–	–	**7.82c**	**9.78c**	**25.0%**
Earnings per share (Stat NPAT) (cents)[2]	–	–	–	5.07c	4.07c	-19.7%
Ordinary dividend Per Share (cents)[9]	–	–	–	2.40c	2.64c	10.0%
Equity Partners	72	88	22.2%	-	-	–
Revenue per Equity Partner (Trailing 12 months)	$1.1	$1.1	1.3%	-	-	–
Balance sheet	30-Jun-23	31-Dec-23	% Change	30-Jun-23	31-Dec-23	% Change
Lockup (Debtors + WIP)[3]	$14.1	$16.1	14.1%	-	-	-
Net Debt[8]	$39.9	$45.6	14.2%	$4.5	$4.4	-2.1%
Total Equity	$35.5	$45.6	28.6%	$20.5	$21.3	3.5%
Return on Equity[4]	38.4%	35.3%	-8.0%	30.4%	29.6%	-2.9%
Return on Invested Capital[5]	20.0%	19.9%	-0.5%	30.5%	27.3%	-10.3%
Days Lockup[6]	48.1	55.2	14.7%	-	–	–
Equity Ratio (Equity / Total Assets)[7]	26.8%	29.6%	10.7%	–	–	–

**1H23 P&L adjusted to exclude discontinued operations for like for like comparison*

1 *Owner earnings – calculated as Cash from Operating Activities less Payments for Lease Liabilities less Maintenance Capex.*
2 *Earnings per share on statutory NPAT impacted by amortisation expenses and non recurring, one off items*
3 *Lockup – calculated as the total of trade and other receivables, accrued income less contract liabilities*
4 *Return on Equity – calculated as the Underlying NPATA / Total Equity*
5 *Return on Invested Capital – calculated as (Underlying NPATA + Interest) / (Total Equity + Debt)*
6 *Days Lockup – calculated as lockup divided by revenue multiplied by 365*
7 *Equity Ratio– calculated as Equity / Total Assets.*
8 *Net Debt for parent excludes attributable debt in subsidiary businesses.*
9 *Ordinary dividends paid represent the dividends paid relating to the stated financial year including estimated final dividends. For example, dividends paid in FY22 relating to FY21 are shown in the FY21 column.*

REVENUE GROWTH

Revenue growth contributions by year

	FY18	FY19	FY20	FY21	FY22	FY23	1H24	AVG
Organic – Accounting	10.3%	-6.4%	6.6%	1.5%	4.7%	2.9%	3.1%	3.2%
Organic – Complementary	2.7%	1.8%	1.4%	1.2%	1.5%	1.8%	-0.4%	1.4%
Organic – Total	13.0%	-4.6%	8.0%	2.7%	6.2%	4.7%	2.8%	4.7%
Acquired	17.2%	6.4%	6.6%	4.8%	26.5%	28.7%	20.4%	15.8%
Total	**30.2%**	**1.8%**	**14.6%**	**7.5%**	**32.6%**	**33.4%**	**23.1%**	**20.5%**

Organic growth v Inflation by year

	FY18	FY19	FY20	FY21	FY22	FY23	1H24	AVG
Organic – Total	13.0%	-4.6%	8.0%	2.7%	6.2%	4.7%	2.8%	4.7%
Inflation - Australia	2.1%	1.6%	-0.3%	3.8%	6.1%	6.0%	4.1%	3.3%
Total	**+10.9%**	**-6.2%**	**+7.7%**	**-1.1%**	**+0.1%**	**-1.3%**	**-1.3%**	**1.4%**

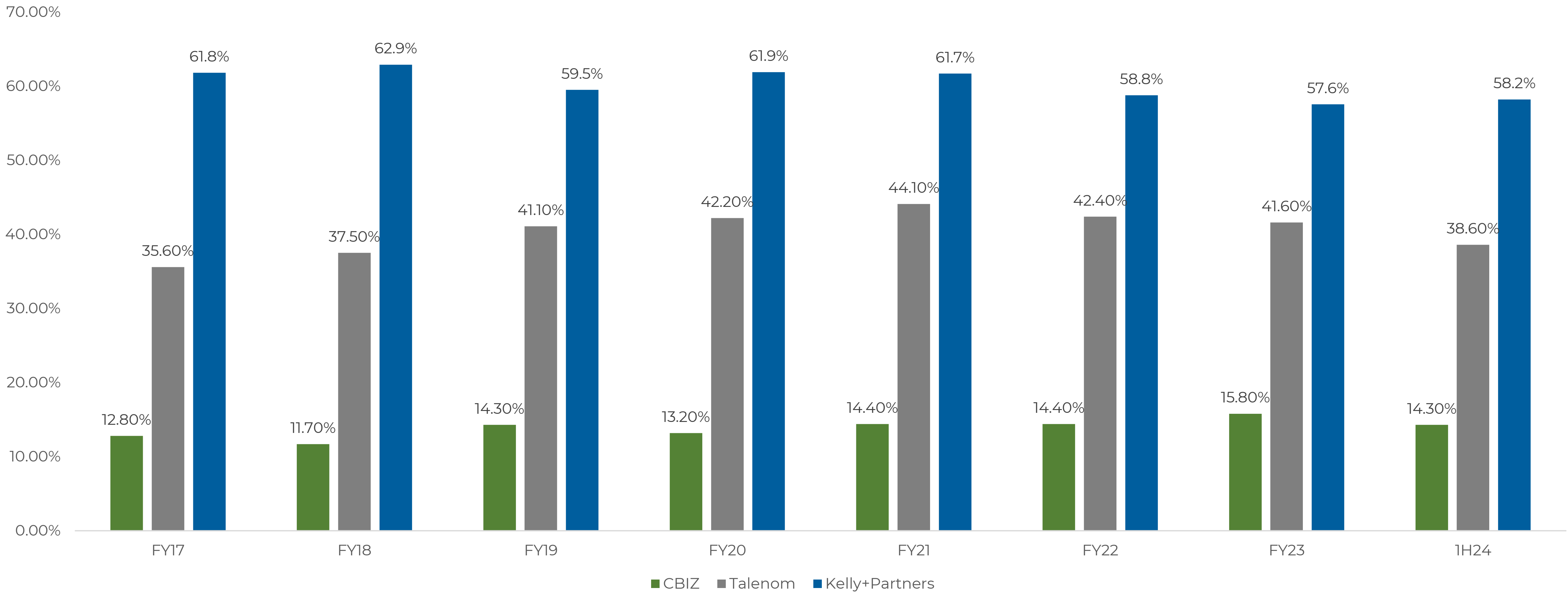
INCOME STATEMENT

- ***Revenue of $52.9m (+$10.0m, up 23.1%)***, driven both by organic revenue growth (2.8%) and by contributions from acquisitions completed in FY23 and in 1H24 (20.4%).
- ***EBITDA margin at 29.3%* (1H23: 26.9%)** has improved from the prior half year due to a reduction in additional investments in the parent entity. Excluding the parent additional investments, the EBITDA margin of the operating businesses is at 30.6%. We target increasing this to 35.0% over time.
- Operating expenses increase in line with revenue growth.
- ***Underlying NPATA attributable to shareholders increased by 25.0%* to $4.4m (1H23: $3.5m)**.
- Increased amortisation expense due to higher customer relationship intangibles resulting from increased acquisition activity.
- Increased finance costs due to a rise in interest rates as well as increased debt from financing acquisitions completed.

Income Statement Summary ($m)	1H23	1H24	Δ%
Professional services revenue	**$42.9**	**$52.9**	**23.1%**
Other income	$0.5	$0.3	-53.9%
Total Revenue	**$43.5**	**$53.1**	**22.2%**
Operating Expenses	-$31.9	-$37.6	18.0%
Underlying EBITDA pre AASB 16	**$11.6**	**$15.5**	**33.7%**
Underlying EBITDA margin (pre AASB 16)	*26.9%*	*29.3%*	
Non Recurring Income/Expenses	-$0.2	-$1.3	-
Statutory EBITDA pre AASB 16	**$11.4**	**$14.2**	**25.0%**
AASB 16 implementation	$2.2	$2.8	-
Statutory EBITDA	**$13.5**	**$17.0**	**25.9%**
D&A	-$4.3	-$5.6	29.5%
Finance Costs	-$2.0	-$3.1	56.0%
Income Tax	-$0.8	-$1.0	32.7%
Statutory NPAT - Group Total	**$6.5**	**$7.3**	**13.4%**
Non controlling interest	$4.2	$5.5	31.5%
Statutory NPAT - Parent entity	**$2.3**	**$1.8**	**-19.7%**
Amortisation	$0.9	$1.5	60.6%
Non Recurring Income/Expenses	$0.3	$1.1	-
Underlying NPATA to Shareholders	**$3.5**	**$4.4**	**25.0%**

GROSS MARGIN

"high gross margins are the most important single factor of long run performance. The resilience of gross margins pegs companies to a level of performance." – Matthew Berry, "Mean Reversion in Corporate Returns" [1]



[1] "100 Baggers Stocks that Return 100-to-1 and How to find them", Christopher Mayer, Page 127-128

Kelly Partners' Gross margins impacted by recent acquisitions.

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PROFITABILITY

Operating Businesses	Established	Growth	Other Services	Total	Subscale	Total inc. Subscale	Acquired*	Total inc. Acquired
Revenue	$38.6	$3.3	$2.8	**$44.8**	$1.0	**$45.8**	$7.0	**$52.9**
EBITDA^	$12.5	$0.8	$1.1	**$14.4**	$0.0	**$14.3**	$1.9	**$16.2**
EBITDA Margin %	*32.4%*	*23.0%*	*38.3%*	***32.1%***	*-4.3%*	***31.3%***	*26.4%*	***30.6%***

Source: *IBIS World Accounting Services in Australia Industry Report (April 2020)*

Kelly+Partners data based on 1H24 accounts before parent entity costs and is after Base Distributions to Operating Business Owners

^EBITDA before parent entity costs and pre AASB 16

** Excludes any tuck in acquisitions*

NPATA RECONCILIATION

Reconciliation of attributed NPAT/NPATA ($m)*	1H23	1H24
Statutory NPAT attributable owners of Kelly Partners Group Holdings Limited	**2.3**	**1.8**
Amortisation of customer relationship intangibles	0.9	1.5
NPATA attributable to owners of Kelly Partners Group Holdings Limited	**3.2**	**3.3**
Add: non-recurring expense items		
Acquisition costs	0.5	0.5
Strategic review costs	0.0	1.0
Less: Non-recurring revenue items		
Other non recurring income	-0.1	0.0
Less: Tax effect of non recurring items	-0.1	-0.4
Net non recurring items	**0.3**	**1.1**
Underlying NPATA attributable to Shareholders	**3.5**	**4.4**

** totals impacted by rounding*

TRINITY – PARENT

1H23

1. ROIC
21.5%

EARNINGS PER SHARE
7.82 cps
+5.3%

2. Net Debt to EBITDA
1.93x

3. Cashflow Conversion
100.5%

1H24

1. ROIC
19.9%

EARNINGS PER SHARE
9.78 cps
+25.0%

2. Net Debt to EBITDA
1.94x

3. Cashflow Conversion
94.8%

TRINITY – OP CO

1H23

1. WIP
11.4 days*

CASH CONVERSION ON EBITDA
106.4%

2. Debtors
45.0 days*

3. Revenue
42.2% Growth

EBITDA
30.3% Margins

1H24

1. WIP
11.7 days*

CASH CONVERSION ON EBITDA
101.4%

2. Debtors
43.4 days*

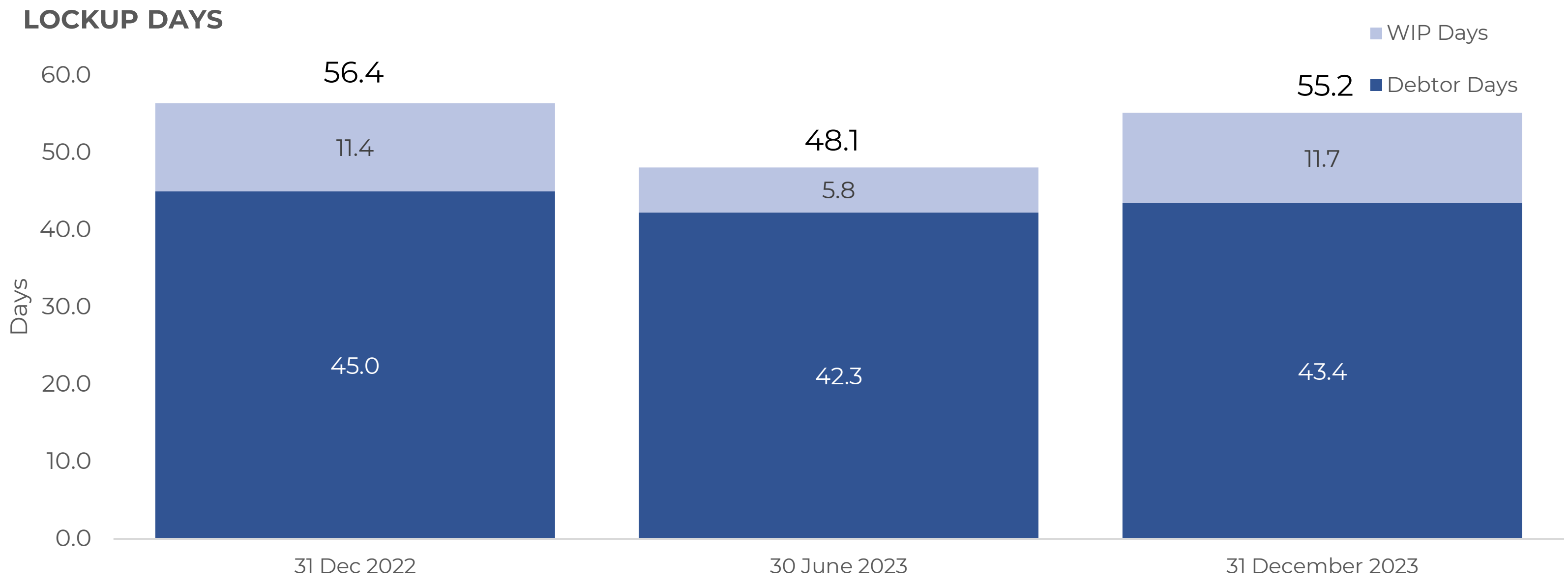
3. Revenue
23.1% Growth

EBITDA
30.6% Margins

** Calculated on estimated annualised run rate revenue*

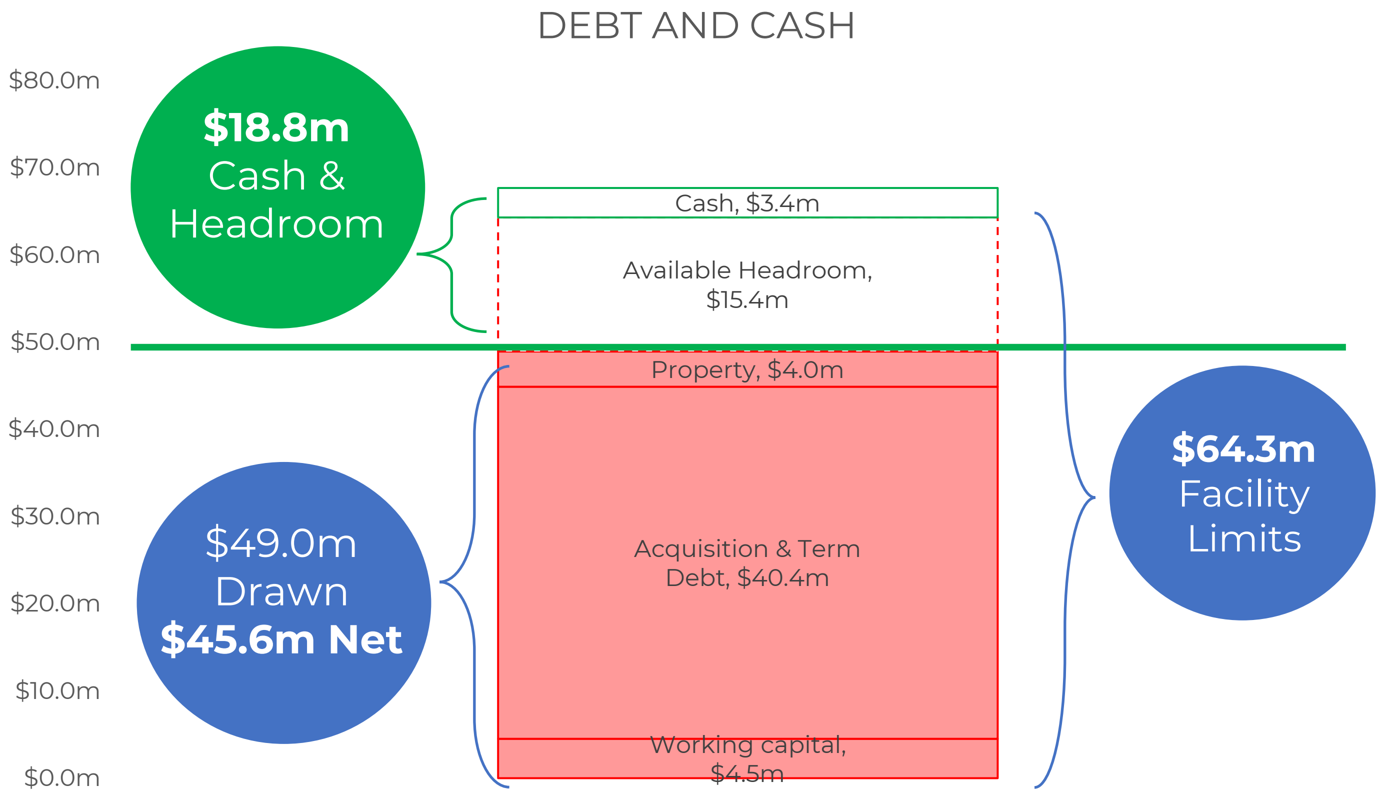
BALANCE SHEET

- Net Debt / Underlying EBITDA of 1.94x (FY23: 1.65x) as a result of increased term debt taken out to fund acquisitions. The gearing ratio is impacted by acquisitions that only contributed part year EBITDA. Adjusting for this, the gearing ratio is at ~1.75x. Debt is repaid from profits generated in acquired businesses over 4-5 years
- Group ROE of 35.3% (Group TTM Underlying NPATA $16.1m / Group Equity of $45.6m) (FY23: 38.4%). Return on equity impacted where the TTM Underlying NPATA does not include a full year contribution from in year acquisitions. Adjusting for this results in a 38.5% ROE
- Parent ROE of 29.6% (FY23: 26.3%)
- Lock up days at 55.2 days and is calculated based on annualised run rate revenue
- Total Asset $154.1m (+16.2%) driven mainly due to increases in intangible assets and right of use assets (i.e. leases) from acquisitions
- Intangible assets increased to $77.6m (FY23: $65.9m) with accelerated acquisitions



$m (consolidated)	Balance Sheet (selected line items displayed) 31 Dec 2022	30 Jun 2023	31 Dec 2023
Cash	6.3	5.3	3.4
Lock up (Debtors + WIP)	13.4	14.1	16.1
Right of use assets	21.4	20.6	26.4
Intangibles	65.4	65.9	77.6
Total Assets	**131.5**	**132.6**	**154.1**
Borrowings	43.2	45.2	49.0
Lease liabilities	24.5	23.9	30.7
Total Liabilities	**95.7**	**97.1**	**108.5**
Net Assets	**35.8**	**35.5**	**45.6**
Non-Controlling Interest	15.7	14.9	24.4
Equity attributable to KPGH shareholders	**20.1**	**20.5**	**21.3**

DEBT & LIQUIDITY



Loan type (m)*	Parent	Op. Bus	Total Debt
Working Capital Debt	$0.1	$4.4	$4.5
Property Debt	$0.0	$4.0	$4.0
Acquisition & other term debt	$6.5	$34.0	$40.4
Gross Debt – 1H24	**$6.5**	**$42.4**	**$49.0**
Cash – 1H24	-$2.2	-$1.2	-$3.4
Net Debt – 1H24	**$4.3**	**$41.2**	**$45.6**

FY23			
Gross Debt - FY23	$5.0	$40.3	$45.2
Cash - FY23	-$0.5	-$4.8	-$5.3
Net Debt - FY23	$4.5	$35.5	$39.9

Movement			
Gross Debt	**$1.6**	**$2.1**	**$3.7**
Cash	$1.7	-$3.6	-$2.0
Net Debt	**-$0.1**	**$5.8**	**$5.7**

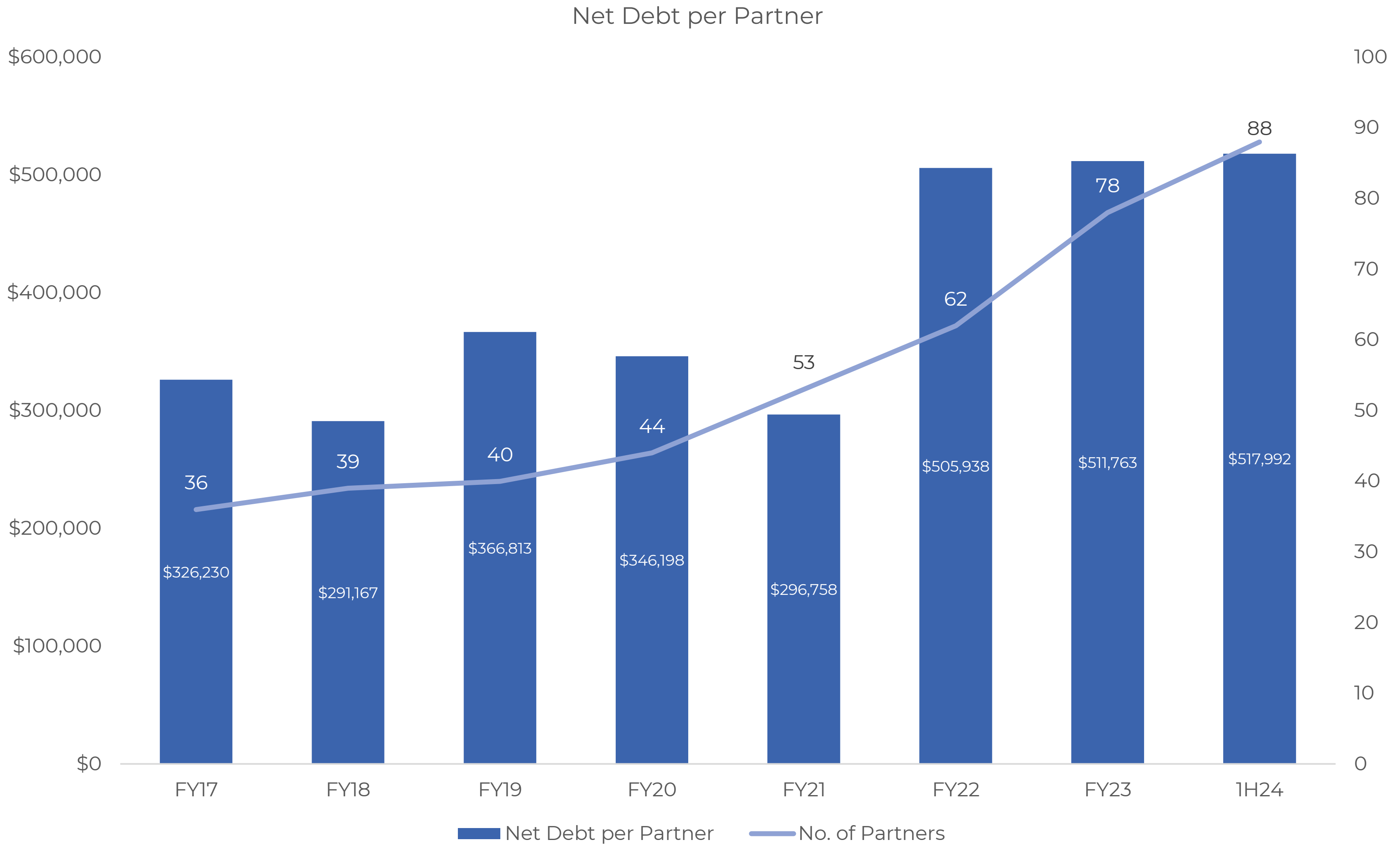
* *Rounded to nearest $100,000.*

- Working Capital debt of $4.5m is covered 3.6x by WIP and Debtors
- Acquisition & Term Debt of $40.4m is supported by annuity style cashflows and repaid over 4-5 years
- Cash & facility headroom of $18.8m, representing ~40% of debt drawn

- Net debt increased $5.7m from 30 June 2023 mainly to complete in year acquisitions i.e. Griffith, Bundall and Woodland Hills
- Group gearing increased to 1.94x (FY23: 1.65x) mainly from funding in year acquisitions, fitouts and partner buy in loans. The gearing ratio is impacted by acquisitions that only contributed part year EBITDA. Adjusting for this, the gearing ratio is at ~1.75x

NET DEBT PER PARTNER

- Total number of equity partners increased to 88 (as at 31 December 2023):
  - 2 new partners promoted internally
  - 2 new partner recruited externally
  - 13 new partners from completed acquisitions
- In January 2024, 2 new partners joined from the Burbank and Melbourne tuck in acquisitions , and 1 new partner was promoted internally, bringing the total number of equity partners to 91
- Net debt per partner remained the same, with the increased debt from completion of acquisitions offset by the growing number of equity partners in the Group
- The group continues to focus on developing and recruiting new partners as part of its strategy to retain and motivate key talent and to drive top line growth



CASHFLOW

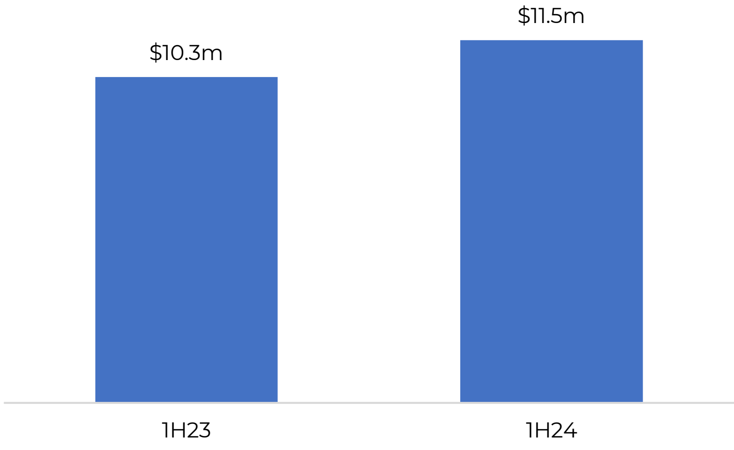
- Cash from Operations pre AASB 16 of $11.5m increased by 11.4% (1H23: $10.3m)
- Free Cashflow to Firm increased proportionately
- Cash Conversion[1] of 101.4% (1H23: 106.4%) and is within our expected 85%-100% conversion ratio
- Drawn debt used primarily to fund acquisitions, fitout costs and new partner buy-in loans
- Growth capex includes fitout of 2 offices, set up of Mumbai office (currently houses 30+ team members) and purchase of commercial property in Leeton (where Kelly Partners Leeton operates in). There are currently 34 office locations within the Group and fitouts are completed every 10 years.

1 *Cash Conversion is calculated as Operating Cashflow divided by Reported EBITDA. Operating Cashflow means cash from operations but before finance and cash taxes*

2 *Distribution to non controlling interests higher than Dividends to Shareholders as tax is paid in the parent entity prior to payment of dividends. Further, cashflow in parent entity is used for repaying debt used to fund acquisitions.*

* *Rounded to nearest $100,000. Refer to slide "Cash Reconciliation" for a reconciliation from Statutory NPAT to Cash from Operations*

CASH FROM OPERATIONS (CFO)

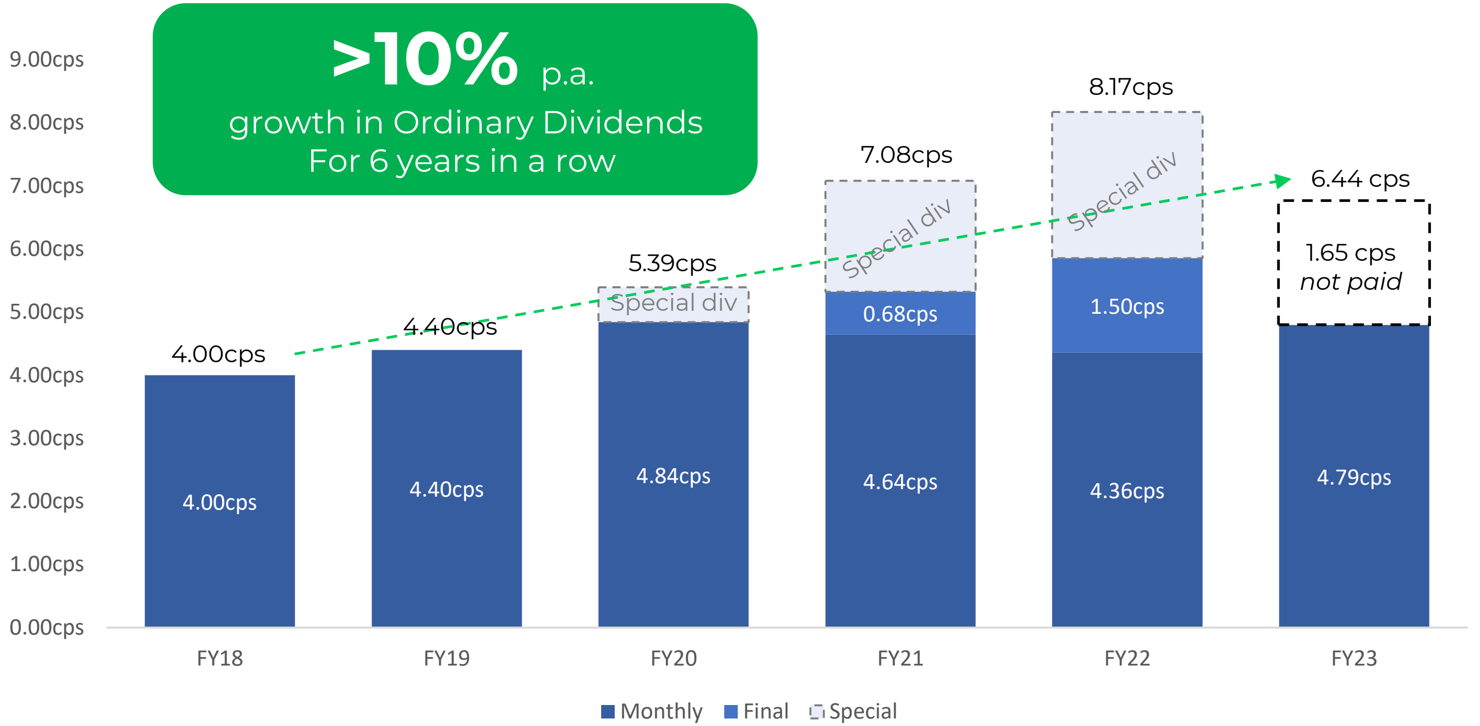


FREE CASHFLOW TO FIRM (FCFF)

Cash flow ($m)*	1H23	1H24	Diff $	Diff%
Cash from Operations (CFO) pre AASB 16	**$10.3**	**$11.5**	**$1.2**	**11.4%**
- Maintenance Capex	-$0.3	-$0.4		
- Schedule Debt Reductions	-$3.6	-$3.8		
Free Cash Flow to Firm (FCFF)	**$6.4**	**$7.3**	**$0.9**	**13.5%**
- Debt Drawn	$7.7	$15.9		
- Acquisitions	-$4.6	-$7.0		
- Growth Capex	-$0.9	-$2.6		
- Distributions to minorities	-$4.9	-$5.1		
- Additional debt repayments	-$1.7	-$1.6		
- Dividends to Shareholders	-$2.8	-$1.2		
- Partner Loans Advanced	-$0.9	-$3.0		
- Payments into Employee Share Scheme Trust	-$0.8	-$0.1		
- Proceeds from sale of Equity Interests	-$0.1	$2.2		
- Deposits	-$0.2	$0.0		
- Share buy backs	$0.0	$0.0		
Change in Net Cash*	**-$2.7**	**$4.8**		

DIVIDENDS

- Since IPO in June 2017, the Company has consistently paid out dividends growing at >10% per annum
- The Company has paid out monthly dividends from Jan-21, reflecting the resilience and strength of its earnings and cashflow
- Since Jul-23, the Company continued to pay monthly dividends of 0.44 cents per share, increasing 10% on prior year
- The final dividend anticipated for FY23 of 1.65 cents per share was not declared and paid due to funds being required to complete the acquisition of the accounting firm located in Burbank, California in Jan-24.
- In relation to the Company's dividend policy, the strategic review undertaken in the half year found that more shareholder value could be created from investing capital currently being paid out as dividends.



The above graph represents the dividends paid relating to the respective financial year. For example, dividends paid in FY22 relating to FY21 is shown in FY21 and not FY22.

	FY17 (IPO)	FY18	FY19	FY20	FY21	FY22	FY23
Underlying attributed NPATA	$2,262,219	$4,325,976	$3,193,208	$3,937,677	$5,114,832	$6,296,954	$5,403,346
Weighted average no. of shares	45,495,518	45,495,923	45,496,894	45,418,414	45,142,289	45,000,000	45,000,000
EPS (cents per share)	4.97	9.51	7.02	8.67	11.33	13.99	12.01
Ordinary Dividends (cents per share)	N/A	4.00	4.40	4.84	5.32	5.86	4.79*
Total Dividends (cents per share)	N/A	4.00	4.40	5.39	7.02	8.17	4.79*
Total Dividends $							
Dividend payout ratio	N/A	42.1%	62.7%	62.2%	62.0%	58.4%	40.0%

**The final dividend anticipated for FY23 of 1.65 cents per share was not declared and paid due to funds being required to complete the acquisition of the accounting firm located in Burbank, California in Jan-24.*

PARENT & NCI

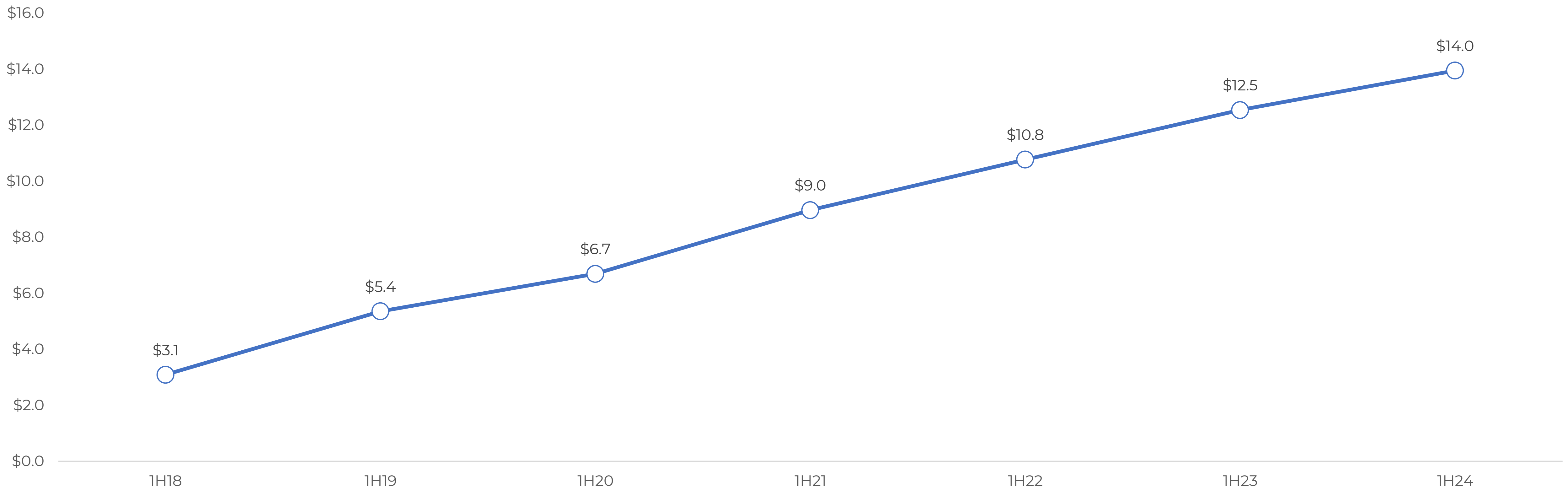
- Profit after income tax expense was $7.3m, with:
  - Profit attributable to shareholders of Kelly Partners Group Holdings Limited of $1.8m
  - Profit attributable to non controlling interests (NCI) of $5.5m
- The profit attributable to the parent vs. NCI represent a 25%/75% split and differs from the ownership interests of ~51%/49%. This is due to the following items:
  - Income tax expense of $0.8m of the parent entity. As the majority of operating businesses are structured as partnerships, the income tax expense attributable to non controlling interests in these partnerships is not included in the consolidated accounts
  - Parent entity additional investments (including applicable interest and depreciation, as well as non recurring one off expenses) above the Services Fee and IP License Fee income that it receives of $3.4m which is borne 100% by the parent entity
- Adding back the above items, the resulting split is 52%/48%. This differs from ~51%/49% as the parent owns slightly more than 51% in some operating businesses

(m)	NCI	Parent	Total
Group NPAT - Statutory	$5.5	$1.8	$7.3
	75%	25%	
Add Back: Income Tax Expense	$0.2	$0.8	$1.0
Group NPBT	$5.7	$2.7	$8.3
	68%	32%	
Add Back: Parent Entity Additional Investment inc. finance costs and depreciation		$3.4	$3.4
Group NPBT before parent entity additional investments	$5.7	$6.0	$11.7
	48%	**52%**	

Totals subject to rounding

CASHFLOW

	1H18	1 1H19	2 1H20	3 1H21	4 1H22	5 1H23	6 1H24	CAGR
Cash From Operations (CfO)	**$3.1**	**$5.4**	**$6.7**	**$9.0**	**$10.8**	**$12.5**	**$14.0**	**28.5%**
Owners' Earnings (CfO - Maint. Capex)	**$2.9**	**$5.2**	**$6.6**	**$8.1**	**$9.1**	**$10.0**	**$11.0**	**24.8%**
Cash Conversion (Operating Cash Flow / EBITDA)	72.3%	124.2%	100.5%	92.9%	88.9%	106.4%	101.4%	
Days Lockup	60.0	79.9	64.0	55.4	57.4	56.4	55.2	



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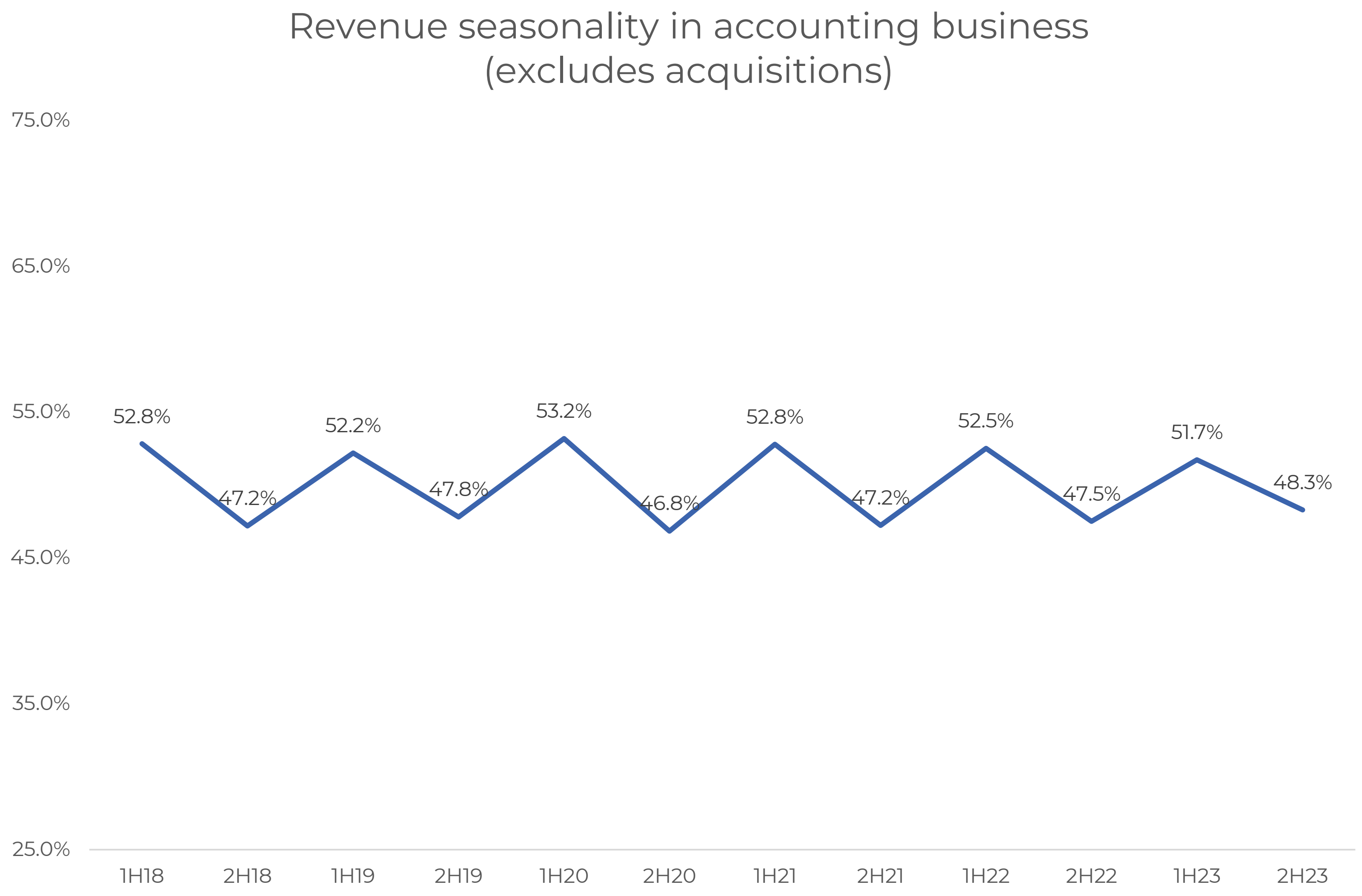
CASH RECONCILIATION

Reconciliation of NPAT to Operating Cashflow ($m)	1H23	1H24
Reported NPAT	6.5	7.7
Adjustments for:		
Depreciation and amortisation	4.5	5.7
Unwinding of interest on contingent consideration	0.3	0.3
Other non-cash movements*	-0.1	1.5
Change in operating assets and liabilities:		
Decrease / (increase) in trade and other receivables	-1.7	-1.9
Decrease / (increase) in deferred tax assets	0.6	0.5
Increase / (decrease) in trade and other payables	1.8	0.2
Increase in provision for income tax	0.7	0.0
Net cash from operating activities	**12.5**	**14.0**

**Other non cash movements include balance sheet items recognised as part of completed acquisitions or derecognised as part of sale of subsidiaries*

1H/2H SKEWS

- Revenue seasonality in the accounting businesses is approximately **1H: 52% / 2H: 48%**, equating to a 5% (or c. $2.4m swing) down swing in 2H23.
- Seasonality is predominantly due to **timing of tax work related to 30 June year end**, with most work typically completed in the first 9 months of the year.
- The Group also engages in a small amount of **audit work which is mostly completed by the 31 October lodgement deadline**. Audit work represents less than 4.0% of group revenues.
- Earnings split between 1H / 2H may also be impacted by level of additional investments by the parent entity and timing of in year acquisitions

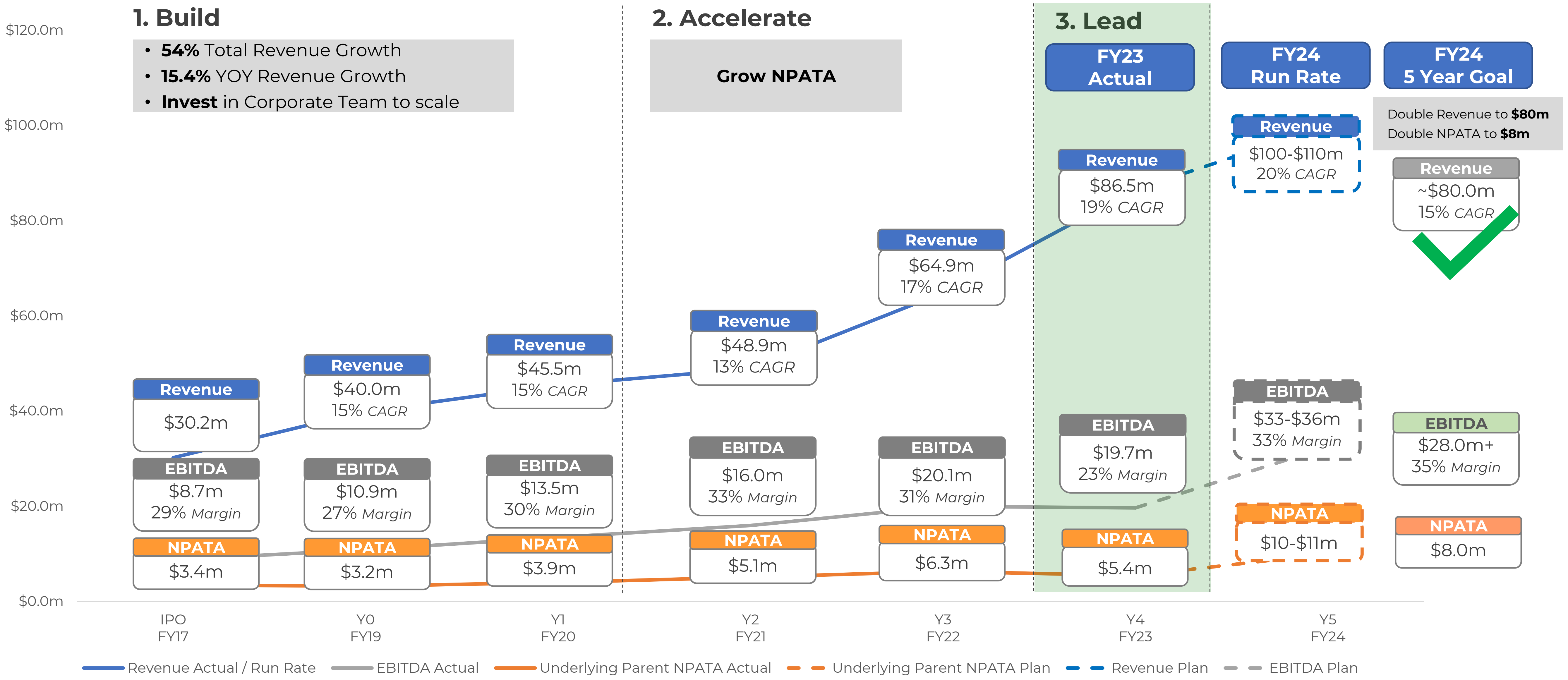


METRICS SINCE IPO

KPGHL & Controlled Entities ("Group")		1	2	3	4	5	6	
P&L and Cashflow	FY17	FY18	FY19	FY20	FY21	FY22	FY23	CAGR
Revenue	**$30.2**	**$39.5**	**$40.0**	**$45.5**	**$48.9**	**$64.9**	**$86.5**	**19.2%**
Underlying EBITDA (pre AASB 16)	**$8.7**	**$14.5**	**$10.9**	**$13.5**	**$16.0**	**$20.0**	**$19.7**	**14.5%**
Margin %	**28.9%**	**36.6%**	**27.2%**	**29.6%**	**32.6%**	**30.8%**	**22.7%**	
Underlying NPATA	**$7.3**	**$11.5**	**$8.8**	**$10.1**	**$11.6**	**$14.2**	**$13.6**	**10.9%**
Margin%	24.2%	29.2%	22.1%	22.3%	23.7%	21.8%	15.7%	
NPATA	$1.5	$10.6	$7.9	$11.0	$11.8	$15.5	$15.0	
Dividends & Distributions Paid	-$7.1	-$5.2	-$6.7	-$10.5	-$8.4	-$9.9	-$12.7	
Cash From Operations (CfO)	**$6.9**	**$6.6**	**$10.0**	**$14.3**	**$15.1**	**$17.6**	**$19.5**	**18.8%**
Owners' Earnings (CfO - Maint. Capex)	**$6.6**	**$6.3**	**$9.7**	**$12.2**	**$12.8**	**$14.0**	**$14.9**	**14.5%**
Gearing (Net Debt / Underlying EBITDA)	1.3x	0.8x	1.3x	1.0x	0.8x	1.4x	1.6x	**3.4%**
Cash Conversion (Operating Cash Flow / EBITDA)	269.6%	63.5%	116.8%	97.3%	93.5%	83.3%	94.4%	
Equity Partners	36	39	40	44	53	62	78	13.8%
Revenue per Equity Partner (Trailing 12 months)	$0.8	$1.0	$1.0	$1.0	$0.9	$1.0	$1.1	
Balance sheet	30-Jun-17	30-Jun-18	30-Jun-19	30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-23	
Lockup (Debtors + WIP)[1]	$7.8	$10.1	$7.6	$6.9	$6.8	$11.6	$14.1	
Net Debt	$11.7	$11.4	$14.7	$15.2	$15.7	$31.4	$39.9	
Total Equity	$19.8	$24.1	$24.1	$22.9	$25.2	$34.0	$35.5	
Return on Equity[2]	36.9%	47.8%	36.6%	44.2%	46.0%	41.7%	38.4%	
Return on Invested Capital[3]	22.9%	31.2%	22.7%	26.1%	27.6%	22.3%	20.0%	
Days Lockup[4]	94.2	93.3	69.6	55.2	51.1	55.8	48.1	
Equity Ratio (Equity / Total Assets)[5]	46.7%	54.2%	48.7%	39.7%	37.2%	34.6%	26.8%	
KPGHL ("Parent")								
P&L and Cashflow	FY17	FY18	FY19	FY20	FY21	FY22	FY23	CAGR
Underlying NPATA	**$3.4**	**$4.3**	**$3.2**	**$3.9**	**$5.1**	**$6.3**	**$5.4**	**7.8%**
Owners' Earnings (CfO)	**$3.4**	**$4.3**	**$3.1**	**$3.9**	**$5.0**	**$6.3**	**$6.0**	**9.7%**
Earnings per share (Underlying NPATA) (cents)	7.57	9.51	7.02	8.67	11.33	13.99	12.01	8.0%
Dividends Per Share	0.00	4.00	4.40	4.84	7.08	7.98	6.44	10.0%
Balance sheet	30-Jun-17	30-Jun-18	30-Jun-19	30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-23	
Return on Equity[2]	29.5%	29.1%	21.5%	24.8%	28.5%	30.4%	26.3%	
Return on Invested Capital[3]	21.3%	21.6%	16.2%	21.9%	27.4%	30.5%	24.4%	

1 *Lockup – calculated as the total of trade and other receivables, accrued income less contract liabilities*
2 *Return on Equity – calculated as the Underlying NPATA / Total Equity*
3 *Return on Invested Capital – calculated as (Underlying NPATA + Interest) / (Total Equity + Debt)*
4 *Days Lockup – calculated as lockup divided by revenue multiplied by 365*
5 *Equity Ratio– calculated as Equity / Total Assets.*

5 YEAR PLAN 1 : FY19-FY24



Thank you

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