

# 2021 Half Year Results

Presentation and Investor Discussion Pack

**23 February 2021 (Sydney)**

A copy of the presentation is attached.

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This presentation has been authorised for release to the ASX by the Board of CountPlus Limited.

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All currency amounts are in AUD unless otherwise stated.

# CountPlus 1H2021 Summary

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EBITA **\$8.875M** (1H2020 \$5.091M, 74% increase)

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Adjusted net profit attributable to CountPlus shareholders **\$4.082M** (1H2020 \$2.472M, 65% increase)

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Firm average profit margin maintained at **20%** in 1H2021 excluding Government assistance

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Government assistance (JobKeeper, Cash Boost, Payroll Tax) received by subsidiaries was \$2.3M and for associates was \$390K for 1H2021

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Financial Services Segment EBITA **\$1.610M** showing continued positive contribution from Count Financial (1H2020 \$926K, 74% increase)

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Lock up remained steady at **81 days** (1H2020 80 days)

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Earnings from Associate Firms under Owner, Driver – Partner model **\$1.753M** (1H2020 \$1.055M, 66% increase)

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Adjusted earnings per share **3.66** cents (1H2020 2.24 cents, 63% increase)

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Cash on hand increased to **\$27.638M** at 1H2021 (1H2020 \$20.140M, 37% increase)

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Dividend payable of **1.25** cents per share at 1H2021, consistent with the same period last year

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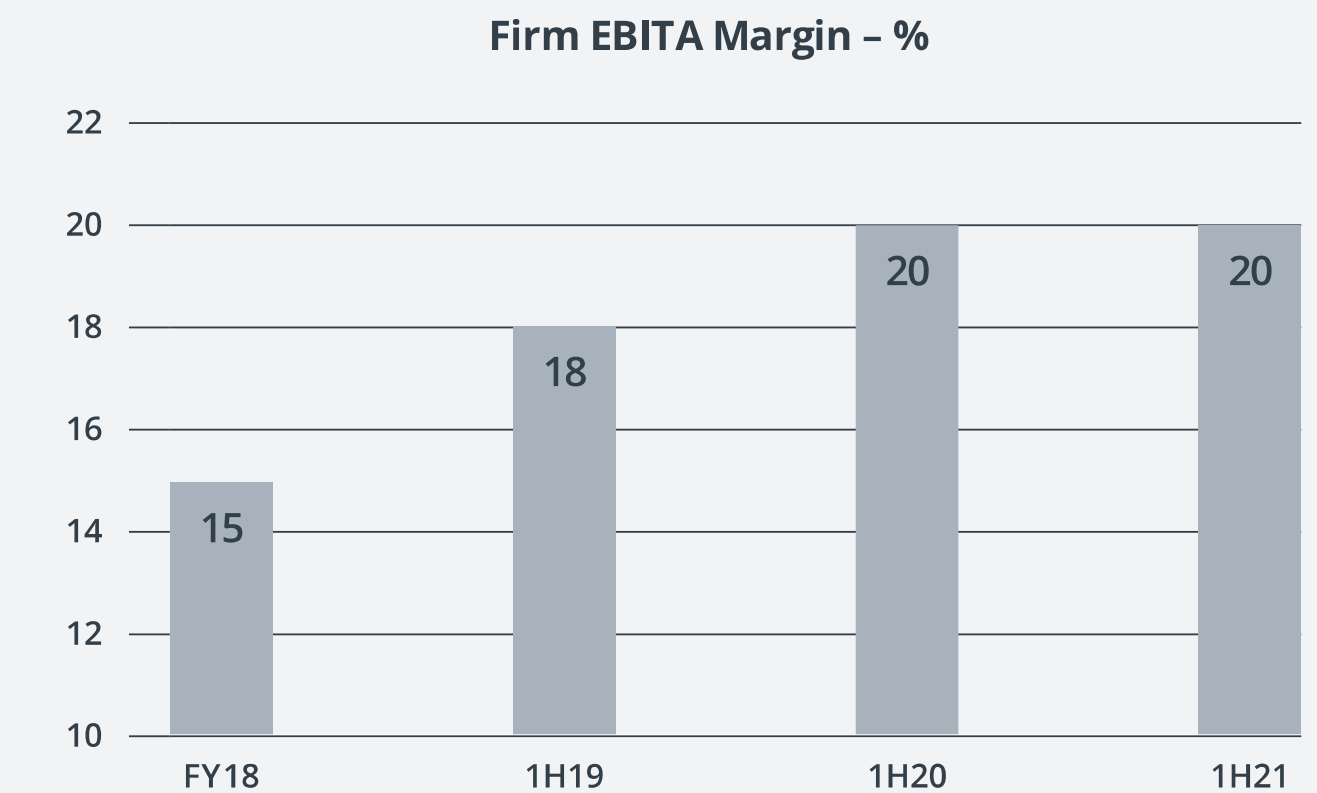
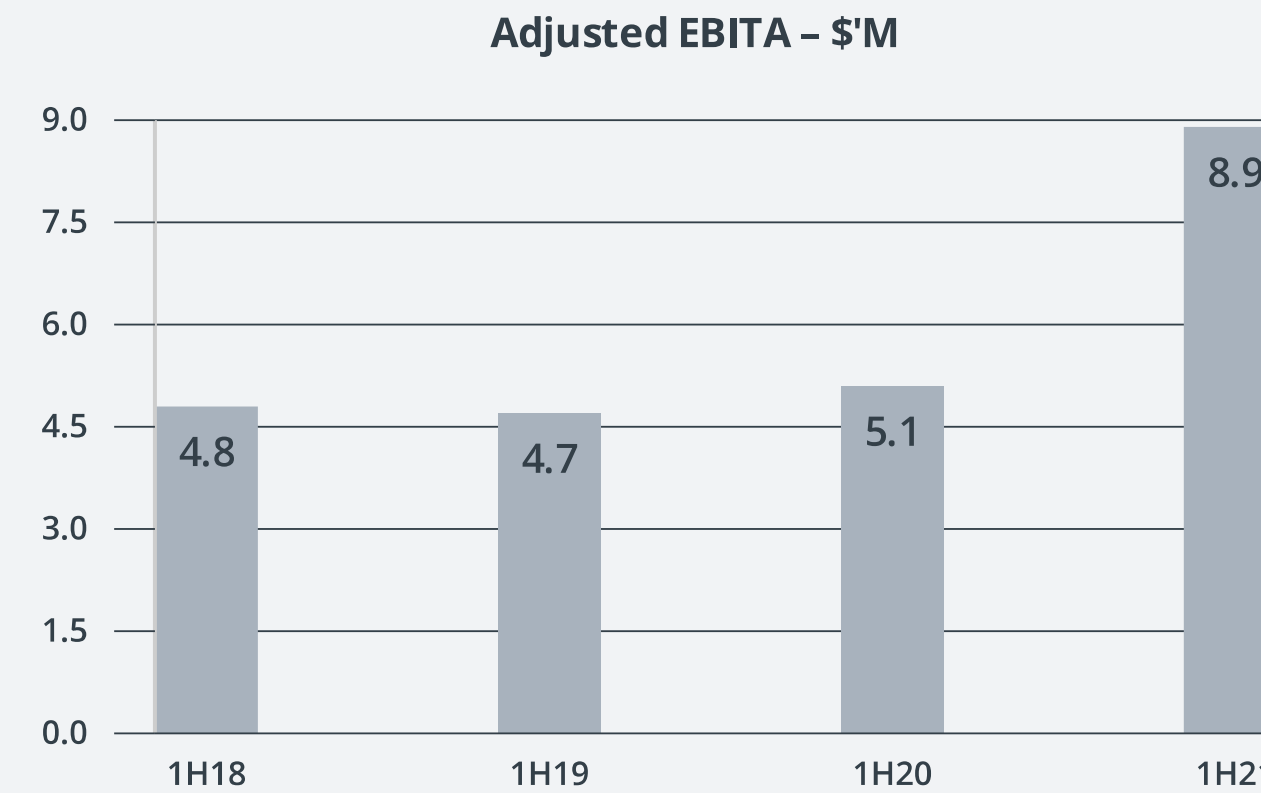
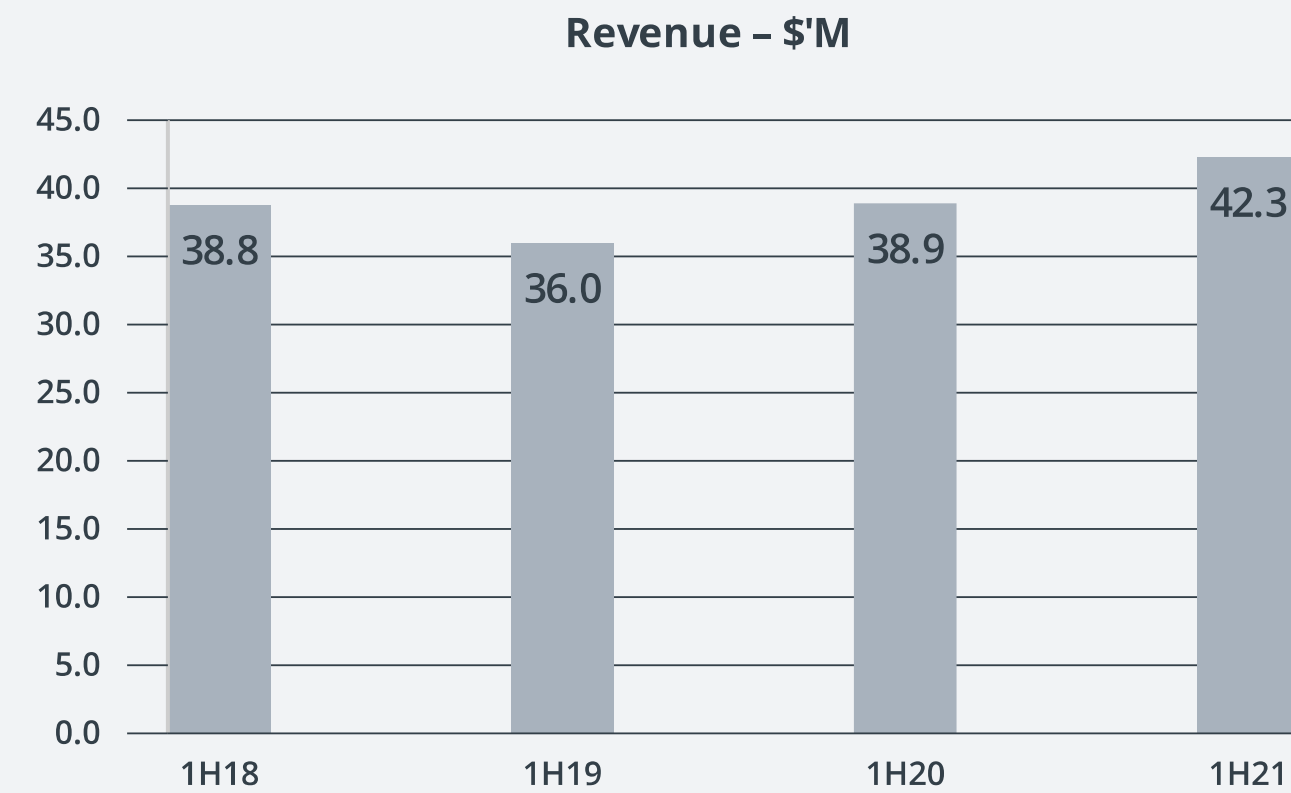
**Six** tuck-in acquisitions in 1H2021

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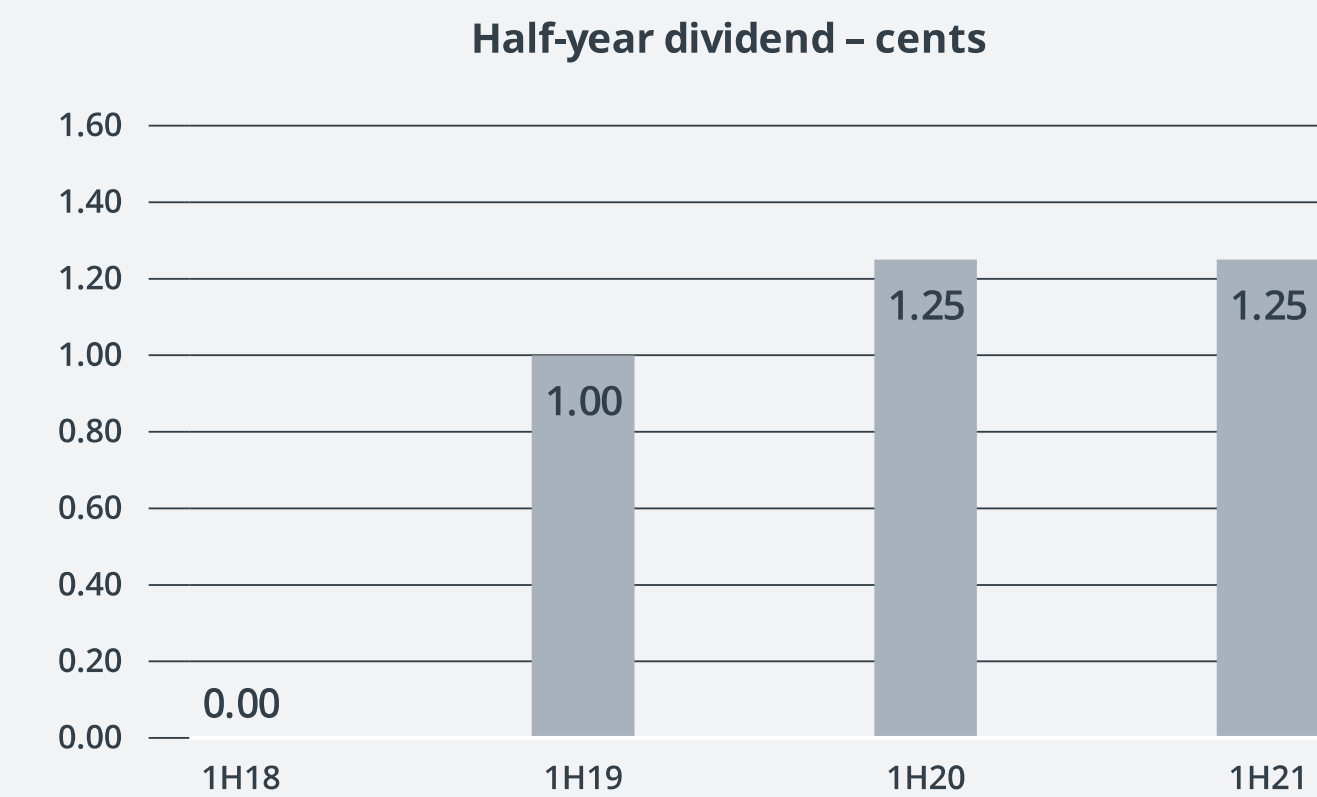
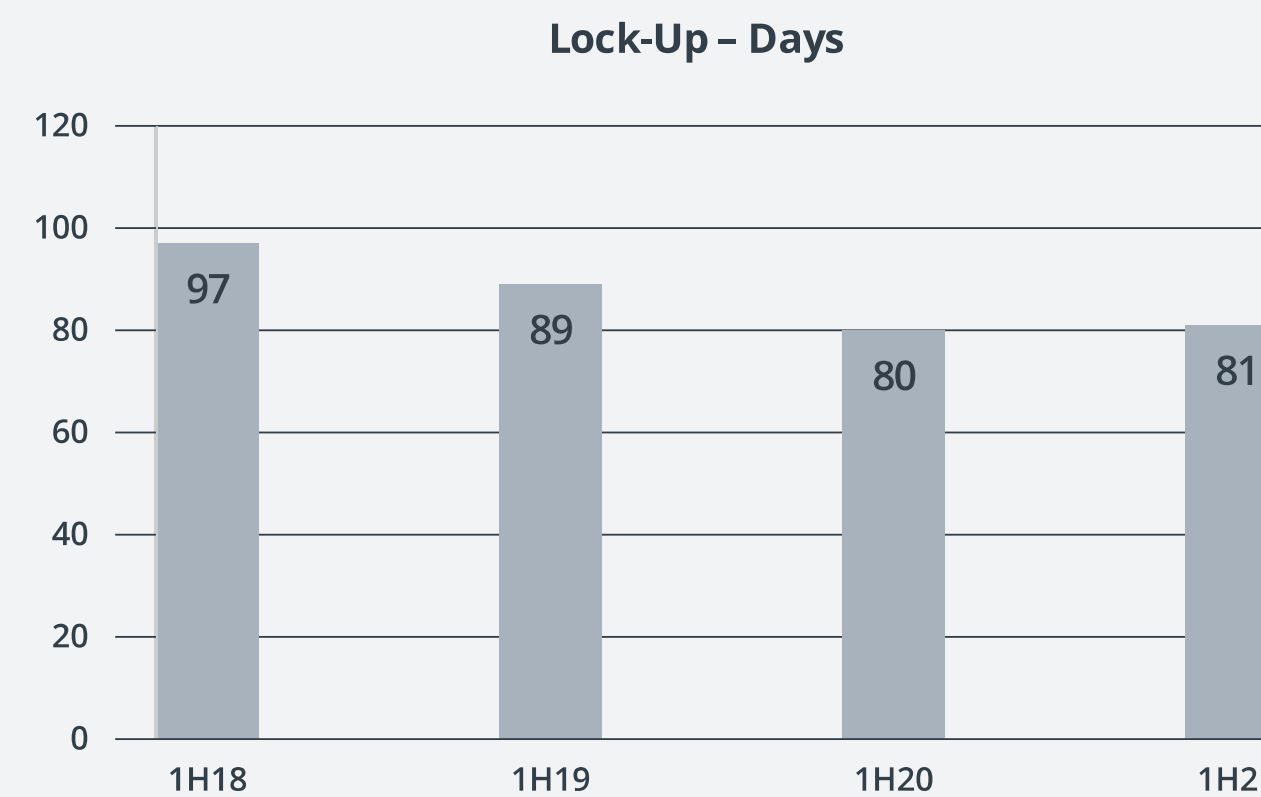
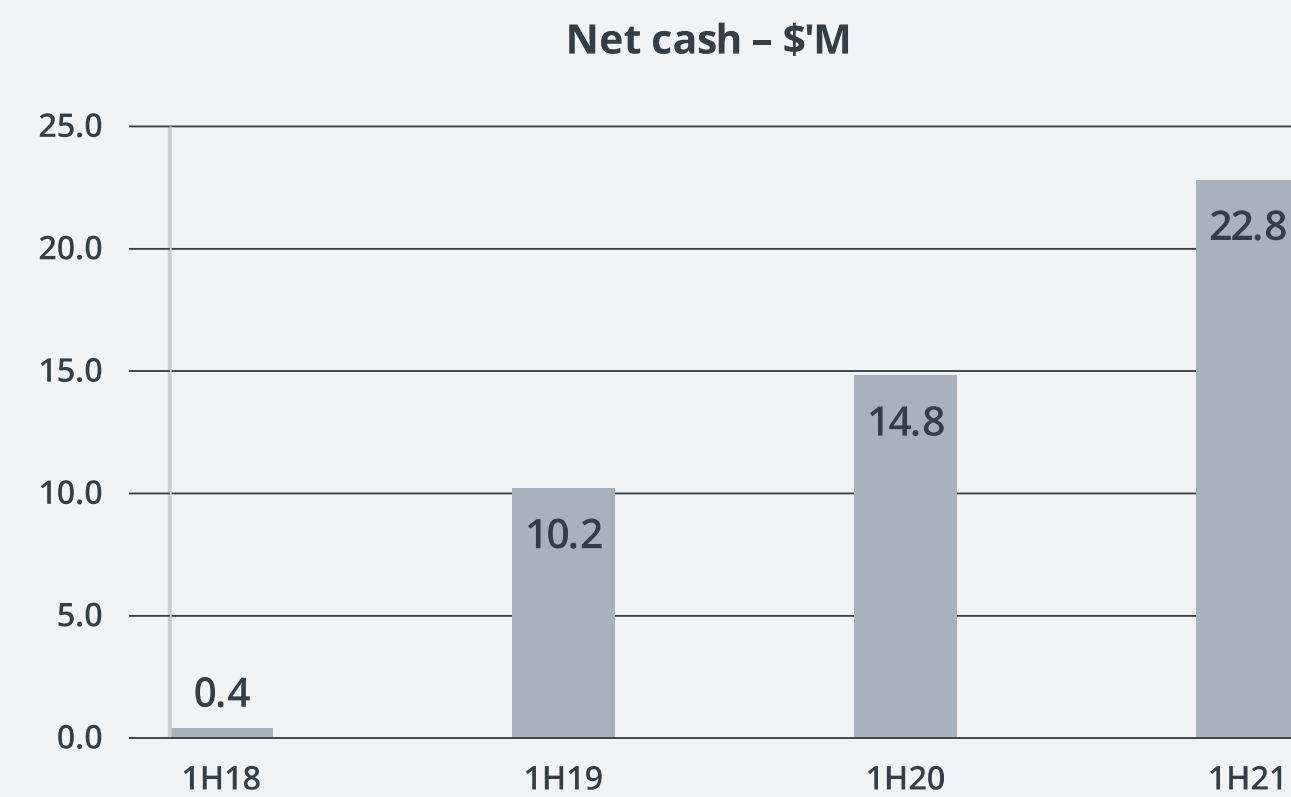
# CountPlus Financial Track Record



Improved earnings; strengthened cash position



Note: 1H21 excludes JobKeeper



# CountPlus Headline Results



Building for the future

Financial Results summary	1H21	1H20*	Movement	
	\$'000	\$'000	\$'000	%
Revenue from operating activities	42,278	38,852	3,426	9
Adjusted Earnings before interest, tax and amortisation ("EBITA")	8,875	5,091	3,784	74
Adjusted Net profit after tax ("NPAT")	5,547	3,114	2,433	78
Adjusted Net profit attributable to CountPlus shareholders	4,082	2,472	1,610	65
Adjusted Net profit after tax before amortisation ("NPATA")	6,221	3,776	2,445	65
Share of associates earnings	1,753	1,055	698	66
Cash on hand	27,638	20,140	7,498	37
Reported earnings per share – cents	3.66	10.44	(6.78)	(65)
Adjusted earnings per share – cents	3.66	2.24	1.42	63
Net tangible assets per share – cents	36.07	28.44	7.62	27

**Note:** Adjusted is defined as reported results adjusted for one-off, non-recurring items. No adjustments have been made to the 1H21 results.

\* The 1H20 comparative figures have been restated due to the acquisition accounting of Count Financial that was provisional at 31 December 2019 but finalised at 30 June 2020. A reconciliation of this is shown in Appendix 3.

# CountPlus Profit Reconciliation



## Statutory profit reconciliation

Financial Results summary	1H21	1H20*	Movement
	\$'000	\$'000	% change
<b>Net profit after tax – Reported</b>	<b>5,547</b>	<b>11,934</b>	
Deduct: Gain on bargain purchase	–	(10,952)	
Add: One-off M&A transaction costs	–	215	
Add: Transition Costs – Count Financial	–	2,102	
Add: AASB9 & AASB15 one-off adjustments to insurance trail commissions	–	200	
Deduct: Tax impact of adjustments above	–	(385)	
<b>Adjusted NPAT</b>	<b>5,547</b>	<b>3,114</b>	<b>78</b>
<b>Adjusted minority interest</b>	<b>(1,465)</b>	<b>(642)</b>	
<b>Adjusted NPAT attributable to CountPlus shareholders</b>	<b>4,082</b>	<b>2,472</b>	<b>65</b>

### Note:

\* The 1H20 comparative figures have been restated due to the acquisition accounting of Count Financial that was provisional at 31 December 2019 but finalised at 30 June 2020. A reconciliation of this is shown in Appendix 3.

# Underlying Trading Performance Reconciliation

Underlying trading performance	1H21	1H20	Movement	
	\$'000	\$'000	\$'000	% change
<b>EBITA – Per Headline Results</b>	<b>8,875</b>	<b>5,091</b>	<b>3,784</b>	<b>74</b>
Total Government assistance included in the consolidated financial results	(2,699)	–	(2,699)	n/a
<b>EBITA – Underlying Trading Performance</b>	<b>6,176</b>	<b>5,091</b>	<b>1,085</b>	<b>21</b>

Underlying segment trading performance	1H21	1H20	Movement	
	\$'000	\$'000	\$'000	% change
EBITA – Converged Member Firms <sup>(1)</sup>	7,434	6,686	748	11
EBITA – AFSL Segment <sup>(2)</sup>	1,610	926	684	74
EBITA – Corporate EBITA and consolidation adjustments <sup>(3)</sup>	(2,868)	(2,521)	(347)	(14)
<b>EBITA – Underlying Segment Trading Performance</b>	<b>6,176</b>	<b>5,091</b>	<b>1,085</b>	<b>21</b>

## Notes:

1. At the Converged Member Firm level, which includes subsidiaries and associates, \$2.534M of Government assistance in 1H21 has been excluded from the analysis above (1H20 – \$nil).
2. No Government assistance was received by the AFSL segment (1H20 – \$nil).
3. \$165,000 of Government assistance was received by CountPlus parent entity in 1H21 and has been excluded from the analysis above (1H20 – \$nil).



# CountPlus Segment Report



Acquisitions including Count Financial have improved group profitability

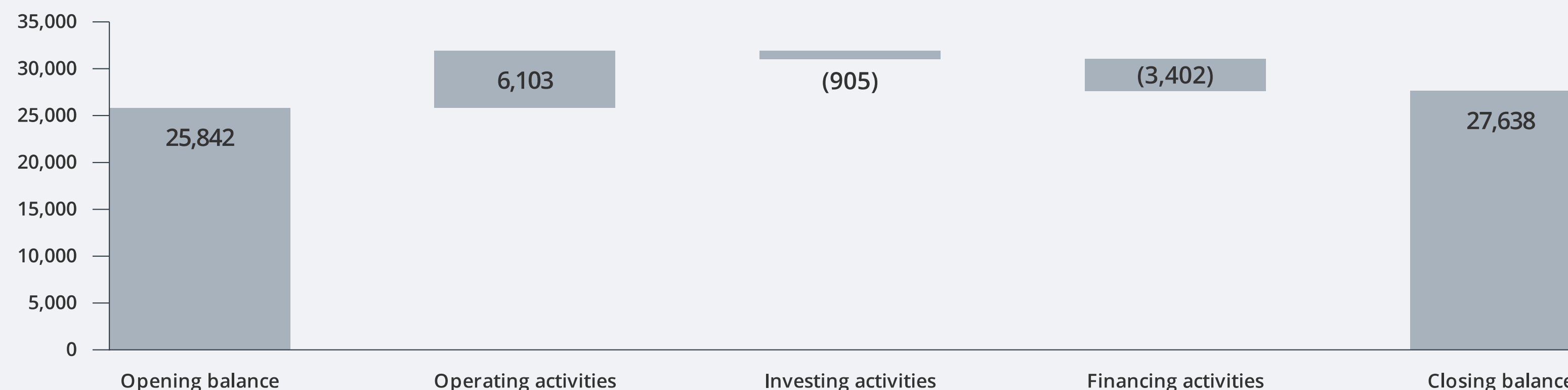
1H21	Subsidiary Accounting Firms	Share of Associates earnings	AFSL	Other, corporate, consol adj.	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	33,716	n/a	8,222	340	<b>42,278</b>
Contribution	16,674	n/a	2,948	–	<b>19,622</b>
<b>Adjusted EBITA</b>	<b>8,215</b>	<b>1,753</b>	<b>1,610</b>	<b>(2,703)</b>	<b>8,875</b>

1H20	Subsidiary Accounting Firms	Share of Associates earnings	AFSL	Other, corporate, consol adj.	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	32,731	n/a	5,542	579	<b>38,852</b>
Contribution	16,282	n/a	3,638	–	<b>19,920</b>
<b>Adjusted EBITA</b>	<b>5,631</b>	<b>1,055</b>	<b>926</b>	<b>(2,521)</b>	<b>5,091</b>

# CountPlus Cash Flow Bridge

Strong cash flow building capacity for further acquisitions

Cash flow bridge – 1 July 2020 to 31 December 2020  
\$'000



Operating cash flows reconciliation	1H21	1H20	Movement
	\$'000	\$'000	%
Cash flow from operating activities – Reported	6,103	1,687	
Add: Transition costs – Count Financial	–	2,102	
Add: AASB16 interest	359	348	
<b>Adjusted cash flow from operating activities</b>	<b>6,462</b>	<b>4,137</b>	<b>56</b>
<b>Operating cash conversion to adjusted EBITA</b>	<b>73%</b>	<b>81%</b>	

# Partner Firms – 100% aggregation – Core Accounting Firms



Underlying firm performance continues to improve with ongoing margin expansion

Pro forma P&L analysis	1H21	1H20	Movement
	\$'000	\$'000	%
<b>Total Revenue from operating activities</b>	<b>54,714</b>	<b>50,898</b>	<b>7</b>
Operational Salaries	(28,501)	(26,613)	
<b>Contribution margin</b>	<b>26,213</b>	<b>24,285</b>	<b>8</b>
Other income	4,245	430	
Operating expenses	(15,274)	(14,531)	
<b>Firm EBITA</b>	<b>15,184</b>	<b>10,184</b>	<b>49</b>
Interest income	10	13	
Amortisation	(391)	(377)	
Interest expense	(629)	(626)	
<b>Profit before tax</b>	<b>14,174</b>	<b>9,194</b>	<b>54</b>
Income tax expense	(3,847)	(2,824)	
<b>Net profit after tax</b>	<b>10,327</b>	<b>6,370</b>	<b>62</b>

## Key points to note:

- This analysis is prepared by aggregating all CountPlus entities at 100% including associates. The analysis excludes Count Financial, Total Financial Solutions and Corporate Office in order to ensure comparability.
- This analysis reflects the underlying performance of all partner firms, ignoring the impact of shareholding to facilitate a year-on-year “same firm” comparison.
- Included in other income, is government assistance of \$3.734M.

# Dividends

Dividend maintained at **1.25** cents per share for 1H2021

- 1H21 dividend of **1.25** cents per share, fully franked (consistent with the same period last year).
- Target dividend pay-out ratio of **60%** to **90%** of maintainable net profit after tax attributable to CountPlus shareholders.
- The Board may consider varying dividends to be paid or to be declared having regard to economic and industry conditions as well as potential acquisition requirements.

## Key dates for 1H21 dividend

Ex-Dividend date	Record date	Payment date	Franking credits at 31 December 2020 amount to <b>\$8.4M</b> (HY20: \$8.1M)
Thursday 18 March 2021	Friday 19 March 2021	Wednesday 14 April 2021	



# Count

Professional Partnerships, Trusted Advice

# Financial services – segment analysis

## Breakdown of AFSL results for 1H21 and 1H20

Financial Services Segment prior year adjustments	1H21	1H20	Movement	
	\$'000	\$'000	\$'000	%
Statutory EBITA	1,610	(1,176)		
Add: Transition Costs – Count Financial*	–	2,102*		
<b>Adjusted EBITA – Financial Services segment</b>	<b>1,610</b>	<b>926</b>	<b>684</b>	<b>74</b>

Financial Services Segment analysis	1H21	1H20	Movement	
	\$'000	\$'000	\$'000	%
<b>Adjusted EBITA – Financial Services segment</b>	<b>1,610</b>	<b>926</b>	<b>684</b>	<b>74</b>
<b>Contribution to Adjusted EBITA</b>				
Count Financial	1,610	845	765	91
Total Financial Solutions	–	81	(81)	(100)

### Notes:

- In 1H20, Total Financial Solutions operated for six months and Count Financial operated under CountPlus ownership for three months from the period of 1 October 2019 to 31 December 2019.
- In 1H21, Count Financial operated for six months under CountPlus ownership.
- Count Financial is still to establish a new “run rate” under a fee for service model with new pricing structures and with the cessation of grandfathered commissions as at 31/12/2020.
- Count’s remediation provision has increased from \$143 million at 31 December 2019 to \$220 million at 31 December 2020. The indemnity extended by the CBA stands at \$300 million at 31 December 2020.

\* Transition costs are one-off in nature and relate to the integration of Count Financial.

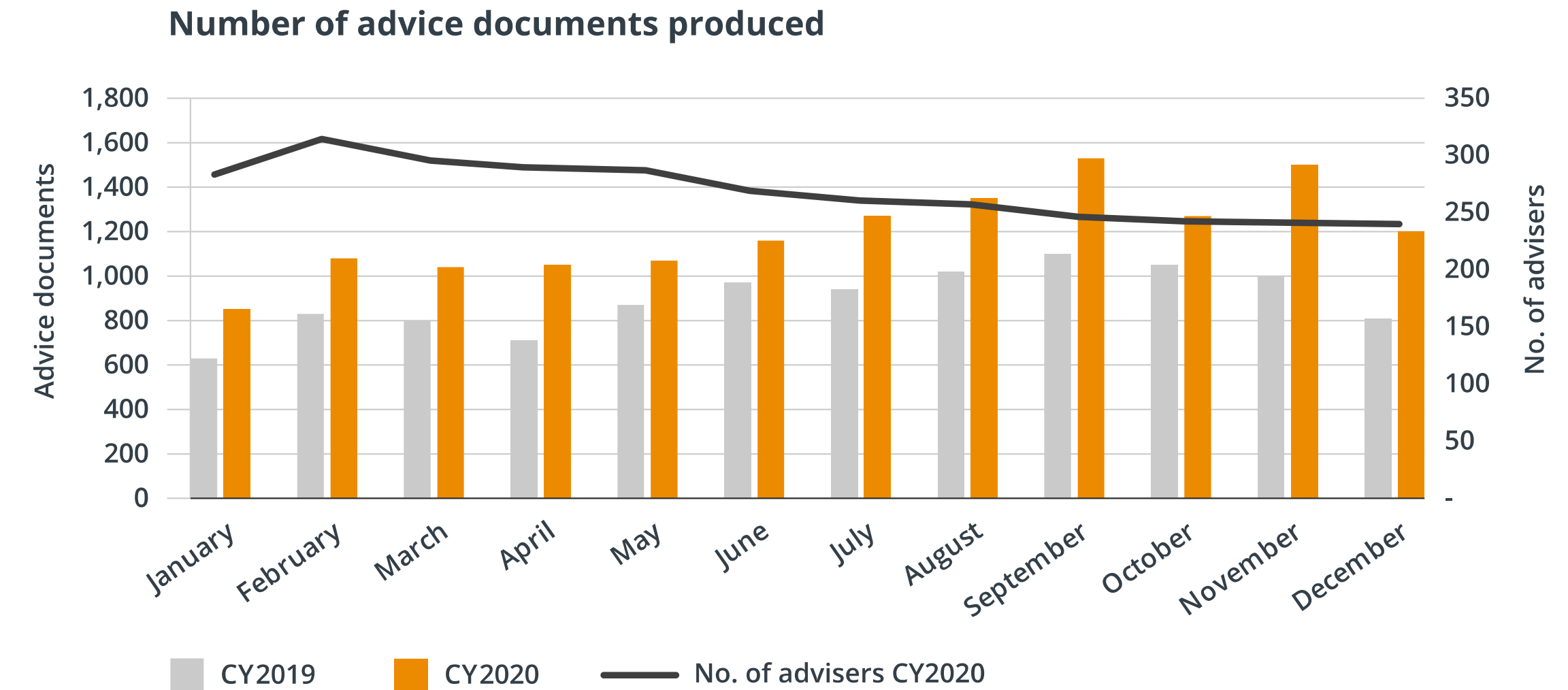
# Count Financial Operational Update



Count Financial is focused on efficiencies in the advice value chain.

## Focus on productive and sustainable firms

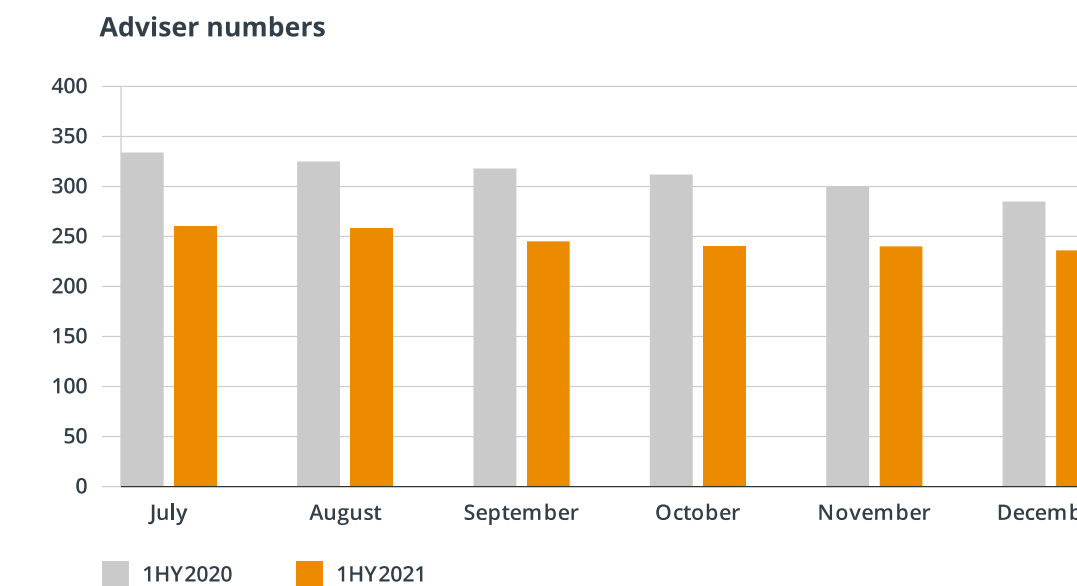
- Gross Business Earnings per Financial Adviser has increased 38% since acquisition on 1 October 2019.
- Average Funds Under Administration (“FUA”) per Adviser was \$37.1M in December 2020.
- Halved the time taken to produce advice documents compared to a year ago due to improvements in our technology and processes; also achieving 90% more automation of variables in the advice process.
- In October 2019 there were 13,301 ongoing advice clients serviced by 315 Count Financial Advisers. At the 31<sup>st</sup> December 2020 there are 12,882 ongoing advice clients serviced by 238 Count Financial Advisers.
- 68% of Count Financial Advisers have sat and passed FASEA examination versus an industry average of 52%. We have action plan to achieve a 100% pass rate for the exam by 30 June 2021. Only 8 Advisers have stated they will not sit the FASEA exam and intend to retire from practice.



# Count Financial Operational Update

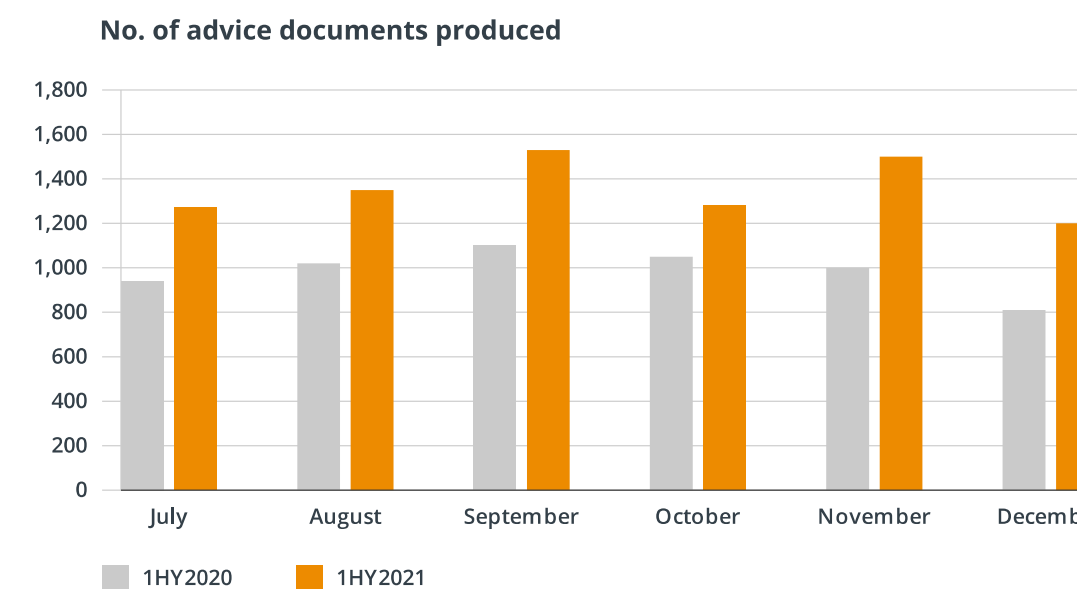
## Count Financial is building a solid foundation of high-quality, sustainable financial advice firms

- Count Financial is seeking to enhance its business by servicing **high-quality, sustainable advice** firms. Firms that fit this profile demonstrate a client-centric approach, a strong focus on delivering quality advice to their clients and have invested in support infrastructure.
- Adviser numbers** have declined as Count repurposes its value proposition towards the “new world” of financial advice. Adviser numbers fell from 284 at 31 December 2019 to 238 at 31 December 2020.
- The **number of advice documents** produced has increased by 37% between 1H2020 and 1H2021, with less Financial Advisers. We have enabled a 73% increase in advice documents produced per Financial Adviser.
- Gross business earnings (GBE)**, which represents the total fees generated by Count’s adviser network, has increased by 10% between 1H2020 and 1H2021. GBE per adviser has increased by 38% to \$264,000 per adviser per year.



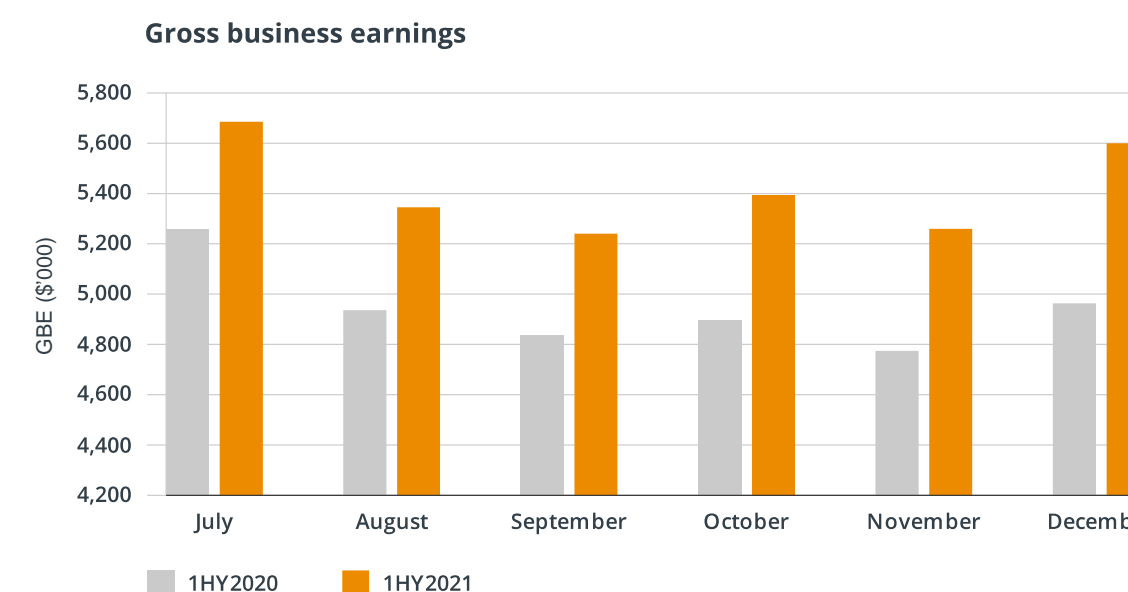
No. of advisers

1HY2020	284
1HY2021	238



Advice documents

	Total	Avg. per adviser
1HY2020	5,920	19
1HY2021	8,122	33
Increase	37%	73%



Gross business earnings (\$'000)

	Total	Avg. per adviser (annualised)
1HY2020	29,669	191
1HY2021	32,534	264
Increase	10%	38%



# Count Financial Operational Update



## Count Financial has a strong pipeline of recruitment opportunities in a dislocating advice market

### Count has a strong pipeline of recruitment opportunities

- Selection and recruitment standards for new firm entrants remain high.
- Count Financial has established a pipeline of 105 firms that have expressed an interest in joining the network. 18 firms are currently in final due diligence, with 36 Financial Advisers to onboard.
- Assuming all advisers in due diligence join Count, average GBE per adviser may increase by 7%.

### Market dynamics

- The industry is experiencing an unwinding of vertically integrated business models as major banks exit all or part of their advice businesses. This is resulting in greater opportunity for Count Financial as we seek to attract quality advisers requiring a new licensee.
- From a demand perspective, household wealth across Australia continues to grow. Financial advisers will seek to service both an aging population and those involved in the intergenerational wealth transfer occurring throughout the country.

### Adviser recruitment pipeline

	In due diligence phase	Other opportunities	Total
Number of firms	18	87	105
Number of advisers	36	231	267
Total gross business earnings (GBE)	\$14,950,000	\$71,320,000	\$86,270,000
<b>Average GBE per firm</b>	<b>\$830,556</b>	<b>\$819,770</b>	<b>\$821,619</b>
<b>Average GBE per adviser</b>	<b>\$415,278</b>	<b>\$308,745</b>	<b>\$323,109</b>

# Strategy Update

# Accounting Operating Environment

## A mature market segment

- Total revenue of the sector is \$20.2 Bn (49.1% Audit, 18.0% Advisory, 20.1% Tax Services, 10.0% SMSF, 2.8% bookkeeping) (Source: IBISWorld, October 2020).
- 31,783 Accounting Firms in Australia (Source: IBISWorld, October 2020).
- Annual Revenue Growth between 2016 and 2021 was -0.3%. (Source: IBISWorld, October 2020).
- Annual Earnings decline by 1.1% between 2016 and 2021 (Source: IBISWorld, October 2020).
- Expected Annual Growth 2021–2026 +2.1% (Source: IBISWorld, October 2020).
- Accounting services will likely be moderately affected due to the falling business confidence index and SMEs undergoing financial difficulty due to the COVID-19 outbreak. Industry revenue is expected to decline by 13.7% in 2019–20 and by 2.6% in 2020–21. (Source: IBISWorld, October 2020).
- Audit and tax services are expected to only be lightly affected by COVID-19, as government stimulus policies and tax return adjustments mean that companies will continue to require these services. In contrast, some advisory services linked to business confidence may be negatively affected.
- Investment in technology to improve productivity and client engagement tools is a major trend and an improvement in profit margins is linked to this investment.
- Firms are increasingly incorporating technology into services offered, such as data analytics and cloud-based accounting, which has expanded value-added services. These value-added services have higher profit margins than traditional revenue streams.
- Small industry operators are less likely to adopt new technologies due to the high investment requirements (cost of change management) and are exposed to competition from firms focussed on providing real-time accounting data analytics and cloud-based services.

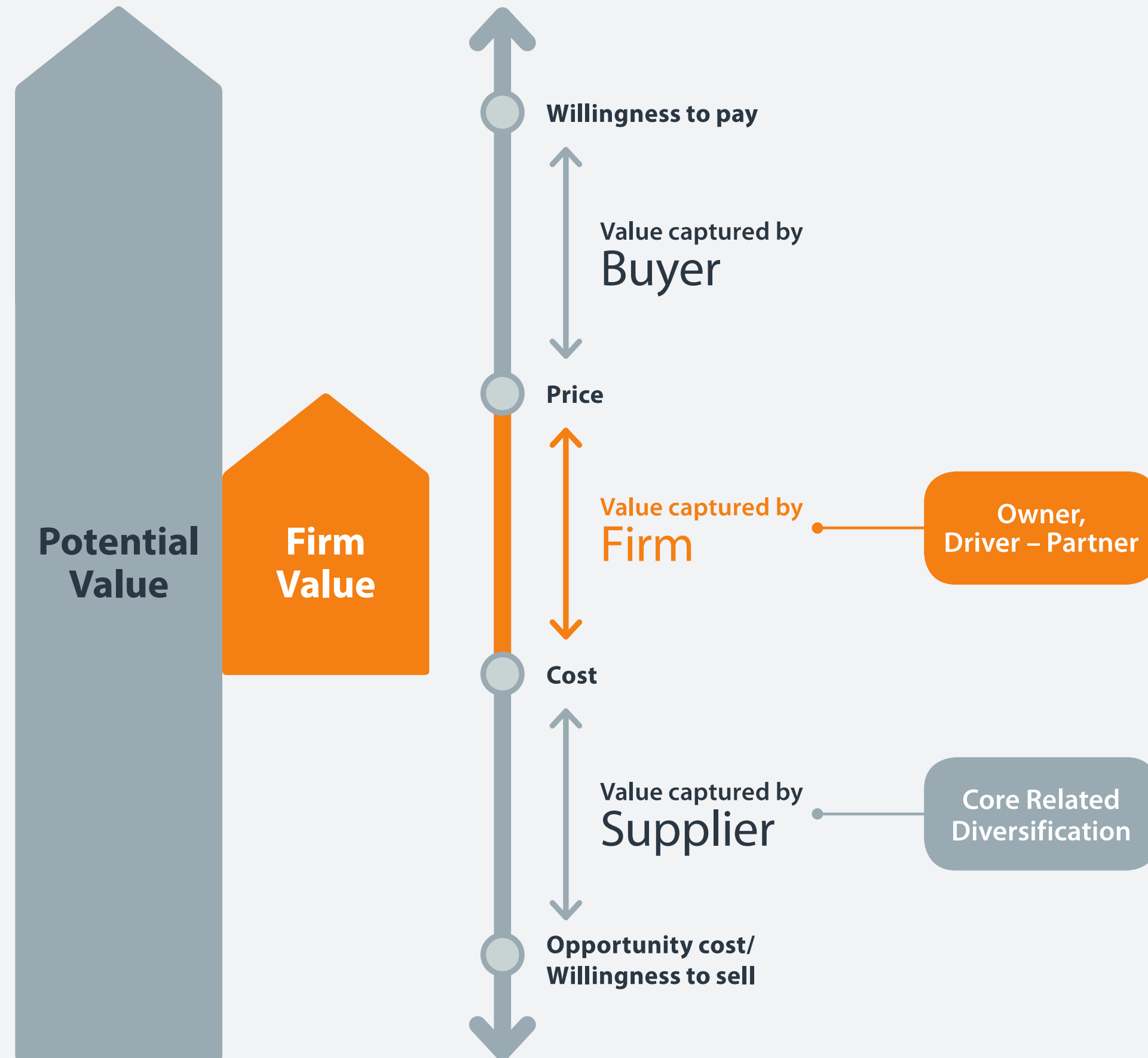
# Financial Advice Operating Environment

## A dislocating market segment

- 19,082 Financial Advice Firms in Australia. (Source: IBISWorld, October 2020).
- Annual Revenue Growth between 2016 and 2021 was -2.6%. Expected Annual Growth 2021–2026 +1.2% (Source: IBISWorld, October 2020).
- Annual Earnings decline by 5.7% between 2016 and 2021 (Source: IBISWorld, October 2020).
- It is anticipated the number of Financial Advisers will fall from circa 29,000 in 2018 to approximately 15,000 by 2023 (Source: Adviser Ratings).
- Total revenue of the sector is \$4.5 Bn (38.7% Superannuation and Retirement Advice, 21.5% Loan and Investment Advice, 23.9% SMSF Advice, 6.2% Tax Advice and 9.7% Insurance Advice) (Source: IBISWorld, October 2020).
- The major banks have now largely exited financial advice, leaving AMP and IOOF to hold some 30% of Adviser numbers.
- Professional Indemnity (PI) Insurance costs continue to increase, and market references point to a reduction in capital available for underwriting of financial advisers. A hardening PI market will create a renewed focus on governance, capital adequacy, risk management infrastructure and real time data driven supervision and monitoring.
- A number of Royal Commission recommendations still to be implemented. The last resort compensation scheme potentially negatively impacting AFSL's and Financial Advisers.
- Industry profitability is forecast to decline over the period, as firms face into the banning of grandfathered revenue streams, higher risk adjusted compliance costs and additional education and training expenses. Strength of balance sheet will play a significant role with the ability of the industry to fund necessary changes in business models.
- Australia's ageing population, compulsory superannuation contributions and a forecast rise in disposable incomes, are projected to support demand for industry services over the period. Industry players are also expected to benefit from recovering investor confidence due to the greater transparency brought about by the refined FOFA reforms and FASEA standards uplift. While the industry continues to adapt to the new regulatory environment, funds accumulating in the superannuation system and increasing SMSF numbers will likely boost demand for financial advice.

# Core Related Priorities

CountPlus is exploring several core related opportunities



## Core Related Diversification

Investment into activities that are concerned with inputs / outputs (downstream) into core firm related activities. Investment into activities that have a regulatory aspect or that enable/enhance core firm activities.

## Core Related Earnings

- Subscription style revenue or margin share style revenue.
- High needs based, linked to deliverables.
- B2B regulatory capability overlay.
- Technology enabled.

# Core Firm: Owner, Driver – Partner



## Continue to build out the firm network

### Tuck-In acquisitions by existing Firms

Tuck-ins have been highly earnings accretive for member firms and in the large part have been funded from available cash and the deferred consideration structure, i.e., where consideration is paid over an agreed number of years based on client fee retention hurdles. Benefits of tuck-in style acquisitions are:

- Highly earnings accretive;
- Relatively low risk with restraints in sale agreement and deferred consideration structure;
- Allows up and coming “stars” in the firm to take on a larger client portfolio and push for equity ownership if transition is successful and fee base grows;
- Potential for cross discipline referrals and further revenue growth/synergies;
- Often revenue can be “bolted” or “tucked in” to existing productive capacity in the firm and enables earnings uplift; and
- Transaction normally on a multiple of fees generated.

### Investment in OD-P Firms

Under our revamped OD-P model, we have consistently achieved circa 15% ROI (after tax) for each OD-P Investment made in the last three years.

For businesses that have the focus on driving their own growth but requiring the support of a key institutional partner, CountPlus is the ideal equity partner for the following reasons:

- Access to capital to acquire and invest;
- Provide a governance and strategic overlay required for firms to achieve growth targets;
- Willingness to back incumbent management if capable;
- Does not require a complete sell out or significant divergence from proven successful business model;
- Willingness to hold equity and slide up and down in terms of the level of that equity held, delivers a viable internal succession support framework where the timing of departing and incoming partners may not coincide;
- Thought leadership and assistance with performance improvement if necessary; and
- Principal alignment in the individual firms through OD-P and firm control (>50% equity) placed in Principal’s hands.

# What sets us apart

## Strong vision, backed by values-led execution

### Our Vision

To become Australia's leading network of professional accounting and advice firms, aligned through shared values, mutual success and our sense of community.

### Our Values

- Trust**  
Earned through character, competence and coachability.
- Commitment**  
We do what we say we will do.
- Teamwork**  
We believe in the collective wisdom of the team.

### Strategic Drivers and Key Goals

- Clients**  
We deliver advice that secures financial well being.
- Firms**  
We provide financial and intellectual investment capital.
- People**  
We invest in people and build leaders.
- Focus**  
We believe in excellence = process x culture.
- Financial**  
We will make a decent profit, decently.
- Community**  
Our reputation is the sum of what the community thinks of us.

## Priority Outcomes

Clients	Firms	People	Focus	Financial	Community
<p>We will act fairly and in the best interest of clients.</p> <p>We deliver value in line with agreed client expectations.</p> <p>We make a positive difference in the financial wellbeing of our clients.</p>	<p>All principals are aligned owners with CountPlus.</p> <p>CountPlus is a participatory investor in professional advice firms.</p> <p>We add value through strategy, people systems, structure &amp; governance, culture and leadership.</p>	<p>A recognition culture that incentivises the demonstration of our values.</p> <p>We assist firms build a bench strength of leaders and stars.</p> <p>Our leaders are coaches.</p> <p>We are who we promote.</p>	<p>We build firms that transcend generations.</p> <p>Culture is our competitive advantage.</p> <p>We systemise the routine, but we lead people.</p> <p>We invest in technology that is additive to our core business.</p>	<p>Efficient and disciplined use of capital.</p> <p>We invest in people that fit our family photograph.</p> <p>We deliver returns to our shareholders by providing advice that makes a positive difference in the lives of our clients.</p>	<p>Redefine our network as a complementor to our firm's success.</p> <p>Engage with Professional Associations for best practice.</p> <p>Establish pro-bono and philanthropic team from within our firms.</p>

# Appendix 1

## CountPlus operating wholly-owned subsidiaries, partially owned subsidiaries and associates

No.	Partner Firm	Shareholding
	<b>Wholly-owned subsidiaries</b>	%
1.	Addvantage Financial Freedom Pty Ltd	100.00
2.	Cooper Reeves Pty Ltd	100.00
3.	CountPlus One Pty Ltd	100.00
4.	Crosby Dalwood Pty Ltd	100.00
5.	Evolution Advisers Pty Ltd	100.00
6.	CountPlus FS Holdings Pty Ltd (“TFS”)	100.00
7.	Unite Advisory Pty Ltd	100.00

### Notes:

- CountPlus management views the shareholding in Rundles CountPlus and Rundles Financial Planning as one investment.
- CountPlus sold its 61.28% shareholding in Specialised Business Solutions to The MBA Partnership on 9 November 2020.

No.	Partner Firm	Shareholding
	<b>Partly-owned subsidiaries</b>	%
8.	Bentleys (WA) Pty Ltd	95.00
9.	Count Financial Limited	85.00
10.	Mogg Osborne Pty Ltd	65.00
11.	Kidmans Partners Pty Ltd	64.15
12.	The MBA Partnership Pty Ltd	62.03
13.	Twomeys Group Pty Ltd	60.00
14.	AdviceCo CA Pty Ltd	60.00
	<b>Associates</b>	%
15.	Hunter Financial Planning Pty Ltd	40.00
16.	OBM Financial Services Pty Ltd (“O’Brien”)	40.00
17.	One Hood Sweeney Pty Ltd	32.36
18. (a)	Rundles CountPlus Pty Ltd*	40.00
18. (b)	Rundles Financial Planning Pty Ltd*	20.00
19.	DMG Financial Holdings Pty Ltd	30.00



# Appendix 2

## Segmental profit reconciliation – 1H21

1H21	Reported	Amortisation	Significant items	Underlying earnings
	\$'000	\$'000	\$'000	\$'000
<b>Subsidiary accounting firms</b>				
Accounting	27,532	–	–	27,532
Financial Planning	5,625	–	–	5,625
Other	559	–	–	559
<b>Revenue</b>	<b>33,716</b>	<b>–</b>	<b>–</b>	<b>33,716</b>
<b>EBITA</b>	<b>8,215</b>	<b>–</b>	<b>–</b>	<b>8,215</b>
<b>AFSL</b>				
Financial Services	5,150	–	–	5,150
Other	3,072	–	–	3,072
<b>Revenue</b>	<b>8,222</b>	<b>–</b>	<b>–</b>	<b>8,222</b>
<b>EBITA</b>	<b>1,610</b>	<b>–</b>	<b>–</b>	<b>1,610</b>
<b>Corporate revenue</b>	<b>340</b>	<b>–</b>	<b>–</b>	<b>340</b>
<b>Corporate EBITA</b>	<b>(2,703)</b>	<b>–</b>	<b>–</b>	<b>(2,703)</b>
<b>Consolidated revenue</b>	<b>42,278</b>	<b>–</b>	<b>–</b>	<b>42,278</b>

1H21	Reported	Amortisation	Significant items	Underlying earnings
	\$'000	\$'000	\$'000	\$'000
<b>Share of Associates earnings</b>	<b>1,753</b>	<b>–</b>	<b>–</b>	<b>1,753</b>
<b>Consolidated EBITA</b>	<b>8,875</b>	<b>–</b>	<b>–</b>	<b>8,875</b>
Amortisation (ACR)	(577)	(577)	–	(577)
Amortisation (other)	(97)	(97)	–	(97)
<b>EBIT</b>	<b>8,201</b>	<b>(674)</b>	<b>–</b>	<b>8,201</b>
Net interest	(504)	–	–	(504)
<b>Profit before tax</b>	<b>7,697</b>	<b>–</b>	<b>–</b>	<b>7,697</b>
Tax expense	(2,150)	–	–	(2,150)
<b>Minority interest</b>	<b>(1,465)</b>	<b>–</b>	<b>–</b>	<b>(1,465)</b>
<b>Net profit after tax</b>	<b>4,082</b>	<b>–</b>	<b>–</b>	<b>4,082</b>
Total adjustments	–	–	–	–
<b>Underlying NPATA</b>	<b>6,221</b>	<b>–</b>	<b>–</b>	<b>6,221</b>

# Appendix 2 continued

## Segmental profit reconciliation – 1H20

1H20	Reported	Amortisation	Significant items	Underlying earnings
	\$'000	\$'000	\$'000	\$'000
<b>Subsidiary accounting firms</b>				
Accounting	26,948	–	–	26,948
Financial Planning	5,355	–	–	5,355
Other	428	–	–	428
<b>Revenue</b>	<b>32,731</b>	<b>–</b>	<b>–</b>	<b>32,731</b>
<b>EBITA</b>	<b>5,631</b>	<b>–</b>	<b>–</b>	<b>5,631</b>
<b>AFSL</b>				
Financial Services	4,194	–	–	4,194
Other	1,348	–	–	1,348
<b>Revenue</b>	<b>5,542</b>	<b>–</b>	<b>–</b>	<b>5,542</b>
<b>EBITA</b>	<b>(1,176)</b>	<b>–</b>	<b>2,102</b>	<b>926</b>
<b>Corporate revenue</b>	<b>579</b>	<b>–</b>	<b>–</b>	<b>579</b>
<b>Corporate EBITA</b>	<b>8,016</b>	<b>–</b>	<b>(10,537)</b>	<b>(2,521)</b>
<b>Consolidated revenue</b>	<b>38,852</b>	<b>–</b>	<b>–</b>	<b>38,852</b>

1H20	Reported	Amortisation	Significant items	Underlying earnings
	\$'000	\$'000	\$'000	\$'000
<b>Share of Associates earnings</b>	<b>1,055</b>	<b>–</b>	<b>–</b>	<b>1,055</b>
<b>Consolidated EBITA</b>	<b>13,526</b>	<b>–</b>	<b>(8,435)</b>	<b>5,091</b>
Amortisation (ACR)	(647)	(647)	–	(647)
Amortisation (other)	(16)	(16)	–	(16)
<b>EBIT</b>	<b>12,863</b>	<b>–</b>	<b>(8,435)</b>	<b>4,428</b>
Net interest	(433)	–	–	(433)
<b>Profit before tax</b>	<b>12,430</b>	<b>–</b>	<b>(8,435)</b>	<b>3,995</b>
Tax expense	(496)	–	(385)	(881)
<b>Minority interest</b>	<b>(400)</b>	<b>–</b>	<b>(242)</b>	<b>(642)</b>
<b>Net profit after tax</b>	<b>11,534</b>	<b>–</b>	<b>(9,062)</b>	<b>2,472</b>
<b>Underlying NPATA</b>	<b>12,596</b>	<b>–</b>	<b>(8,820)</b>	<b>3,776</b>

# Appendix 3

## Prior year Half Year restatement reconciliation due to provisional accounting of the gain on bargain purchase

Financial Results summary	1H20 currently presented	1H20 previously presented	Movement	
			\$'000	%
<b>Net profit after tax – Reported</b>	<b>11,934</b>	13,459	(1,525)	(11)
Deduct: Gain on bargain purchase	(10,952)	(12,489)	1,537	
Add: One-off M&A transaction costs	215	215	–	
Add: Transition Costs – Count Financial	2,102	2,102	–	
Add: AASB9 & AASB15 one-off adjustments to insurance trail commissions	200	200	–	
Deduct: Tax impact of adjustments above	(385)	(702)	317	
<b>Adjusted NPAT</b>	<b>3,114</b>	2,785	329	12
<b>Adjusted minority interest</b>	<b>(642)</b>	(743)	101	
<b>Adjusted NPAT attributable to CountPlus shareholders</b>	<b>2,472</b>	2,042	430	21