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# Investor Presentation

May 2024



*Richardson*

**RF CAPITAL  
GROUP**

# Richardson Wealth – a leading independent wealth management firm



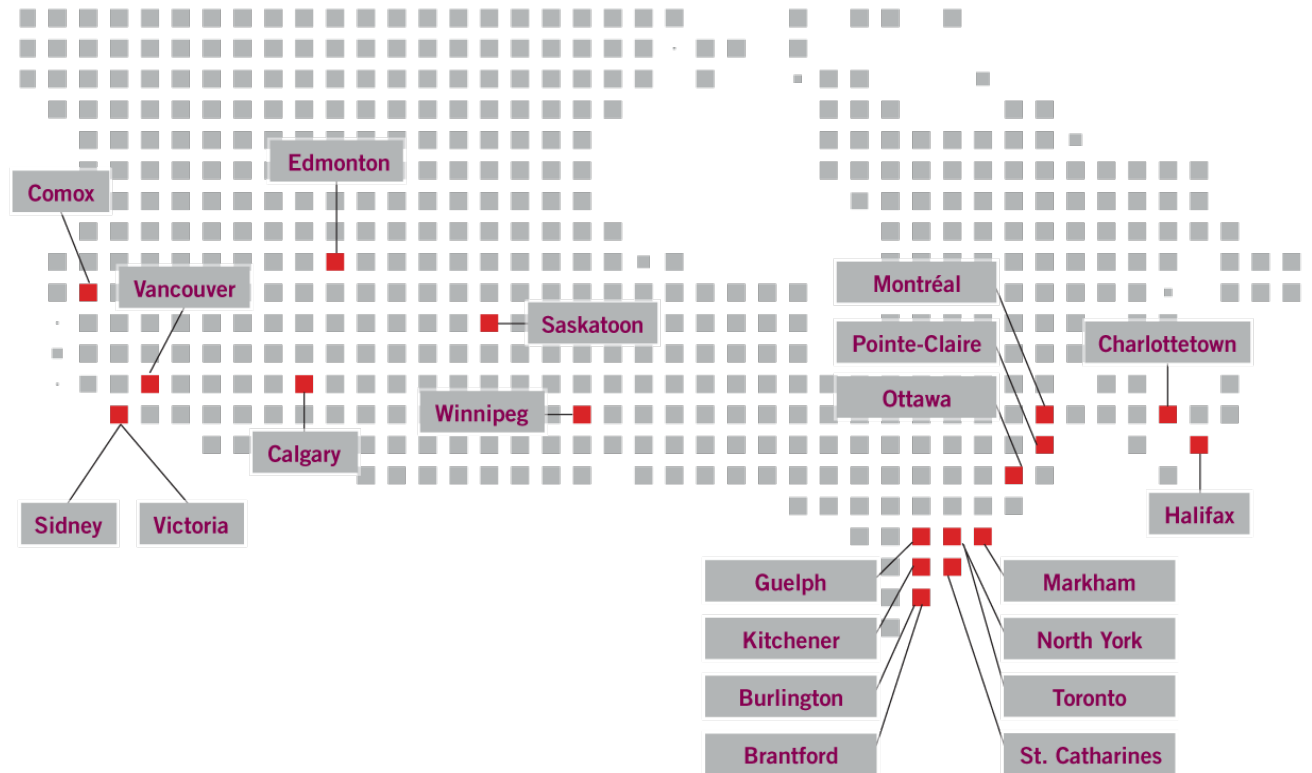
**\$37.0B**  
AUA<sup>1,2</sup>

**154**  
Number of  
advisory teams

**\$240MM**  
Average AUA<sup>1,2</sup>  
per team

**92%**  
Recurring fee-  
based revenue<sup>2</sup>

**22**  
Offices across  
Canada



**RICHARDSON**  
Wealth

**Patrimoine**  
**RICHARDSON**

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2. Considered to be non-GAAP or supplemental financial measures. Such measures do not have any standardized meaning prescribed by GAAP under IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. For further information please refer to our MD&A for the period ended March 31, 2024, which can be found under our profile at [www.sedarplus.ca](http://www.sedarplus.ca) and is incorporated by reference.

Vision: to be the brand of choice for Canada's top advisors and their high net-worth clients



# The James Richardson & Sons, Limited group of companies



Richardson Financial Group Limited



Richardson International Limited



Richardson Centre Limited



Tundra Oil & Gas Limited



Distinguished brand

Long-term orientation

Financial backing

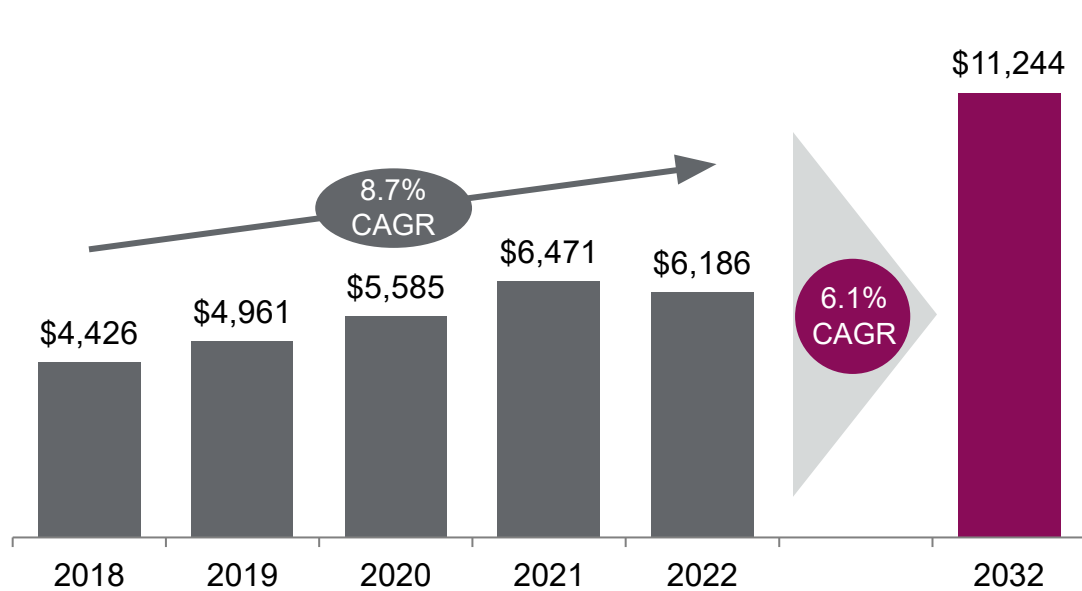


James A. Richardson & Winston Churchill (circa 1926)

# Large & Fast-Growing Market ...

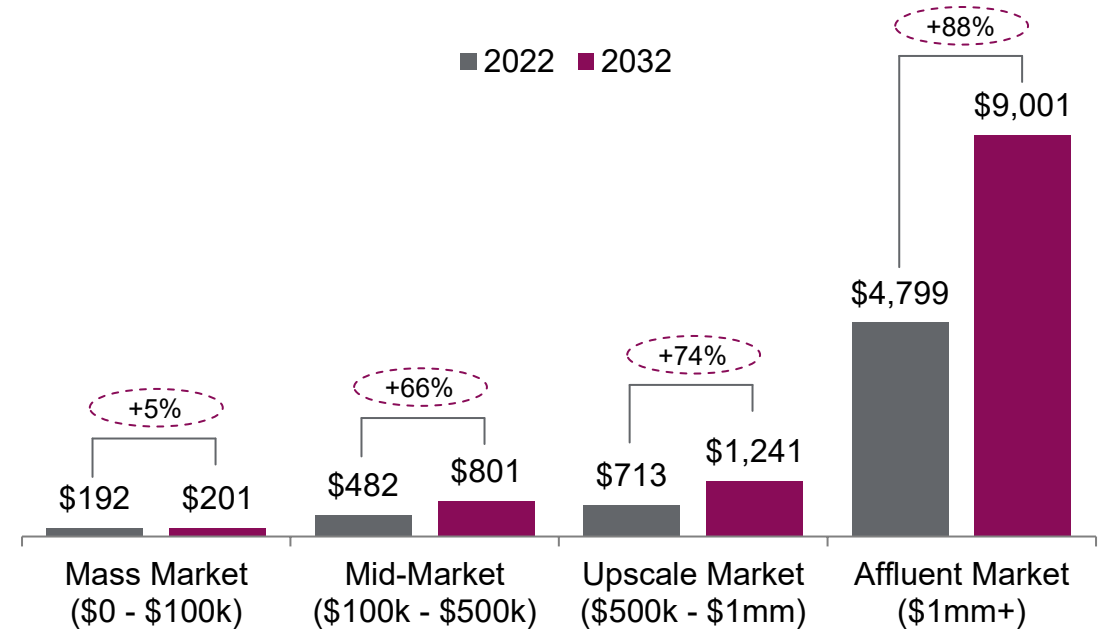


## Growth in Canadian Financial Assets (\$B)



The Canadian wealth market is large and is expected to experience steady growth ...

## Canadian Wealth Market by Household Assets (\$B)



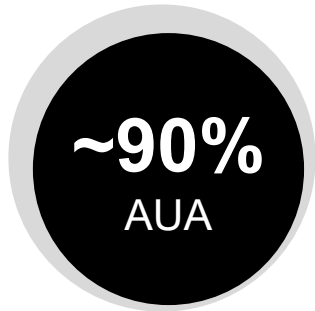
... and the vast majority of client asset growth is expected to come from the high-net-worth (\$1mm+) segment

Sources: Company-specific disclosures, ISSMI Market Intelligence.

# ... and Independents are Gaining Momentum



## Banks<sup>1,2,3</sup>



**BMO**  | Private Wealth

**CIBC**   
CIBC PRIVATE WEALTH

**RBC**  | Wealth Management  
Dominion Securities

**NATIONAL BANK FINANCIAL**  
WEALTH MANAGEMENT

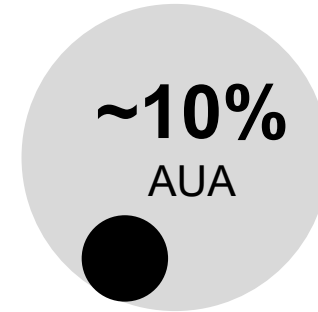
**Scotia**  
Wealth Management.

**TD** Wealth Management

**12K**  
Advisors  
in  
Canada



## Independents<sup>2,3</sup>



**RICHARDSON**  
Wealth

**HARBOURFRONT**  
WEALTH MANAGEMENT

**IG** WEALTH MANAGEMENT

**RAYMOND JAMES**

**CI** ASSANTE  
WEALTH MANAGEMENT

**iA** 

**Edward Jones**

**ODLUM BROWN**  
Investing for Generations®

**WELLINGTON-ALTUS**  
PRIVATE WEALTH

**NICOLA**  
WEALTH MANAGEMENT

**cg/W**  
M

Source: Company-specific disclosures & IIROC publications. <sup>1</sup> Includes banks' IIROC channel only. <sup>2</sup> Estimate only; no single, reliable source of AUA data exists. <sup>3</sup> AUA split between Banks and Independents excludes select insurance companies.

Richardson Wealth has 1% of the total market and 6% of the independent market, so there is room to grow by capturing share

# Compelling Value Proposition for Independent Advisors



## Award-Winning Platform

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**T-2nd**

Amongst 14 Firms in the Investment Executive Brokerage Report Card



**74/100**

Net Promoter Score, Considered to be Exceptional



**5 Years**

Consecutively Named to Best Workplaces in Financial Services

Award-winning platform offering a unique value proposition to advisors

# Our three-pillar strategy to achieve our goals



Double-down on support for advisors



Supercharge advisor recruitment



Acquire or partner with like-minded firms

Three-pillar strategy

Anticipated contribution to Adjusted EBITDA<sup>1</sup> growth

20%

20%

60%

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# Our transformation created fundamental value



## October 2020

## December 2023

AUA <sup>1,2</sup>	\$28B
Revenue	\$267MM
Adjusted EBITDA <sup>2</sup>	\$35MM
<hr/>	
Share price	\$24.20 <sup>3</sup>
EV/EBITDA <sup>2</sup>	13.0x
EV/AUA <sup>1,2</sup>	1.63%

AUA <sup>1,2</sup>	\$35B
Revenue	\$351MM
Adjusted EBITDA <sup>2</sup>	\$59MM
<hr/>	
Share price	\$7.52
EV/EBITDA <sup>2</sup>	4.3x
EV/AUA <sup>1,2</sup>	0.73%

+25%

+31%

+69%

-69%

-67%

-55%

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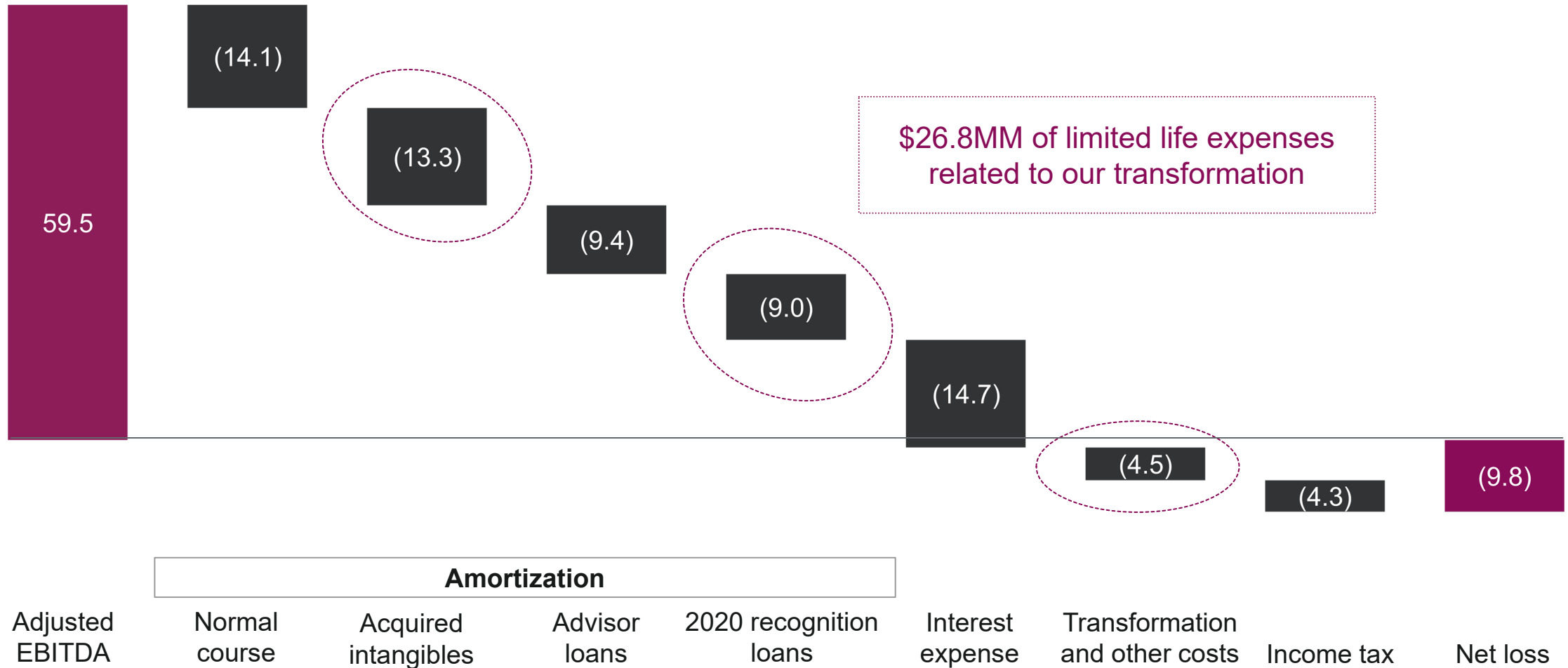
Recent transactions in wealth management support a valuation of 13x-20x EBITDA<sup>2</sup> and 3.0% of AUA<sup>1,2</sup>



# We have been running a profitable business

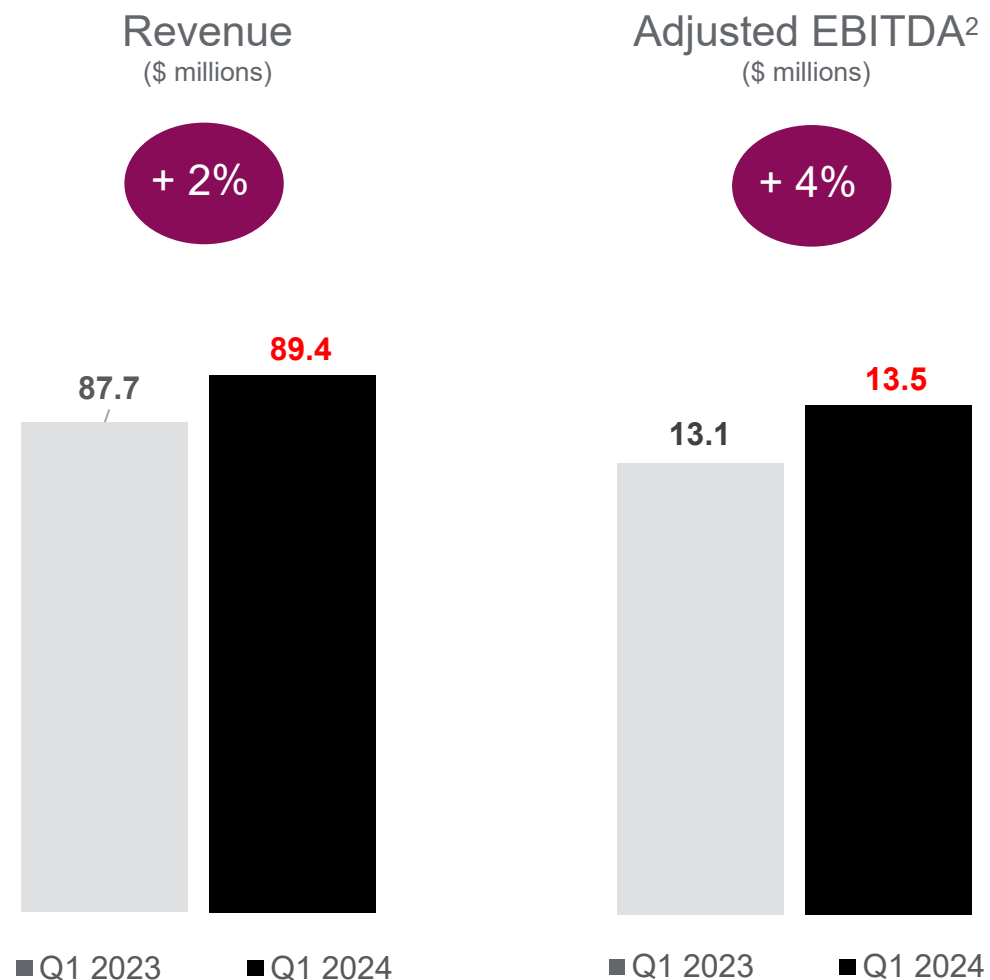


2023 Adjusted EBITDA<sup>1</sup> and Net Income Bridge (\$MM)



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# Q1 2024: Strong start to the year driven by AUA<sup>1</sup> growth



AUA<sup>1,2</sup> up **5%** in the first quarter of 2024 and **3%** year-over-year

Fee revenue up **5%** to **\$65.5 million**

Insurance revenue increased **21%** to **\$4.3 million**

Free cash flow available for growth<sup>2</sup> increased 4% to **\$7.5 million**

Free cash flow<sup>2</sup> increased by **\$10.2 million**

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# Ample financial flexibility; fee-based assets make up the majority of total AUA<sup>1</sup>



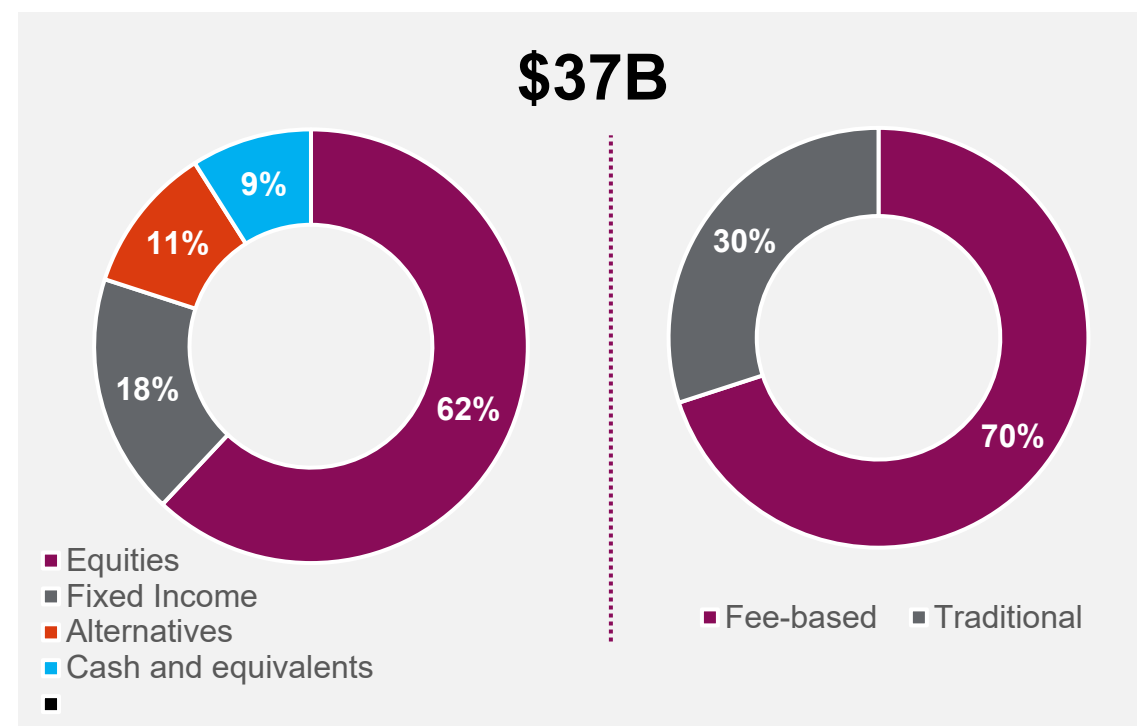
## Other Notable Items

(as of March 31, 2024)

Metric	Result
Outstanding term debt	\$111 million
Unused revolving credit facility	\$45 million
Net working capital <sup>2</sup>	\$88 million
Book value per common share	\$13.73
Preferred shares outstanding	4.6 million
Common shares outstanding	15.8 million
Market capitalization	\$114 million

## AUA<sup>1</sup> Composition

(as of March 31, 2024)



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# Appendix



# Experienced Senior Management Team



**Kish Kapoor**  
President & CEO



Assante



**Dave Kelly**  
Chief Operating Officer



**Tim Wilson**  
Chief Financial Officer



**Natalie Bisset**  
SVP, Head of Corporate Development



**Scott Stennett**  
SVP, Head of Digital Strategies & Advisor Services



**Lynne Brejak**  
SVP, Chief People Officer



**Michael Williams**  
SVP, Chief Risk Officer



**Krista Coburn**  
General Counsel & Corporate Secretary



**Sarah Widmeyer**  
SVP, Wealth Strategies



Deep bench of talented executives who are champions of our high performance and advisor-centric culture

# Strong and engaged majority independent board of directors



**Don Wright**

Chair of RF Capital Board; Former President of Merrill Lynch Canada; Former Chairman & CEO of TD Securities



**Nathalie Bernier**

Former CFO of Public Sector Pension Investment Board; former Managing Partner, KPMG, Quebec



**Dave Brown**

Managing Director of RBM Capital Limited; Director, Richardson Financial Group



**Vincent Duhamel**

Former Global President & COO at Fiera Capital; former CEO State Street Asia



**David Ferguson**

Former Executive Managing Director & CFO of BMO Capital Markets



**Kish Kapoor**

President & CEO of RF Capital; Former President of Wellington West; Co-founder, Assante



**David Leith**

Former Head of CIBC World Markets Investment & Corporate Banking



**Jane Mowat**

Former Lead Director of Via Rail Canada; former CFO Centriquiry



**Sandy Riley**

President & CEO of Richardson Financial Group; Former CEO of Investors Group appointed as a Member of the Order of Canada in 2002



**David J. Porter**

Portfolio Manager, Investment Advisor of Richardson Wealth