



# Investor Presentation

November 2023



*Richardson*

**RF CAPITAL  
GROUP**

# Richardson Wealth – a leading independent wealth management firm

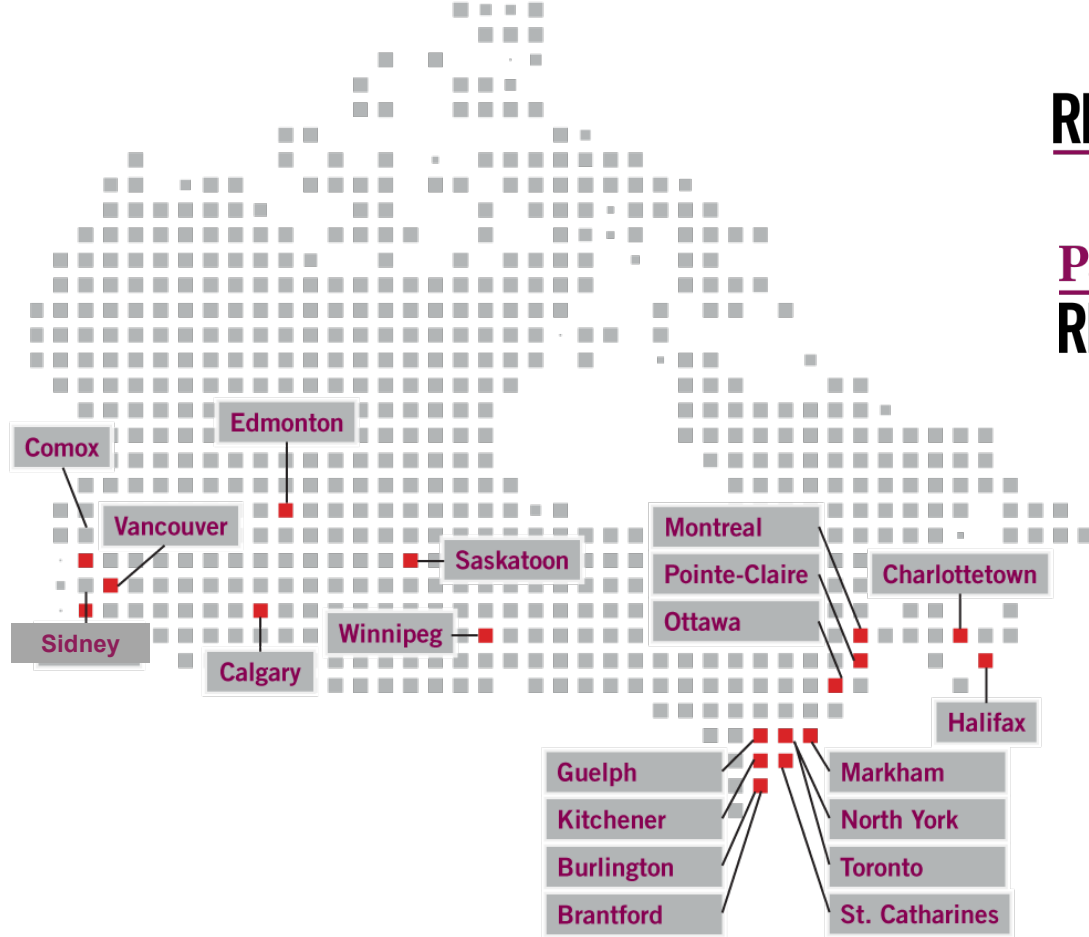
**\$34.7B**  
AUA<sup>1,2</sup>

**159**  
Number of  
advisory teams

**\$218MM**  
Average AUA<sup>1,2</sup>  
per team

**91%**  
Recurring fee-  
based revenue<sup>2</sup>

**21**  
Offices across  
Canada



**RICHARDSON**  
**Wealth**  
**Patrimoine**  
**RICHARDSON**

## Vision



To be the brand of choice  
for Canada’s top advisors  
and their high net-worth  
clients

## Share Ownership

Richardson family	<b>44%</b>
Richardson Wealth advisors	<b>30%</b>
Public shareholders	<b>26%</b>

1. Assets under administration (AUA) is a measure of client assets and is common to the wealth management business. AUA represents the market value of client assets managed and administered by us from which we earn commissions and fees.  
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 September 30, 2023, which can be found under our profile at [www.sedar.com](http://www.sedar.com) and is incorporated by reference.



# The James Richardson & Sons, Limited group of companies



JAMES RICHARDSON & SONS, LIMITED  
ESTABLISHED 1857  
AND AFFILIATED COMPANIES



Richardson Financial  
Group Limited



Richardson  
International Limited



Kingston Midstream



Richardson Centre  
Limited



Tundra Oil &  
Gas Limited

**RICHARDSON**  
**Wealth**



Wynward Insurance Group  
Est. 1920

Distinguished  
brand

Long-term  
orientation

Financial  
backing



James A. Richardson & Winston Churchill  
(circa 1926)

# The opportunity we are pursuing is significant



Our industry is large and poised for continued growth

Face to face advisory will remain critical as HNW client assets grow

There is meaningful opportunity for us to capture



Financial advisory to remain

**~40%**

of Canadian financial assets



**~800K**

HHs with >\$1MM AUA in Canada



**~90,000**

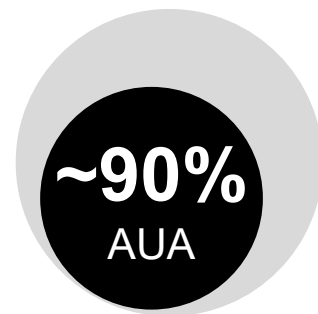
IIROC & MFDA advisors

Well positioned to capture a greater share of fast expanding industry

# Independents are small share of the overall IIROC channel



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



BMO  Private Wealth



CIBC PRIVATE WEALTH



NATIONAL BANK  
FINANCIAL  
WEALTH MANAGEMENT



Wealth Management  
Dominion Securities

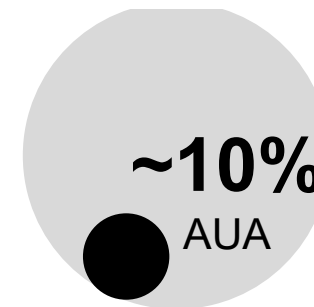
**Scotia**  
Wealth Management.



**TD** Wealth Management

**12K**  
Advisors  
in  
Canada

## Independents<sup>2</sup>



**RICHARDSON**  
Wealth



HARBOURFRONT  
WEALTH MANAGEMENT



WEALTH  
MANAGEMENT

**RAYMOND  
JAMES®**



ASSANTE  
WEALTH MANAGEMENT



**Edward  
Jones**



ODLUM BROWN  
Investing for Generations®

  
WELLINGTON-ALTUS  
PRIVATE WEALTH



NICOLA  
WEALTH MANAGEMENT

**cg/WM**

<sup>1</sup> Includes banks' IIROC channel only

<sup>2</sup> Estimate only; no single, reliable source of AUA data exists  
Source: company-specific disclosures & IIROC publications

# Our value proposition



## Advisors are our Clients

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We are **focused on their success** and are committed to creating a **best-in-class experience** for them





# Women represent the next wave of growth at Richardson Wealth



## Significant opportunity for future growth



- Serving female investors & entrepreneurs
- 32% of millennial women have \$5 million or more in investable assets
- 72% of millennial women are primary decision makers for financial planning
- 70% of women change advisors within one year after death of spouse



## Female advisors underrepresented



**RICHARDSON**  
Wealth

15%

17%



**Goal: 50%**

Female advisor population by 2027



Women are expected to control the majority of retail wealth in Canada by 2030

# 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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Carefully curated, ambitious but achievable growth strategy



# Our transformation created value



## October 2020

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

## December 2022

AUA	\$36B
Revenue	\$354MM
Adjusted EBITDA <sup>1</sup>	\$62MM
<hr/>	
Share price	\$11.50
EV/EBITDA	4.1x
EV/AUA	0.71%

+28%

+33%

+77%

-52%

-68%

-56%

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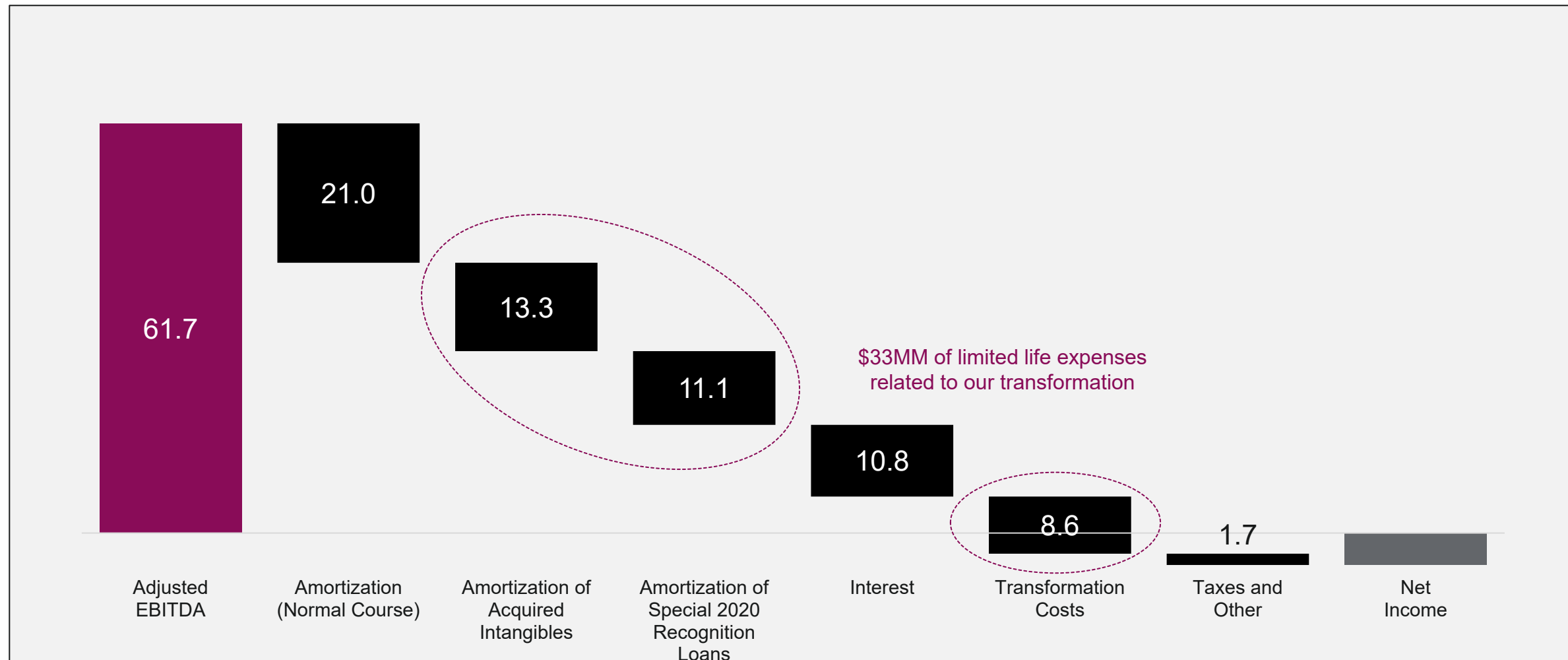
2. Value ascribed to shares by RBC at the date of our reorganization in October 2020.

Recent transactions in wealth management support a valuation of 13x-20x EBITDA

# We have been running a profitable business

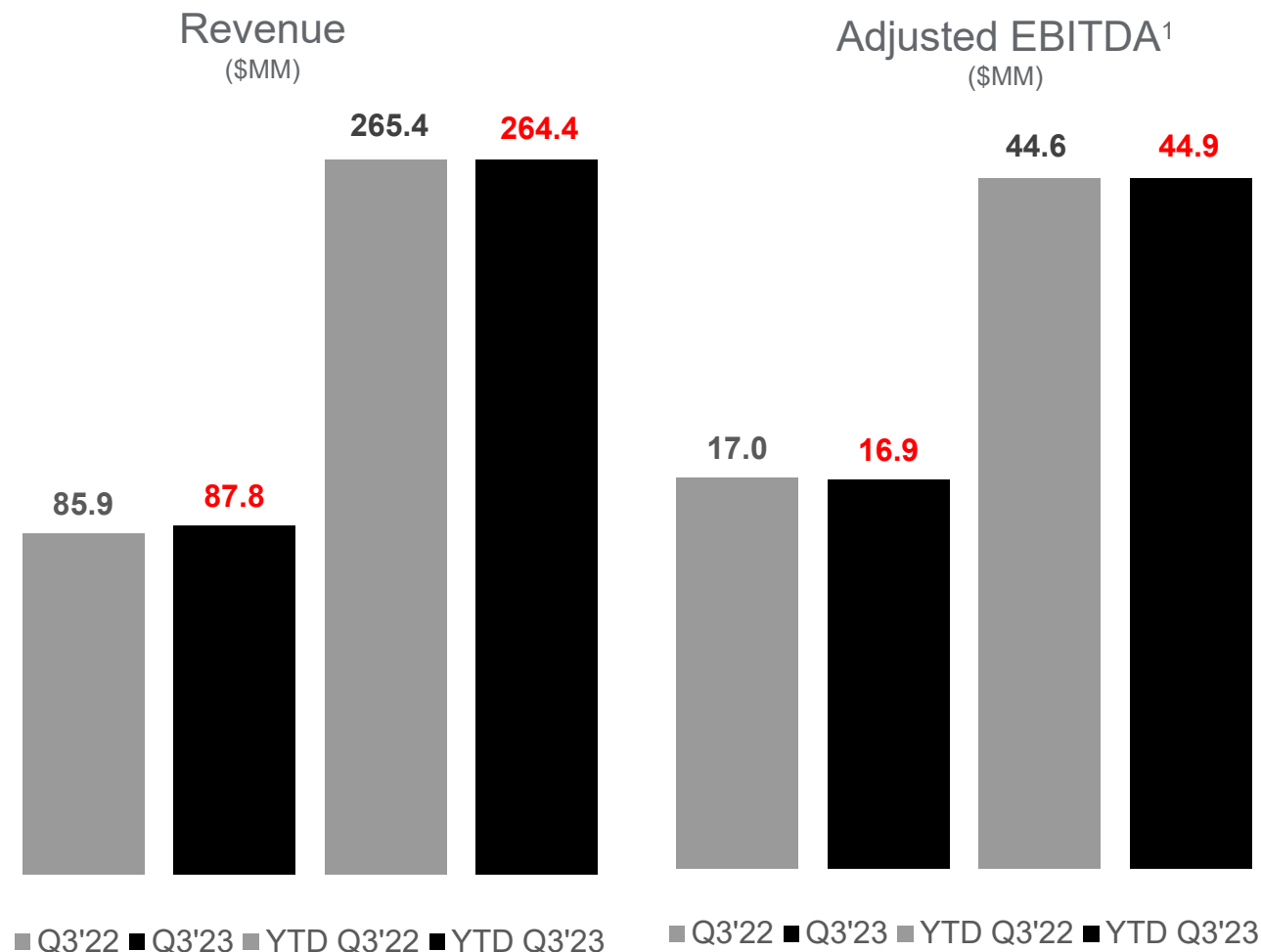


## 2022 Adjusted EBITDA<sup>1</sup> and Net Income Bridge



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# Q3 2023: Highlighting the strength of fee-based revenue



+3%

Ending AUA<sup>1</sup> increased to **\$34.7 billion**

+5%

Wealth management revenue increased to **\$70 million**

+55%

Insurance revenue increased to **\$3.1 million**

+\$7MM

Free cash flow<sup>1</sup> increased to **\$6 million**

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# Ample financial flexibility; fee-based assets make up the majority of total AUA



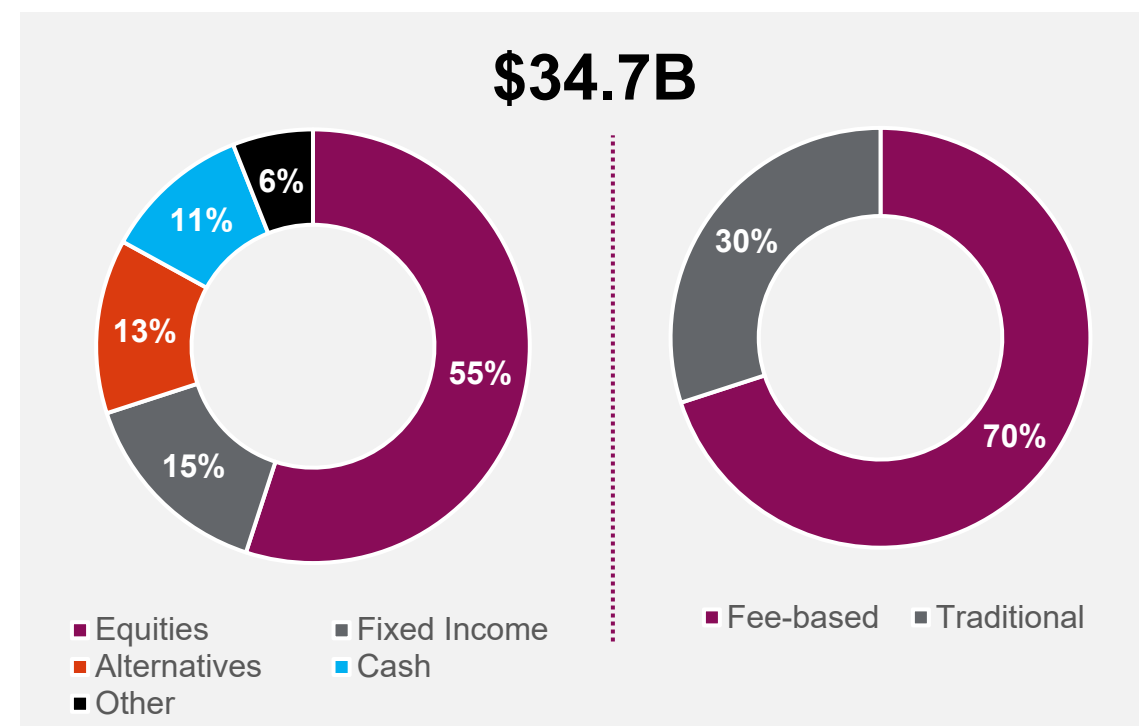
## Other Notable Items

(as of September 30, 2023)

Metric	Result
Outstanding term debt	\$111 million
Unused revolving credit facility	\$45 million
Net working capital <sup>1</sup>	\$91 million
Book value per common share	\$14.15
Preferred shares outstanding	4.6 million
Common shares outstanding	15.8 million
Market capitalization	\$81 million

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

(as of September 30, 2023)



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# Appendix

# Experienced senior leadership team



**Kish Kapoor**  
President & CEO



**Natalie Bisset**

SVP, Head of Corporate Development



**Lynne Brejak**

SVP, Chief People Officer



**Sarah Widmeyer**

SVP, Head of Wealth Strategies



**Krista Coburn**

SVP, General Counsel & Corporate Secretary



**Michael Williams**

LL.B, MBA, CIM  
SVP, Chief Risk Officer



**Scott Stennett**

SVP, COO



**Tim Wilson**

SVP, CFO

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 Centrinity



**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