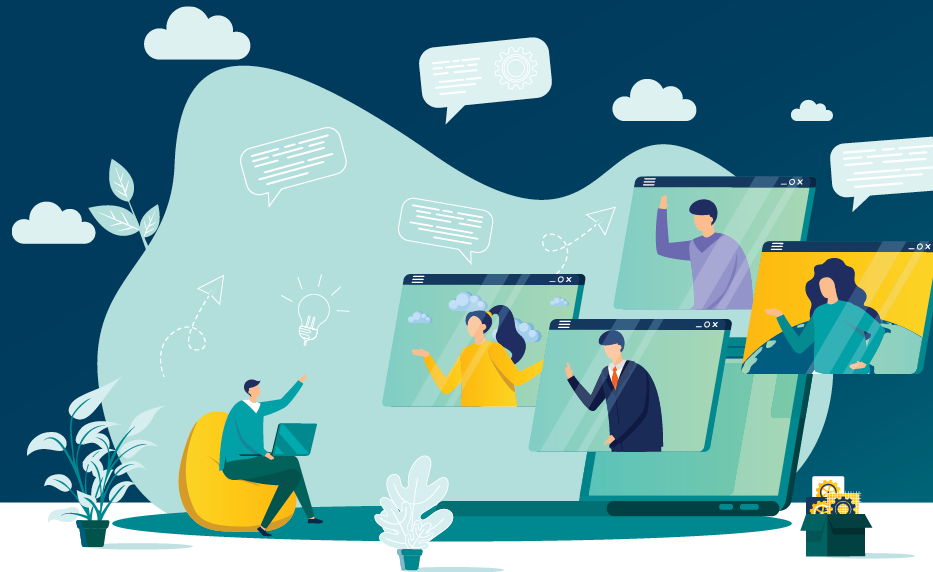


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Presented by:

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Introduction

- Work across Symmetry and Apella serving as in-house investment bankers and consultants to advisor community
 - Have worked on buy and sell side of transactions
- Lead integration teams to ensure end to end deal success
- Completed **12 transactions over 6 years, totaling over \$1.4 bn in AUM**
- Executed **full capital raise process without external banker**, sourcing, evaluating and **closing a minority investment in Apella Capital** in less than 10-month time frame

- **Tiburon reports 763 transactions in wealth management space in 2021.**

Transactions per year consistently increasing for long period of time with no signs of deceleration

- **Average EBITDA multiples have jumped from 9.1 in 2019 to 11.3 in 2020.**

Greater appetite from non-traditional lenders to fuel inorganic growth has increased in recent years.

- **“Permanent Capital” (undefined investment horizon) has supported higher valuations due to their stronger focus on ongoing yields as opposed to short term value growth.**

- **Consolidation to achieve scale continues to trend strongly year over year as compliance and technology costs edge up.**

Interest from outside of the RIA industry such as banks and insurance firms continues to heat up.

- **Succession needs are projected to be in high demand for the foreseeable future.**

Consolidation needs expected to continue as fragmentation in broader marketplace remains high

Case Studies

Firm	AUM	Revenue	Margin	Valuation	Rev Multiple	EBITDA Multiple
Deal 1	\$ 105,000,000	\$ 900,000	28.5%	\$ 2,407,000	2.7	9.4
Deal 2	\$ 450,000,000	\$ 3,159,697	12.6%	\$ 5,955,827	1.9	14.9
Deal 3	\$ 85,000,000	\$ 1,414,831	42.1%	\$ 3,487,655	2.5	10.0*

*estimated based on historical EBITDA

Firm	Percent of Deal Value		Payment Period	ROI
	Cash at Close	Equity at Close		
Deal 1	26.2%	12.8%	4 years	12.7%
Deal 2	50.0%	6.5%	3 years	20.2%
Deal 3	30.3%	24.2%	4 years	17.1%*

*estimated based on historical EBITDA

Metric	Average
Revenue multiple	2.4x
EBITDA multiple	11.4x
Margin	27.8%
Cash and Equity at close	50.0%
Payment period	3.7 years

This is for illustration only. It is not intended to provide a basis for all of the M&A deals that were undertaken.

Highlighted Case Study

Deal 2 Overview

AUM: \$450m

Revenue: \$3,159, 697

Numbers of employees: 14

Transaction EBITDA multiple: 14.9x

Realized EBITDA multiple: ~4x

Executive Summary

- Rapidly growing firm.
- Strong brand recognition in the firm's market.
- Utilized media channels to attract new clients.
- Team approach to service clients.
- Seeking merger to manage rapid growth and operational complexities.
- Cultural alignment and "client first" mentality were primary criteria in a partner.
- Scalability of the firm was strongly considered in valuation.
- Focused on long-term cash flow impact when it provided its offer.

Multiples Scenario Grid Illustration

Firm Size	\$ 500,000,000		
Revenue	\$ 5,000,000		
Profit Margin	8	9	10
15%	6,000,000	6,750,000	7,500,000
20%	8,000,000	9,000,000	10,000,000
25%	10,000,000	11,250,000	12,500,000
30%	12,000,000	13,500,000	15,000,000
Firm Size	\$ 750,000,000		
Revenue	\$ 7,500,000		
Profit Margin	9	10	11
15%	10,125,000	11,250,000	12,375,000
20%	13,500,000	15,000,000	16,500,000
25%	16,875,000	18,750,000	20,625,000
30%	20,250,000	22,500,000	24,750,000
Firm Size	\$ 1,000,000,000		
Revenue	\$ 10,000,000		
Profit Margin	10	11	12
15%	15,000,000	16,500,000	18,000,000
20%	20,000,000	22,000,000	24,000,000
25%	25,000,000	27,500,000	30,000,000
30%	30,000,000	33,000,000	36,000,000

Assumptions:

- 100 basis points fee performance
- Traditional full firm acquisition structure
- Market rate multiples applied to EBITDA

M&A Strategy and Implementation

Strategic Objectives

Establish a proactive and repeatable M&A program that:

- Grows firm's profitability through prudent acquisitions of likeminded advisory firms
- Expands capacity and depth of talent by leveraging existing human capital with broader firm wide opportunities for impact
- Reduces keyperson risk through diversification of revenue producers, support staff and geographic overlap

Target Profiles

- **Value Proposition**
 - Investment Style
 - Planning Focus
 - Subject Matter Expertise
- **Geographic Alignment**
 - Expansion vs. Critical Mass
- **AUM/AUA Range**
 - Growth Targets vs. Capacity
- **Tech Stack**
 - Overlap vs. Scale Opportunities
- **Custodian**
 - Conversion vs. Options

Recruiting

- Digital Exchanges
 - RIA Match, FP Transitions, SuccessionLink
- 3rd party recruiters
- Internal outbound sales & marketing
 - RIA Database, Discovery purchase
 - Proactive marketing campaign to advisory firms
- Referrals from custodians, partners firms

Key Process Documents

The following documents are critical in support of the development of an M&A Process:

- Valuation Model
- Due Diligence Checklist
- Client Demographic Template
- LOI Template
- Transfer Agreement Template

Integration

- Need a designated team that can:
 - Learn
 - Refine
 - Execute over multiple transitions
- Project plan development
 - Include seller and seller staff – ***SMEs are critical for success***
- Client communications, brand transition
- Paperwork requirements
 - Custodial changes
 - Investment Advisory Agreement

Questions?



Thank You



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