

A blue-tinted background image showing a business meeting. Several people's hands are visible, some holding pens and pointing at documents. Overlaid on the image are various financial charts: a bar chart on the left with a y-axis ranging from -6,000 to 100,000; a line chart with a dashed line and circular markers in the center; and another line chart with a solid line and triangular markers on the right. At the bottom, there are bar charts with x-axis labels for months: JAN, FEB, MAR, APR, MAY, JUN, JUL, AUG, SEP, OCT, NOV, and DEC.

# Continued Momentum in the Wealth and Pension Sectors

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# Recent Deal Activity in the Sector



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Advised Epiris LLP on the take private of IFG Group plc

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September 2019



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Advised Phoenix Equity Partners on the majority acquisition of Mobius Life

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September 2019



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Advised Defaqto on its sale to SimplyBiz

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March 2019

# Case Study | Take Private of IFG Group plc by Epiris

## IFG Group Overview

Wealth management group, dual listed on the Irish Stock Exchange and London Stock Exchange



- UK self-invested pension platform “SIPP”
- Allows customers and advisers to make investments into shares, bonds, funds, etc., via tax efficient wrappers (such as SIPPs, ISAs, and GIAs)
- UK wealth manager focused on high-net-worth professional clients (e.g., lawyers, accountants)
- Differentiated by its strong client service approach and pricing model (time and materials rather than percentage of AuM)

**£87.6m**

FY18 Group Revenue

**£16.7m**

FY18 Group EBITDA (pre-exceptionals)

**£206m**

Deal Value

**46.2%**

Premium to Undisturbed Share Price

**12.3x**

Multiple on FY18 EBITDA



has acquired through scheme of arrangement



£206,000,000

Buy-side Advisor

## Houlihan Lokey Role

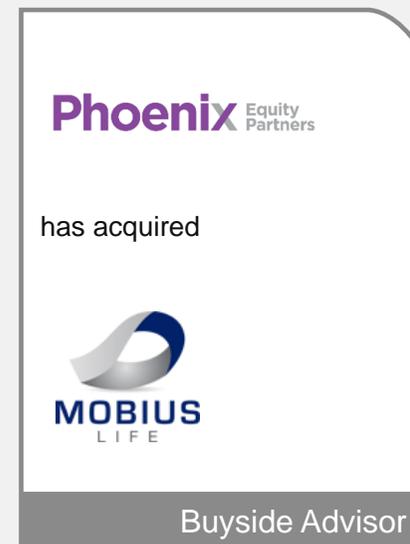
- HL was engaged as exclusive financial advisor to Epiris on this transaction
- HL managed an extensive diligence process over a short period of time in line with the request of the target, and assisted in advising on valuation and inputting into the relevant offer documents
- The transaction continued HL’s market-leading coverage of the UK wealth management sector
- The transaction was completed in September 2019

# Case Study | Investment Into Mobius Life by Phoenix Equity

## Mobius Life Overview

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- Mobius Life provides investment administration services to UK defined benefit and defined contribution pension schemes via a UK life insurance structure
- The company serves the following customers primarily through a technology platform:
  - **Trustees of UK pension schemes** – choose the investment platform to consolidate their assets, and access a broad range of funds in a highly governed structure
  - **Consultants and advisers** – use the investment platform to focus on investment advice rather than implementation issues
  - **Asset managers** – utilize the life company license to create tax-efficient life-wrapped funds, which are attractive to UK pension schemes
  - **Life insurance companies** – employ the investment administration services to reduce their operational and governance overheads
- Mobius Life has seen strong growth since it undertook a management buyout in 2014
  - Assets have grown from approximately £3 billion to approximately £17 billion, establishing Mobius Life as the UK's leading institutional investment platform
- The investment by Phoenix will support Mobius Life's continued expansion and allow for further growth in assets under administration



## Houlihan Lokey Role

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- HL served as financial advisor to Phoenix Equity
- HL's role included assisting Phoenix in considering the positioning of Mobius within the market, strategic option analysis, and a review of potential future buyers and exit valuation
- The transaction was completed in September 2019

# Case Study | Sale of Defaqto to SimplyBiz

## Defaqto Overview

- Defaqto is a leading financial services technology business operating a fintech platform for 8,500 advisers and providing independent ratings of 21,000 financial products and funds, licensed by 230 brands
- Proprietary, scalable, and flexible IT platform and infrastructure, supporting the largest database of financial products in Europe, and providing unique information and insights to aid consumer and adviser purchase decisions
- Highly cash-generative business built on a regulatory and capital light model; in 2018, generating revenues of £12.8 million and adjusted EBITDA of £5.3 million. Adjusted EBITDA margin in 2018 was 41%
- The combination of SimpyBiz and Defaqto creates a single fintech and support services group, which will benefit from an increased number and range of distribution channels

**£74.3m**

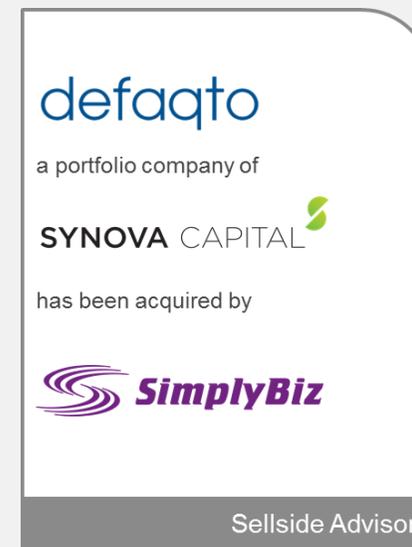
Enterprise Valuation

**5.8x**

EV/Revenue 2018

**14.0x**

EV/Adjusted EBITDA 2018



## Houlihan Lokey Role

- HL was engaged as financial advisor to Synova Capital and was the company in response to interest expressed by SimplyBiz
- HL supported the company through due diligence, negotiation of the terms of the transaction, and in respect of the equity fundraising associated with the transaction by SimplyBiz, which raised £29m to partly fund the transaction
- The transaction extended Synova Capital's leading track record in growth investing in the financial services, technology, business services, and health and education sectors; the investment generated an overall return to Synova of 3.9x invested capital and an IRR of 46%

# Long Track Record of Advising the Wealth and Pensions Industry



Advised Epiris LLP on the take private of IFG Group plc



Advised Phoenix Equity Partners on the majority acquisition of Mobius Life



Sale of Robidus, a specialist employee benefits platform, to Aegon



Advised Oaktree on the merger of Bellpenny and Ascot Lloyd

Bellpenny  
Ascot Lloyd



Advised Succession on investment from Inflexion

Inflexion  
Private Equity



Advised the management of Bestinvest on the buyout by 3i

3i



Advised on £500m capital raise for Paternoster

Deutsche Bank



Advised Dynamo Software on its growth investment from Francisco Partners

Francisco  
Partners



Advised Defaqto on its sale to SimplyBiz



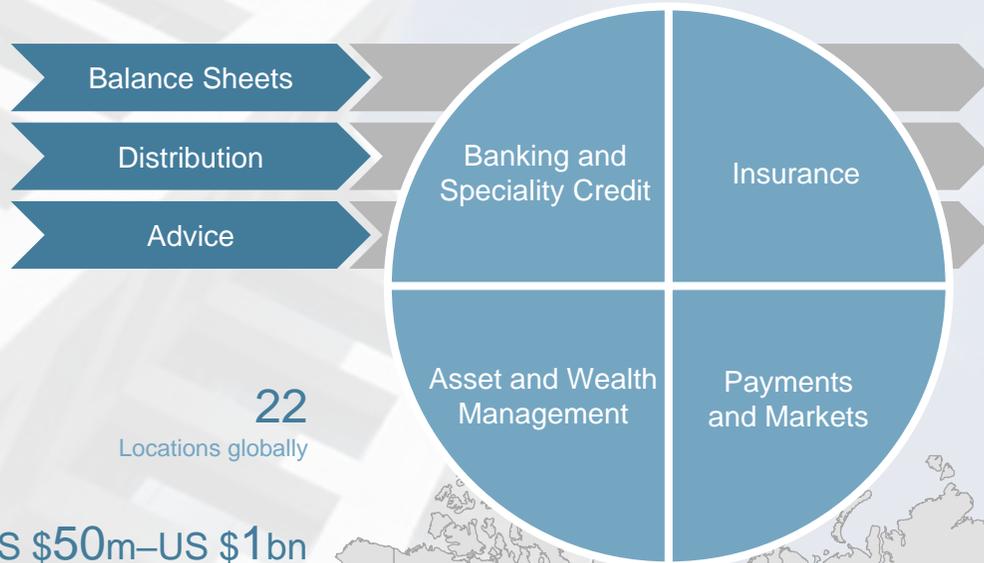
Advised Rockall on its sale to Broadridge



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- An independent, advisory-focused global firm
- Established in 1972, long-tenured partnership culture
- Market capitalization of approximately US\$3 billion, differentiated balanced model
- More than 1,000 clients served annually



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Locations globally

US \$50m–US \$1bn

Deal size range in approximately the past 18 months

Global

Single specialised FIG practice across the world



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