



Entrepreneur Led Investment Firm Seeking to Acquire One Business

Overview

Principia Capital (“Principia”) was established by Bryan Luce to provide one business owner a unique exit or liquidity opportunity. Bryan is committed to preserving the legacy of a business owner and will assume a lead management role in the business upon transaction. Bryan is backed by a seasoned team of entrepreneurs, investors, operators, and former CEOs.

The Principia Advantage

- Complete flexibility in deal structuring
- Tailored transition of the day-to-day operations
- You will work directly with Bryan, no middlemen
- We value intermediaries and will pay industry standard finder’s fees


Investment Focus

We will consider investments with the following characteristics:

- ✓ Stable, recurring revenue
(Annual revenue of \$5 to \$50 million)
- ✓ High Profit Margins >15%
(Earnings of \$1.5 to \$5 million)
- ✓ Growing and fragmented industry
- ✓ Low cyclicity and low capex
- ✓ Diversified customer base
- ✓ Strong balance sheet

Transaction Process

1. Initial contact
2. Build relationship, share information
3. Preliminary agreement – terms, price
4. Site visit
5. Letter of Intent (LOI)
6. Due diligence
7. Complete agreement, close transaction
8. Begin transition period

	 PRINCIPIA CAPITAL	<u>Private Equity Funds</u> (Financial Buyers)	<u>Competitors</u> (Strategic Buyers)
<u>Your Legacy</u>	One deal, one focus, 100% of our full-time attention <i>-Your Legacy is Preserved-</i>	One of many portfolio companies <i>-Your Legacy is Uncertain-</i>	One piece of a larger whole <i>-Your Legacy is Likely Eliminated-</i>
<u>Post-Close Day Job</u>	Growing and improving the business with the employees	Finding other deals, exiting from other deals	Driving financial performance of corporate parent company
<u>Funding</u>	Group of entrepreneurs & private investors experienced in growing businesses	Institutions, pension funds, and endowments with strict mandates	Public and/or private investors, and company cash flows
<u>Goals</u>	Revenue growth and operations improvements	Financial engineering, cost-cutting	Synergies with parent company, cost-cutting
<u>Time Horizon</u>	Long-term with no predetermined time horizon	Typically 3-5 years, depending on fund timing	Uncertain: subject to ongoing fit with parent company’s strategy

Principia’s Team

Bryan Luce - Founder, Managing Director



Prior to founding Principia Capital, Bryan held various leadership roles at Anadarko Petroleum Corporation that included managing a technology development group and overseeing commercial operations for midstream assets. Bryan initially joined Anadarko as a transaction analyst and has completed over \$700MM in deal value. Prior to Anadarko, Bryan worked for the American Petroleum Institute (API) leading their North America sales and marketing efforts on manufacturing and quality certifications. Bryan began his career at National Oilwell Varco (NOV) as a structural engineer and holds an MBA from Rice University, Jones Graduate School of Business and a BS in Civil Engineering from the University of Texas at Austin.

Institutional Investors



Individual Investors

- Rich Augustyn
- Jay Davis
- Bill Egan
- Ted McCarthy
- Kent Weaver
- Craig Burr
- Matt Diamond
- Mark Egan
- Gerald Risk
- Matt Burr
- David Dodson
- Jim Johnson
- Jim Vesterman

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All conversations with any member of the Principia Capital Team will be held in strict confidence