



Westwood®

Investing Where It Counts

Westwood Holdings Group, Inc.

Overview

WHG
LISTED
NYSE.

Westwood Holdings Group, Inc. | **Overview**



Firm Overview

Westwood is a focused investment management boutique offering a broad array of investment solutions to institutional investors and financial intermediaries. Westwood specializes in distinct investment capabilities: U.S. Value Equity and Multi Asset, which includes Asset Allocation, Real Assets and Tactical, and are made available through separate accounts, the Westwood Funds® family of mutual funds and other pooled vehicles.

Core Investment Attributes

High Conviction
Team Driven
Risk Aware

Investment Capabilities

U.S. Value Equities	Systematic Equities
Asset Allocation	Income Alternatives
Energy & Real Assets	Tactical Strategies

Employee Ownership Structure

Employees and directors own equity, totaling approximately 22%²; no employee owns more than 5%

Investment Vehicles

Separate Accounts	Private Funds
Mutual Funds	Collective Investment Trusts
Advisor SMA and Model Delivery	

Westwood and Westwood Management are the trade names for Westwood Holdings Group, Inc. ("WHG"), which together with its wholly owned subsidiaries, Westwood Management Corp. ("WMC"), Westwood Advisors, LLC ("WA"), Westwood Trust ("WT"), Saliient Advisors, LP ("SA") and its affiliate Broadmark Asset Management, LLC ("Broadmark"), provides investment and portfolio management services to individuals, investment companies, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations, state and municipal government entities, pooled investment vehicles, and sovereign wealth funds. WMC, WA, SA and Broadmark are SEC registered investment advisors. Registration as an investment advisor does not imply any level of skill or training. WT is a Texas chartered Trust company overseen by the Texas Department of Banking. Westwood does not offer legal or tax advice. Please contact your attorney and or tax professional for advice regarding your specific situation.

Investment Management

Wealth Management

Founded | 1983

AUM¹ | \$16.1 B

Employees³ | 152

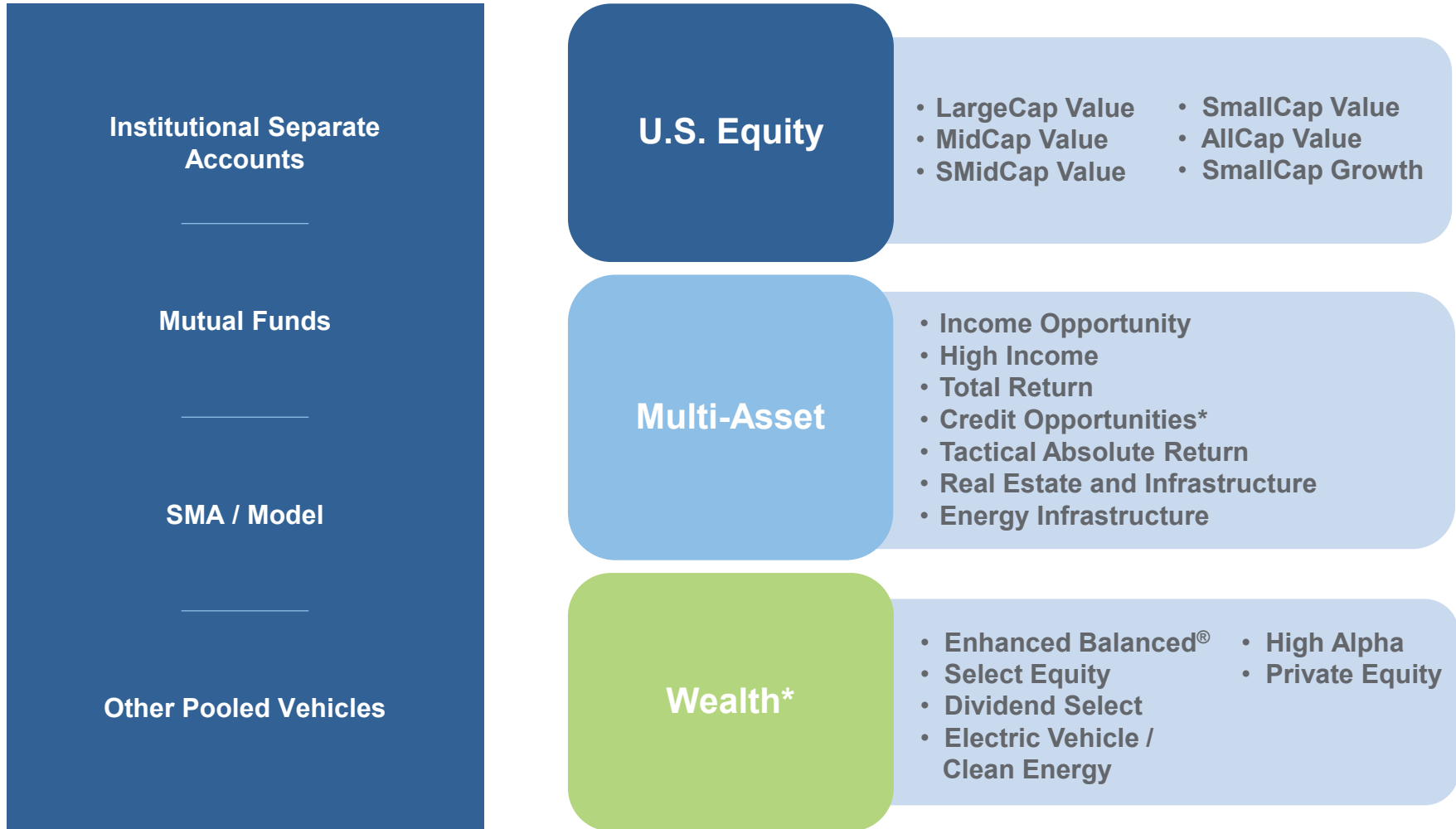
Publicly Traded | NYSE: WHG

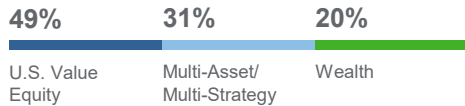
Signatory |



¹Dec. 31, 2022 firm wide AUM consisted of AUM of \$14.8 billion and AUA of \$1.3 billion.
²As of March 1, 2022
³As of Dec. 31, 2022

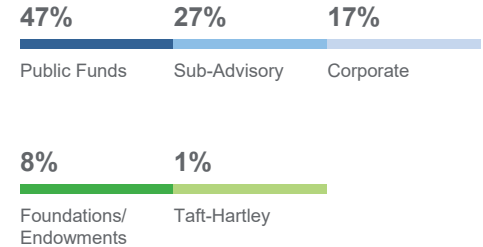
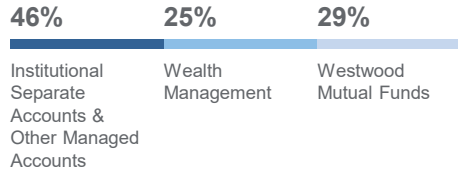
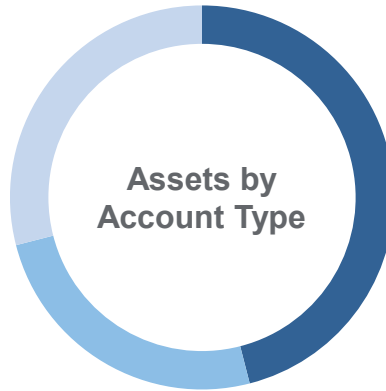






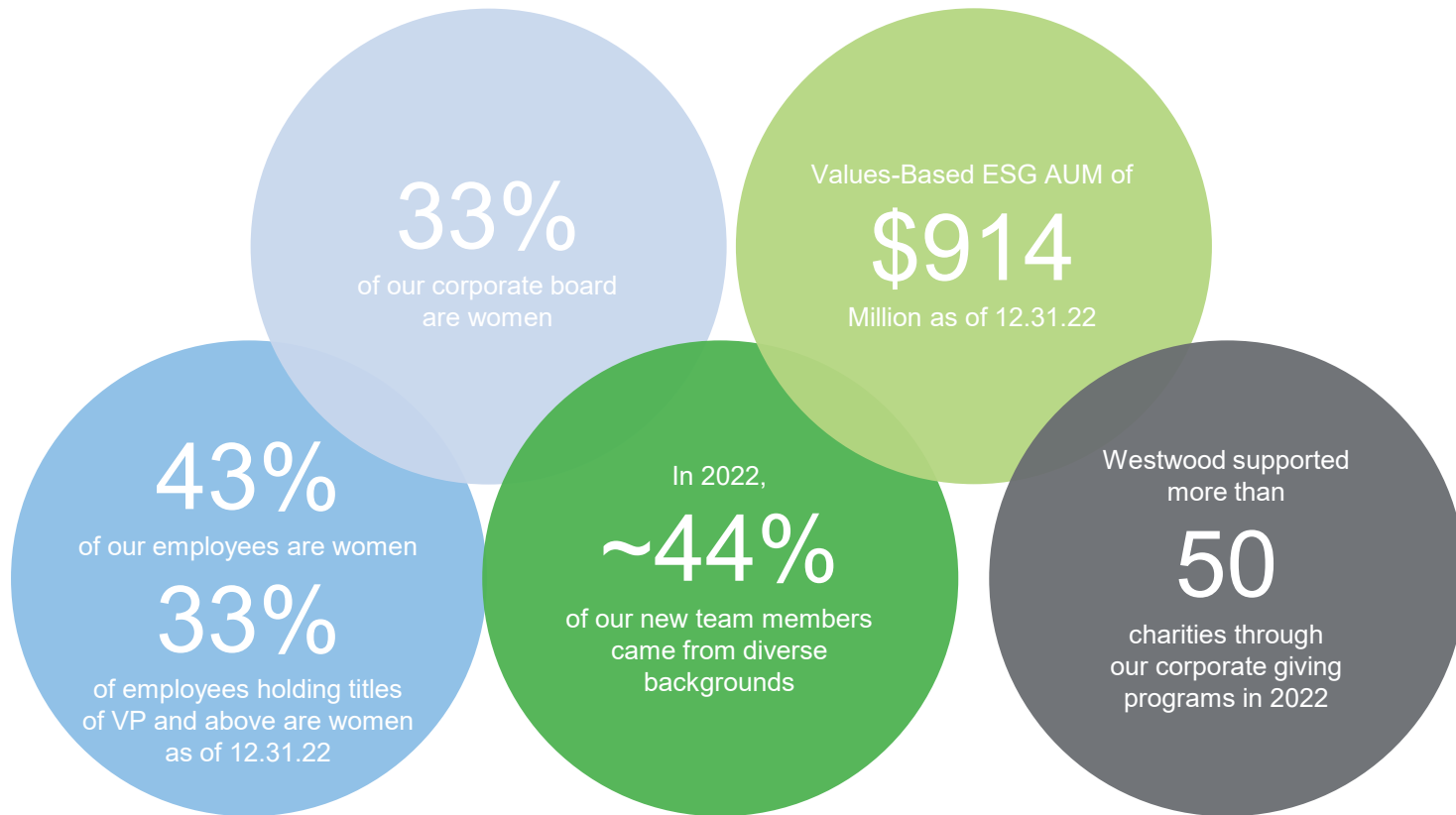
Capabilities

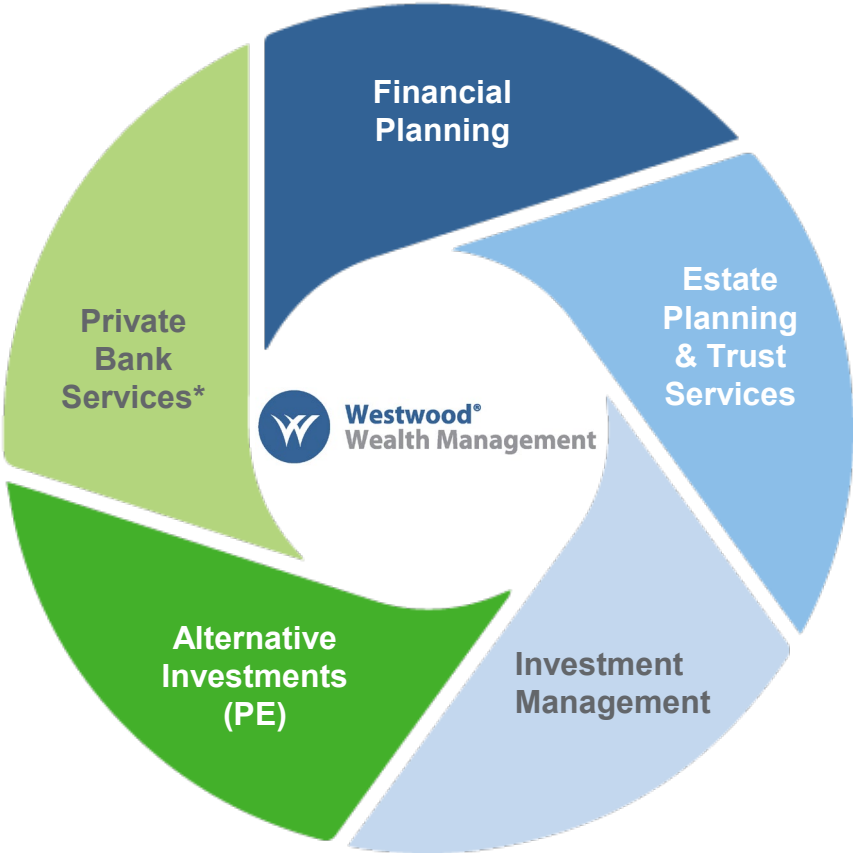
- U.S. Value Equities
- Asset Allocation
- Energy & Real Assets
- Systematic Equities
- Income Alternatives
- Tactical Strategies



Percentages in the Strategy Breakdown and Assets by Account Type charts are based upon firm-wide assets under management as of December 31, 2022. Percentages in the Institutional Client Type chart are based upon the assets under management of Westwood Management Corp only, less assets managed for private individuals, managed accounts and collective investment trusts.







*Banking services are provided through Westwood Private Bank, a branch of Charis Bank.



Financials | **Highlights**



4Q 2022 Highlights

\$20.5M
Revenues

-\$3.1M
Net Loss²

\$16.1B
Assets Under
Management¹

-\$0.4B
Net Flows³

¹ December 31, 2022 AUM consisted of AUM of \$14.8 B and AUA of \$1.3 B.

² Includes the impact of pre-tax acquisition-related expenses of \$5.3 M.

³ Excludes \$2.7B of AUM and \$0.9B of AUA acquired via the Salient acquisition.



Salient Acquisition



Salient Transaction | Highlights

November 2022 – Acquired the asset management business of Salient Partners, L.P., a Houston-based investment firm.



Attractive Valuation – Significant Year 1 EPS Accretion Is Expected

- Structured with back-end protection through prudent growth and revenue retention hurdles



Adds Complementary, Highly Differentiated Investment Capabilities Expanding and Enhancing Westwood's Multi-Asset Platform

- Significant opportunities for product extensions and innovation across real assets and liquid alternatives



Adds Three Seasoned and Well-Respected Investment Teams

- Highly regarded for their intellectual capital and thought leadership



Leverages Investment Offerings and Distribution Across Institutional and Intermediary Channels

- Accelerates Westwood's ability to capitalize on substantial investment in distribution infrastructure



Westwood Gains Immediate Platform Access to Marquee Intermediary Firms

- Would have otherwise taken significant time and financial resources to build organically



Appendix



Ongoing investments in technology



InvestCloud

The backbone of our integrated system – seamlessly delivering data paired with client access via an intuitive digital experience



Mobile Integration

Anytime, anywhere account access, secure document vault, and enhanced client engagement

Foundational tech infrastructure implemented



Azure Cloud

On-premise and remote access incorporating world-class security protocols



FactSet Multi Asset Class risk analysis

Enables analysis of asset types and associated risks



Markit EDM

Data integrity and compliance



Bloomberg AIM+

Best-in-class data for trading and portfolio management





Westwood Funds®

To determine if a mutual fund is an appropriate investment for you, carefully consider the Fund’s investment objectives, risk factors, charges, and expenses before investing. This and other information can be found in the Fund’s prospectus, which may be obtained by calling 877.FUND.WHG, or by visiting our website at www.westwoodfunds.com. Read the prospectus carefully before investing or sending money.

The Westwood Funds® are distributed by Ultimus Fund Distributors, LLC., which is not affiliated with the Adviser.

Mutual fund investing involves risk, including possible loss of principal. There can be no assurance that the Fund will achieve its stated objective, which can be found in the prospectus, or that of the strategy.

U.S. Equity and Multi-Asset Funds (I-Shares)

Name	Symbol
Westwood Quality Value Fund	WHGLX
Westwood Quality MidCap Fund	WWMCX
Westwood Quality SMidCap Fund	WHGMX
Westwood Quality SmallCap Fund	WHGSX
Westwood Quality AllCap Fund	WQAIX
Westwood SmallCap Growth Fund	WSCIX
Westwood Total Return Fund	WLVIK
Westwood Income Opportunity Fund	WHGIX
Westwood High Income Fund	WHGHX
Westwood Alternative Income Fund	WMNIX
Westwood Salient Global Real Estate Fund	KIRYX
Westwood Salient MLP & Energy Infrastructure Fund	SMLPX
Westwood Salient Select Income Fund	KIFYX
Westwood Broadmark Tactical Growth Fund	FTGWX
Westwood Broadmark Tactical Plus Fund	SBTIX



Reconciliation of **Net Loss to Economic Earnings (Loss)**

We are providing a performance measure that we refer to as Economic Earnings (Loss). Both our management and Board of Directors review Economic Earnings (Loss) to evaluate our ongoing performance, allocate resources and determine our dividend policy. We also believe that this performance measure is useful for management and investors when evaluating our underlying operating and financial performance and our available resources. We do not advocate that investors consider these non-GAAP measures without also considering financial information prepared in accordance with GAAP.

We define Economic Earnings (Loss) as net loss plus non-cash stock-based compensation expense, amortization of intangible assets and deferred taxes related to goodwill. Although depreciation on fixed assets is a non-cash expense, we do not add it back when calculating Economic Earnings (Loss) because depreciation charges represent an allocation of the decline in the value of the related assets that will ultimately require replacement. In addition, we do not adjust Economic Earnings (Loss) for tax deductions related to restricted stock expense or amortization of intangible assets.

The following table provides a reconciliation of net loss to Economic Earnings (Loss) for the three months ended December 31, 2022 (\$ thousands):

	December 31, 2022
Net loss	\$(3,125)
Add: Stock-based compensation expense	1,591
Add: Intangible amortization	671
Add: Tax benefit from goodwill amortization	125
Economic Earnings (Loss)	(738)



Westwood | Forward-Looking Statements

Statements in this presentation that are not purely historical facts, including, without limitation, statements about our expected future financial position, preliminary estimates, results of operations or cash flows, as well as other statements including, without limitation, words such as “anticipate,” “preliminary,” “believe,” “plan,” “estimate,” “expect,” “intend,” “should,” “could,” “goal,” “may,” “target,” “designed,” “on track,” “comfortable with,” “optimistic” and other similar expressions, constitute preliminary, forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Actual results and the timing of some events could differ materially from those projected in or contemplated by the forward-looking statements due to a number of factors, including, without limitation, those set forth below:

- the composition and market value of our AUM;
- our ability to maintain our fee structure in light of competitive fee pressures;
- our stockholder rights agreement may make it more difficult for others to obtain control over us, even if it would be beneficial to our stockholders;
- risks associated with actions of activist stockholders;
- distributions to our common stockholders have included and may in the future include a return of capital;
- inclusion of foreign company investments in our AUM;
- regulations adversely affecting the financial services industry;
- our ability to maintain effective cyber security;
- litigation risks;
- our ability to develop and market new investment strategies successfully;
- our reputation and our relationships with current and potential customers;
- our ability to attract and retain qualified personnel;
- our ability to perform operational tasks;
- our ability to select and oversee third-party vendors;
- our dependence on the operations and funds of our subsidiaries;
- our ability to maintain effective information systems;
- our ability to prevent misuse of assets and information in the possession of our employees and third-party vendors, which could damage our reputation and result in costly litigation and liability for our clients and us;
- our stock is thinly traded and may be subject to volatility;
- in addition to our stockholder rights agreement, our organizational documents contain provisions that may prevent or deter another group from paying a premium over the market price to our stockholders to acquire our stock;
- competition in the investment management industry;
- our ability to avoid termination of client agreements and the related investment redemptions;
- the significant concentration of our revenues in a small number of customers;
- our relationships with investment consulting firms;
- the impact of the COVID-19 pandemic;
- our ability to identify and execute on our strategic initiatives;
- our ability to declare and pay dividends;
- our ability to fund future capital requirements on favorable terms;
- our ability to properly address conflicts of interest;
- our ability to maintain adequate insurance coverage; and
- our ability to maintain an effective system of internal controls.

Additional factors that could cause our actual results to differ materially from our expectations are discussed under the section entitled “Risk Factors” in our Form 10-K for the year ended Dec. 31, 2021 and our quarterly reports on Form 10-Q for the quarters ended March 31, 2022, June 30, 2022 and September 30, 2022, which together with our other filings can be viewed at www.sec.gov. You should not unduly rely on these forward-looking statements. Except as required by law, we are not obligated to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this investor presentation or to reflect the occurrence of unanticipated events or otherwise.





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