



# Investor Relations Presentation

**Westwood Holdings Group, Inc.**

# Westwood Overview



## Firm Overview

Westwood is a focused investment management boutique and wealth management firm, offering a broad array of investment solutions to institutional investors and financial intermediaries.

### Core Investment Approach

High Conviction  
Team Driven  
Risk Aware

Quality Bias

### Investment Capabilities

U.S. Value Equity  
Multi-Asset  
Energy & Real Assets

Income Alternatives  
Tactical Absolute Return  
Managed Investment Solutions

### Employee Ownership Structure

Employees and directors own equity, totaling approximately 28.2%<sup>2</sup>

### Investment Vehicles

Separate Accounts  
Mutual Funds  
Advisor SMA and Model Delivery

Private Funds  
Collective Investment Trusts  
Exchange – Traded Funds (ETFs)

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"), Salient 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

AUM<sup>1</sup> | \$17.2 B

Employees<sup>3</sup> | 144

Publicly Traded | NYSE: WHG

Signatory |

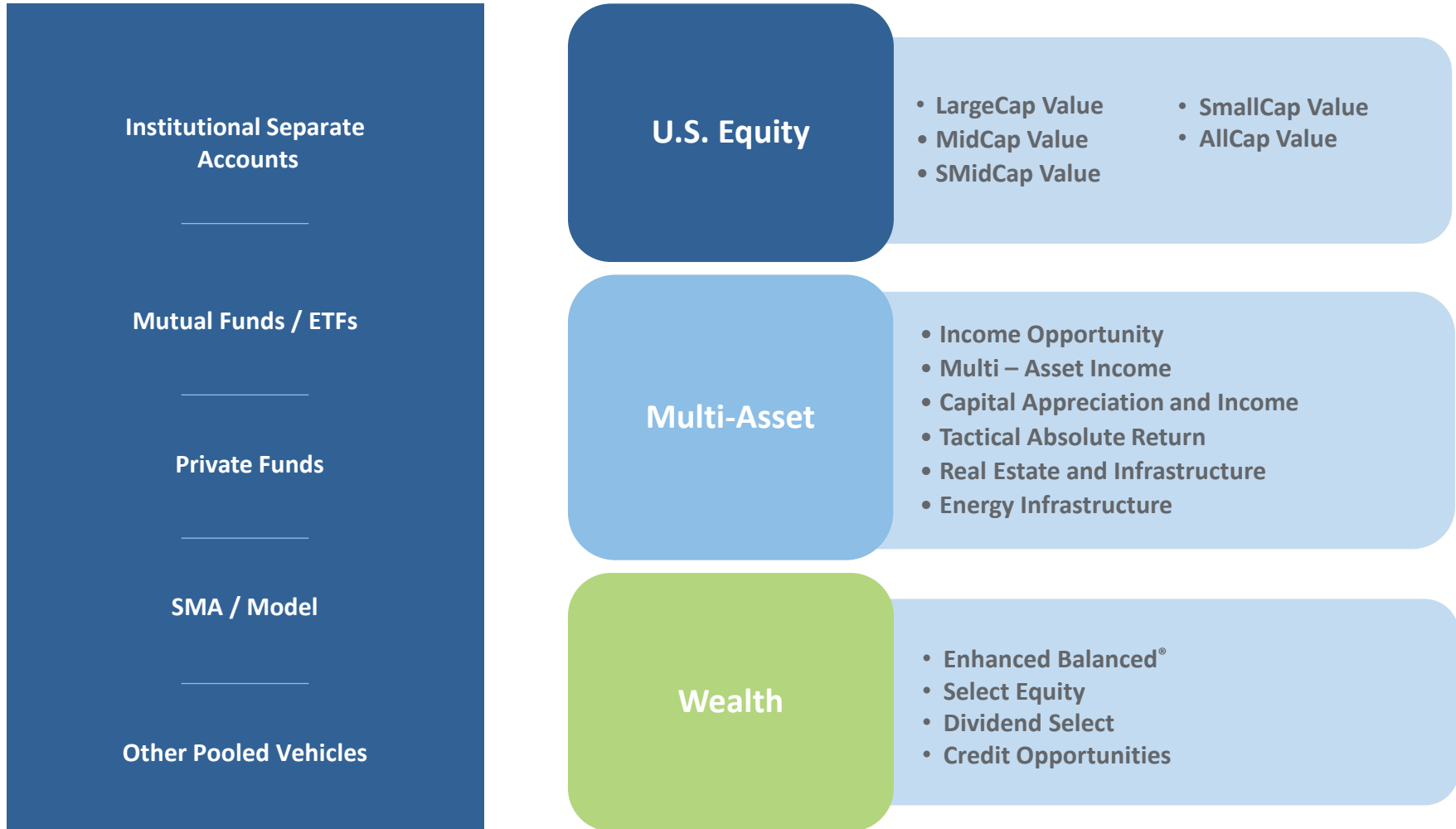


<sup>1</sup>March 31, 2024 firm wide AUM consisted of AUM of \$16.2 billion and AUA of \$1.0 billion.

<sup>2</sup>As of March 4, 2024

<sup>3</sup>As of March 31, 2024







|                   |                            |            |
|-------------------|----------------------------|------------|
| <b>51%</b>        | <b>27%</b>                 | <b>22%</b> |
| U.S. Value Equity | Multi-Asset/Multi-Strategy | Wealth     |



|  |                   |                              |
|--|-------------------|------------------------------|
| <b>48%</b>   | <b>26%</b>        | <b>26%</b>                   |
| Institutional Separate Accounts & Other Managed Accounts | Wealth Management | Westwood Mutual Funds & ETFs |

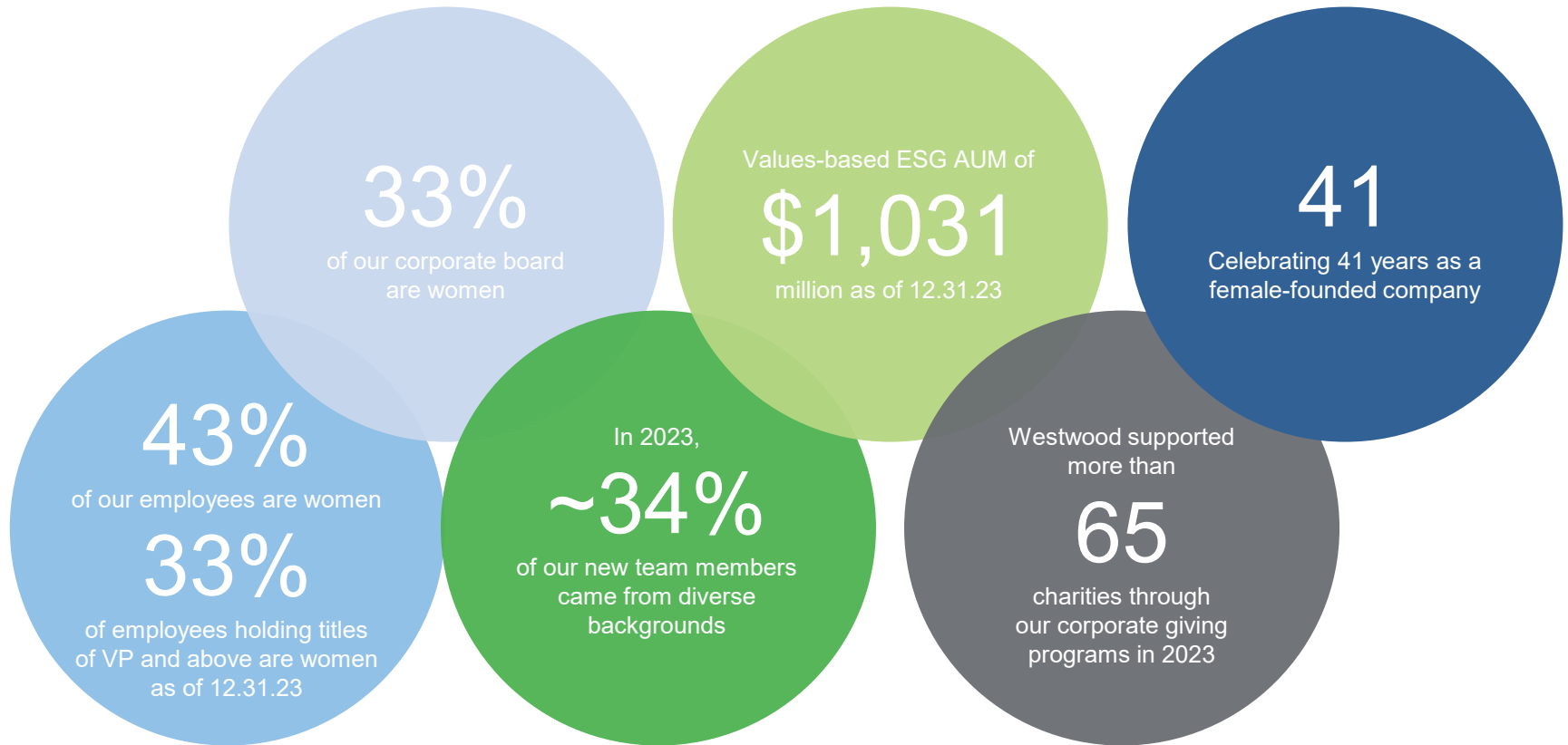


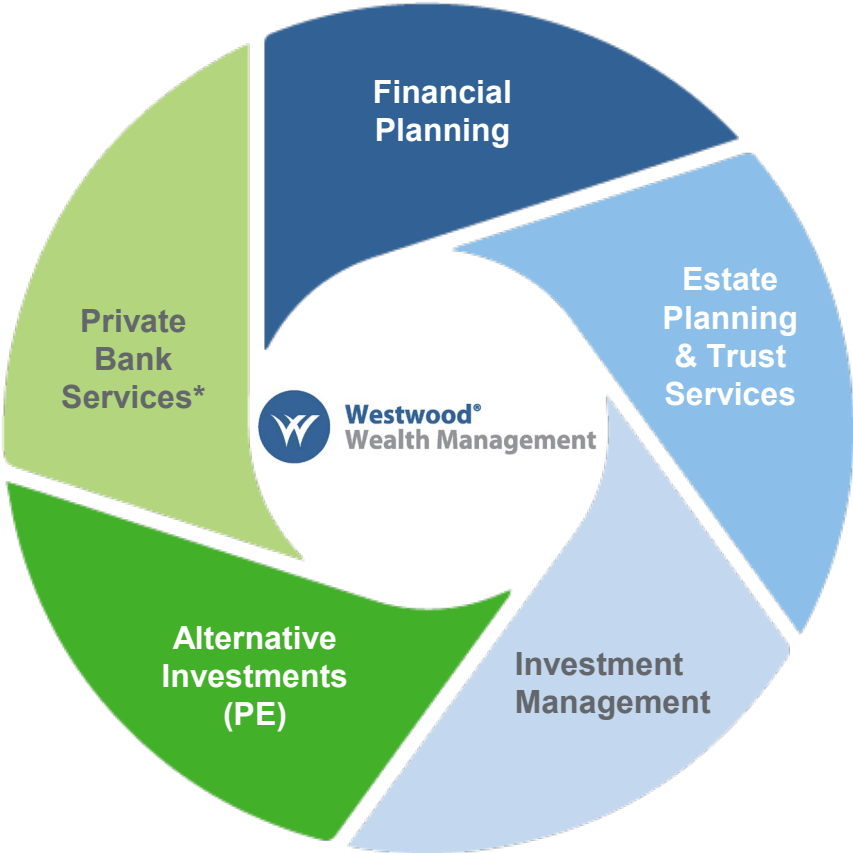
|                        |              |            |
|------------------------|--------------|------------|
| <b>45%</b>             | <b>30%</b>   | <b>17%</b> |
| Public Funds           | Sub-Advisory | Corporate  |
| <b>7%</b>              | <b>1%</b>    |            |
| Foundations/Endowments | Taft-Hartley |            |

Percentages in the Strategy Breakdown and Assets by Account Type charts are based upon firm-wide assets under management as of March 31, 2024. 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.









# Financial Highlights





## 1Q 2024 Highlights

**\$22.7M**

Revenues

**\$2.2M**

Net Income

**\$17.2B**

Assets Under  
Management<sup>1</sup>

**-\$0.2B**

Net Flows

<sup>1</sup> March 31, 2024 AUM consisted of AUM of \$16.2 B and AUA of \$1.0 B.



# 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



#### AI Lead Generation

Financial Search Engine Secured I



#### Dakota Marketplace

Comprehensive Institutional Investor and RIA Database for prospecting new business

### 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



#### Salesforce

Cloud-based Customer Relationship Management (CRM) and marketing automation platform for intermediary distribution team relationships



## Mutual Fund and ETF | **Disclaimer**

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 [westwoodfunds.com](http://westwoodfunds.com). Read the prospectus carefully before investing or sending money.

To determine if this Fund is an appropriate investment for you, carefully consider the Fund's investment objectives, risk factors and charges and expenses before investing. This and other information can be found in the Fund's prospectus, which may be obtained by downloading at [westwoodetfs.com](http://westwoodetfs.com) or calling 800.944.0755. Please read the prospectus carefully before investing.

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

*The Westwood ETFs are distributed by Northern Lights 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 and ETFs)

| Mutual Fund 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 Capital Appreciation and Income Fund     | WLVIX  |
| Westwood Income Opportunity Fund                  | WHGIX  |
| Westwood Multi - Asset Income Fund                | WHGHX  |
| Westwood Alternative Income Fund                  | WMNIX  |
| Westwood Global Real Estate Fund                  | KIRYX  |
| Westwood Salient MLP & Energy Infrastructure Fund | SMLPX  |
| Westwood Real Estate Income Fund                  | KIFYX  |
| Westwood Broadmark Tactical Growth Fund           | FTGWX  |
| Westwood Broadmark Tactical Plus Fund             | SBTIX  |
| Westwood Enhanced Midstream Income ETF            | MDST   |
| Westwood Enhanced Energy Income ETF               | WEEI   |



## Reconciliation of **Comprehensive Income Attributable to Westwood Holdings Group, Inc. to Economic Earnings**

We are providing a performance measure that we refer to as Economic Earnings. Both our management and Board of Directors review Economic Earnings 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 as Comprehensive income attributable to Westwood Holdings Group, Inc. plus non-cash equity-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 because depreciation charges represent an allocation of the decline in the value of the related assets that will ultimately require replacement. Although gains and losses from changes in the fair value of contingent consideration are non-cash, we do not add or subtract those back when calculating Economic Earnings because gains and losses on changes in the fair value of contingent consideration are considered regular following an acquisition. In addition, we do not adjust Economic Earnings 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 for the three months ended March 31, 2024 (\$ thousands):

|  | <b>March 31, 2024</b> |
|--|-----------------------|
| Comprehensive income attributable to Westwood Holdings Group, Inc. | \$2,296               |
| Stock-based compensation expense                                   | 1,515                 |
| Intangible amortization  | 1,042                 |
| Tax benefit from goodwill amortization                             | 125                   |
| Tax impact of adjustments to GAAP comprehensive income             | (1,966)               |
| Economic Earnings  | 3,012                 |



## 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,” “believe,” “plan,” “estimate,” “expect,” “intend,” “should,” “could,” “goal,” “may,” “target,” “designed,” “on track,” “comfortable with,” “optimistic” and other similar expressions, constitute 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;
- 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;
- 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;
- we have made and may continue to make business combinations as a part of our business strategy, which may present certain risks and uncertainties;
- our relationships with investment consulting firms;
- 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, 2023 which with our other filings can be viewed at [www.sec.gov](http://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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