



Westwood[®]

Investing Where It Counts

Investor Relations Presentation

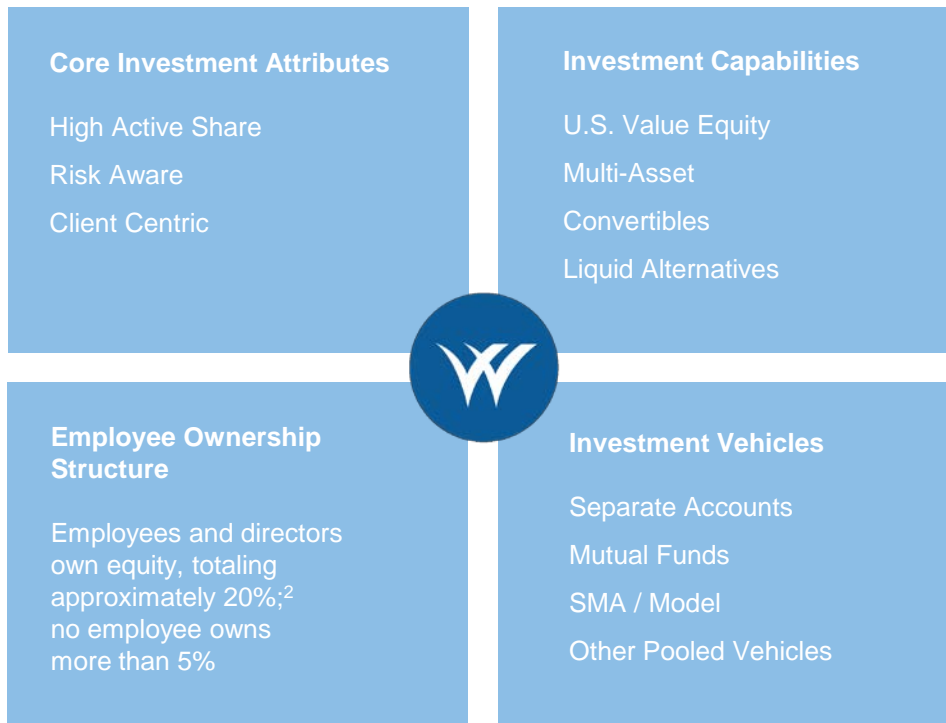
As of September 30, 2020

Overview



Firm Overview

We are a focused investment management boutique and wealth management firm offering high-conviction equity and outcome-oriented solutions. Our investment services can address a wide range of investment objectives and challenges for institutional investors, financial intermediaries and private clients.



Westwood Management Corp. was founded and registered with the SEC in April 1983. Its parent company, Westwood Holdings Group, Inc., was launched as a public company in 2002, trading on the New York Stock Exchange under the symbol WHG. Except as otherwise noted, all references to or information about the "firm" or "Westwood" throughout this presentation describe Westwood Holdings Group, Inc. and its wholly owned subsidiaries, which include Westwood Management Corp., Westwood Trust, Westwood Advisors, LLC, and Westwood International Advisors Inc.

Best Places to Work Selection criteria based 25% on corporate application and 75% on anonymous employee questionnaires within the "100-499 employees" category. Awarded on December 9, 2019.

Investment Management

Wealth Management

Founded | 1983

AUM¹ | \$12.0 B

Employees¹ | 142

Publicly Traded | NYSE: WHG 2002

Signatory |

Signatory of:
 Principles for Responsible Investment



¹As of September 30, 2020

²As of March 2, 2020



OUR EMPLOYEES:
**THE BUILDING BLOCKS
OF OUR SUCCESS.**

Thank you for making Westwood
one of the best places to work
for the sixth year in a row!



At Westwood, **we are fiercely committed** to our culture and putting clients first. We are so proud to be recognized by P&I as a top place to work for the sixth year in a row.



Separately Managed Accounts

Mutual Funds

SMA / Model

Other Pooled Vehicles

U.S. Value Equity

- LargeCap Value
- LargeCap Select
- SMidCap
- SmallCap Value
- AllCap Value

Multi-Asset / Multi-Strategy

- Income Opportunity
- High Income
- Total Return
- Enhanced Balanced®*
- Select Equity*
- Credit Opportunity*

Convertibles

- Strategic Global Convertibles

Liquid Alternatives

- Alternative Income

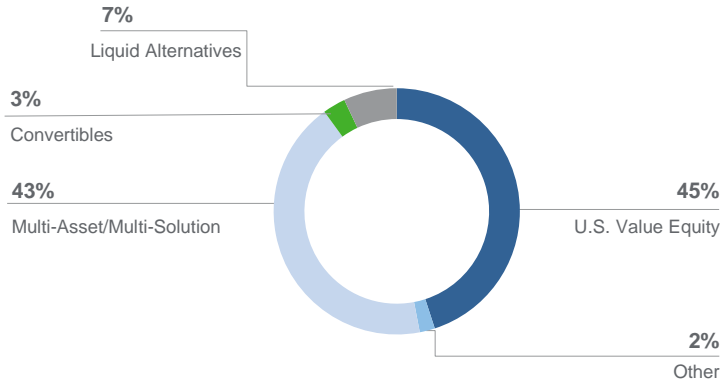


*Exclusively available in our Wealth Management channel

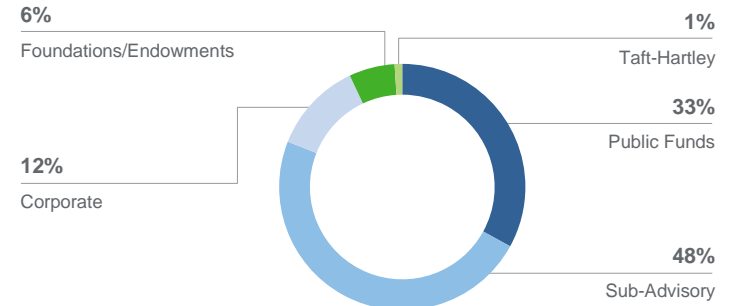


Westwood | Product and Channel Diversification

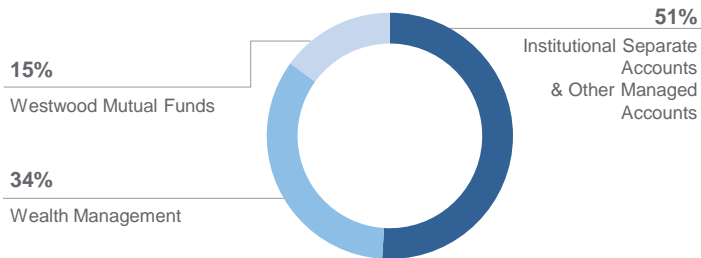
STRATEGY BREAKDOWN



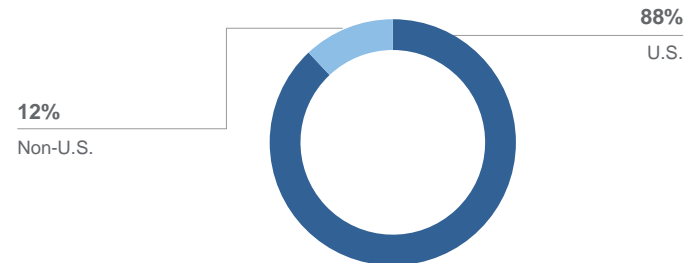
INSTITUTIONAL CLIENT TYPE



ASSETS BY ACCOUNT TYPE



ASSETS BY CLIENT DOMICILE



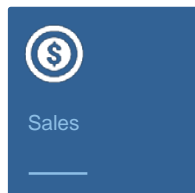
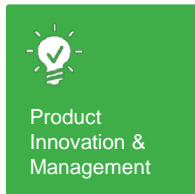
Percentages in the Strategy Breakdown, Assets by Account Type, and Assets by Client Domicile charts are based upon firm-wide assets under management as of September 30, 2020. Percentages in the Institutional Client Type chart are based upon the combined assets under management of Westwood Management Corp. and Westwood International Advisors Inc. only, less assets managed for private individuals, managed accounts, and collective investment trusts.



Investment Management



Aligning for Commercial Success



Continued organic new sales in institutional and intermediary with slowing projected outflows

Positive net mutual fund flows in Institutional and Intermediary

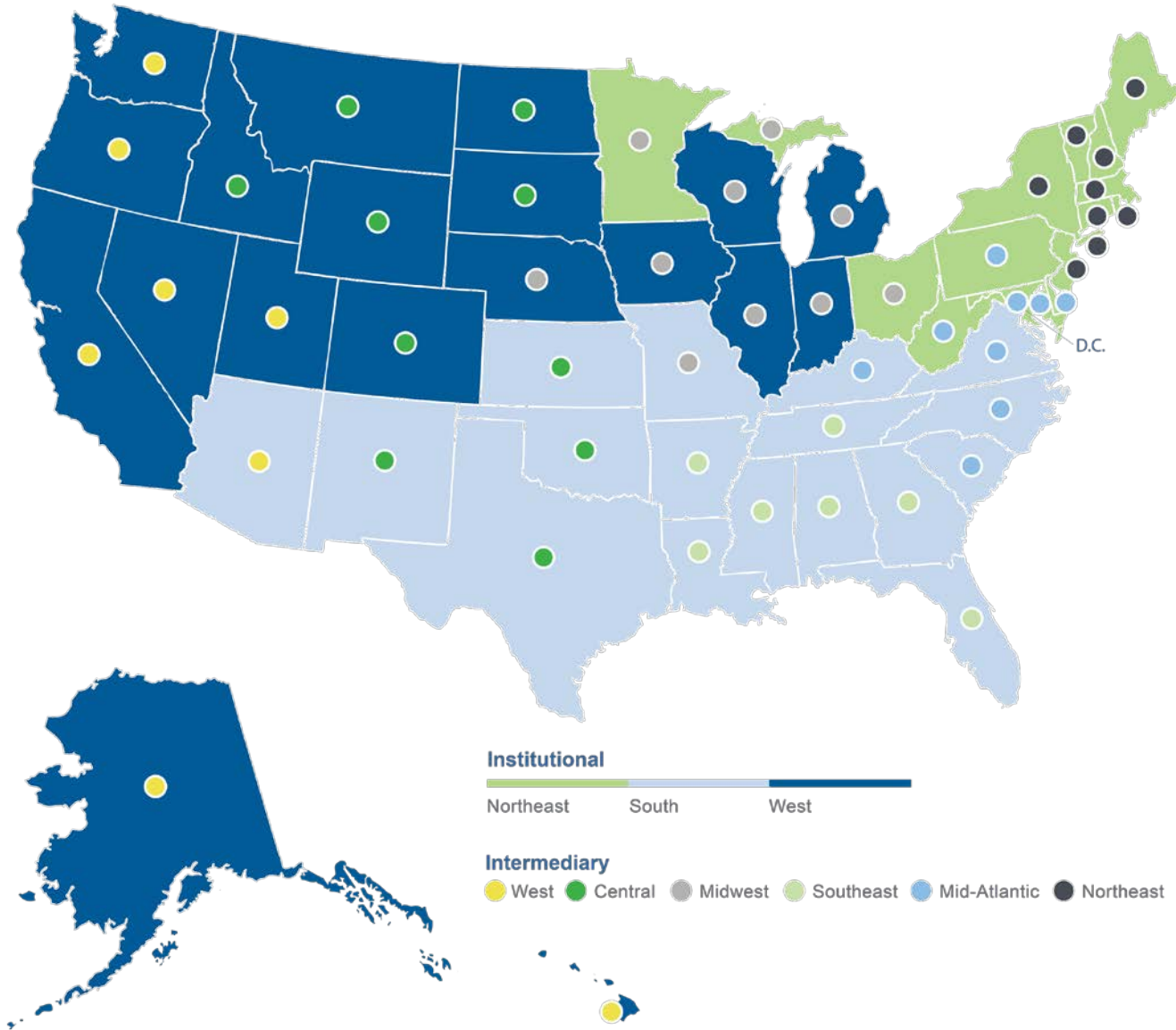
3Q outflows driven by closed products

Increased overall opportunity pipeline including jumbo mandates

Q4 launch of SmallCap mutual fund and SMA on leading wirehouse platform



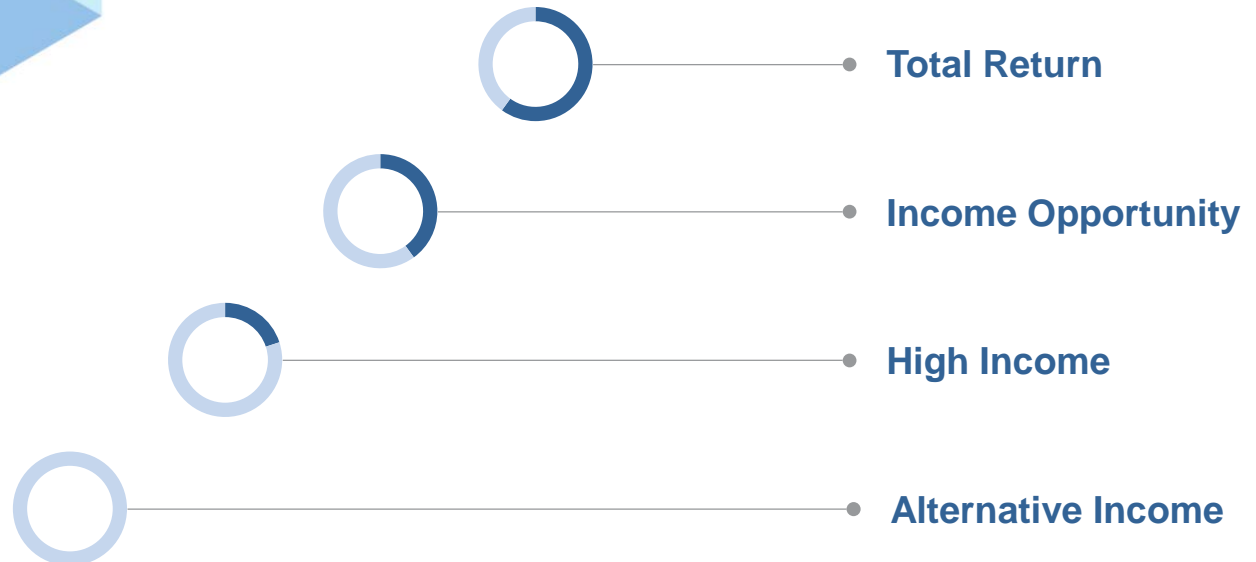
Full Team on the Field | Largest Distribution Team in Westwood History



Absolute Return. Total Return. Income Oriented.

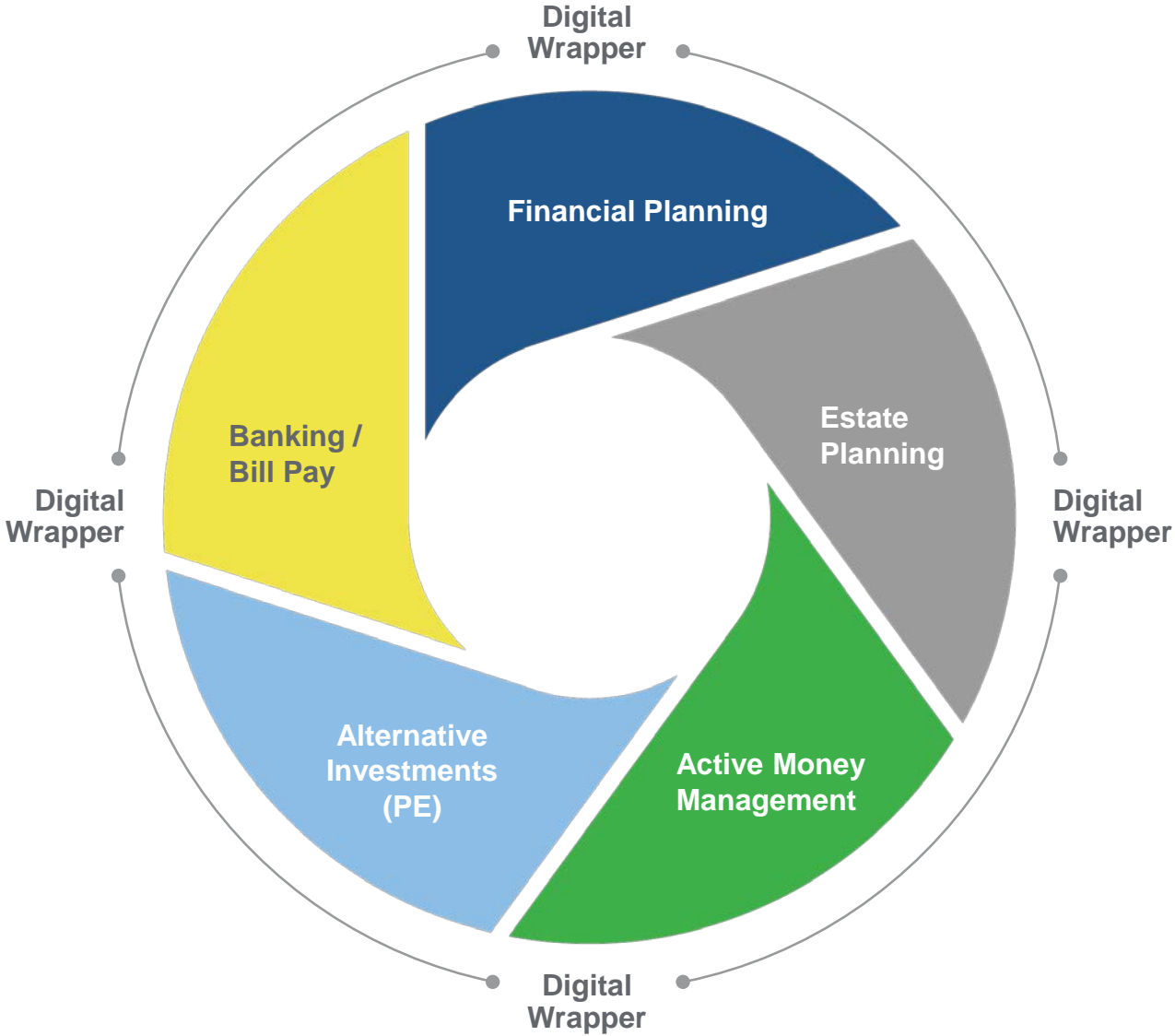
Westwood Multi-Asset

Varying degrees
of equity market
sensitivity



Wealth Management





Digital experience, touching all areas of the firm, that captures new and existing capabilities to create a one-stop shop for comprehensive financial management

Visionary strategy consisted of understanding our Why, How, and What

1 Why

Be the indispensable, holistic, and trusted financial advisor for institutions and families by providing personalized and holistic investment solutions and services

2 How

Increase the quality, frequency and value of interactions utilizing digital engagement techniques through the prospect and client lifecycles

3 What

Deploy a friction-free individual and institutional digital platform for all Westwood business lines that constantly reinforces the value of delivered services

In determining the Why, How and What, we created the four pillars of our digital platform

Client for Life

Comprehensive toolset / product set that delivers value to clients

Active Client Engagement

Retention by focusing on actively engaging with clients to provide the most value

Active Client Growth

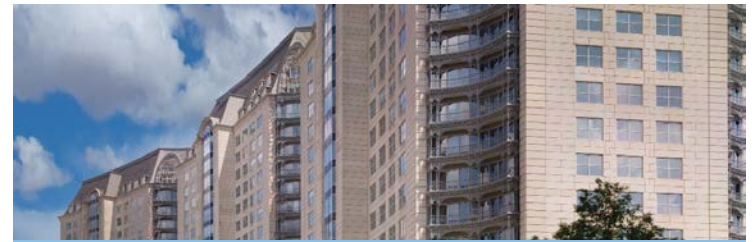
Capturing the next generation through transitional wealth transfer

At Your Fingertips

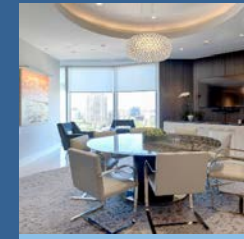
Information anytime anywhere



As we continue to focus on delivering services to meet our clients' needs, we have partnered with a local bank to launch **Westwood Private Bank**.



- Traditional bank services, including checking, savings and lending
- Highly personalized service
- State-of-the-art digital capabilities
- Boutique space featuring very comfortable family meeting space containing interactive technology, luxury coworking space reserved for clients who need it and concierge-style service



Westwood Wealth Management



Financials | Highlights



“Westwood International Advisors has now ceased operations and a significant amount of cash has been moved from Canada to the U.S. for deployment in business initiatives that we consider more attractive over the long-term.... We have recently celebrated several institutional and retail wins that will fund later this year or early in the New Year. Consultant approval ratings continue to move up, our pipeline for new business opportunities is at its highest level in over five years”³

Assets Under Management

- Total AUM of \$12.0 billion and AUA of \$240 million at September 30, 2020

Investment Strategies¹

- Income Opportunity, AllCap Value, SMidCap, Total Return, High Income, Alternative Income, and Global Convertibles strategies beat their primary benchmarks for the quarter.

Operating Results

- Total revenues of \$15.5 million for the third quarter of 2020
- Net loss of \$10.3 million and Economic Loss of \$1.7 million² for the third quarter of 2020

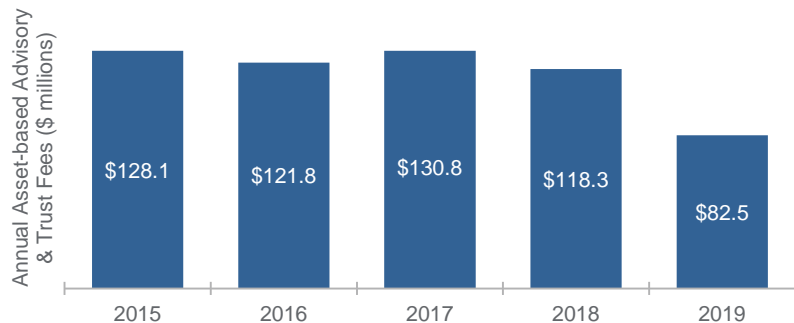
Capital Management

- Liquid cash and investments of \$77.6 million at September 30, 2020.

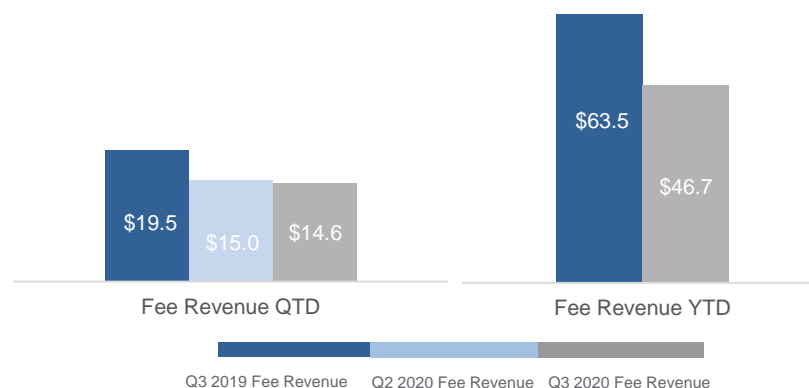
1. ©2019 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely.
Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.
2. See the Reconciliation of Net Income to Economic Earnings on slide 18 of this presentation.
3. Brian O. Casey quote from Q3 2020 Earnings Release.



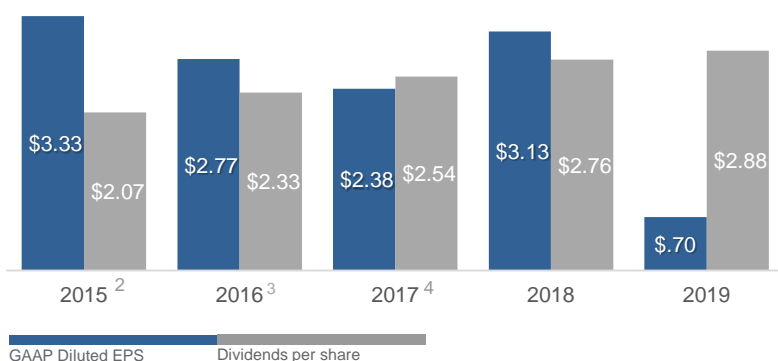
Fee Revenue¹ - Historical



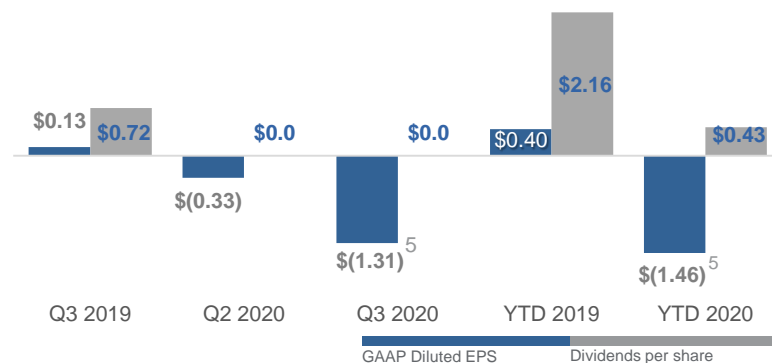
Fee Revenue¹ – QTD and YTD



Earnings and Dividends Per Share - Historical



Earnings (Loss) and Dividends Per Share - QTD and YTD



1. Asset-based fee revenue, excluding performance fees.
2. 2015 GAAP Diluted EPS includes a \$0.10 negative tax adjustment and an \$0.08 non-cash compensation charge, net of taxes.
3. 2016 GAAP Diluted EPS includes a \$0.16 one-time information technology implementation costs charge, net of taxes.
4. 2017 GAAP EPS includes a \$0.30 one-time legal settlement charge, net of insurance recovery and taxes, and a \$0.40 incremental income tax expense related to tax reform.
5. 2020 GAAP QTD and YTD EPS includes a \$0.96 and \$0.94 one-time adjustment respectively for our Goodwill Impairment on our Advisory segment and the release of our Cumulative Transaction Adjustment related to WIA.



Reconciliation of **Net Income (loss) 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 net income (loss) 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. In addition, we do not adjust Economic Earnings for tax deductions related to restricted stock expense or amortization of intangible assets.

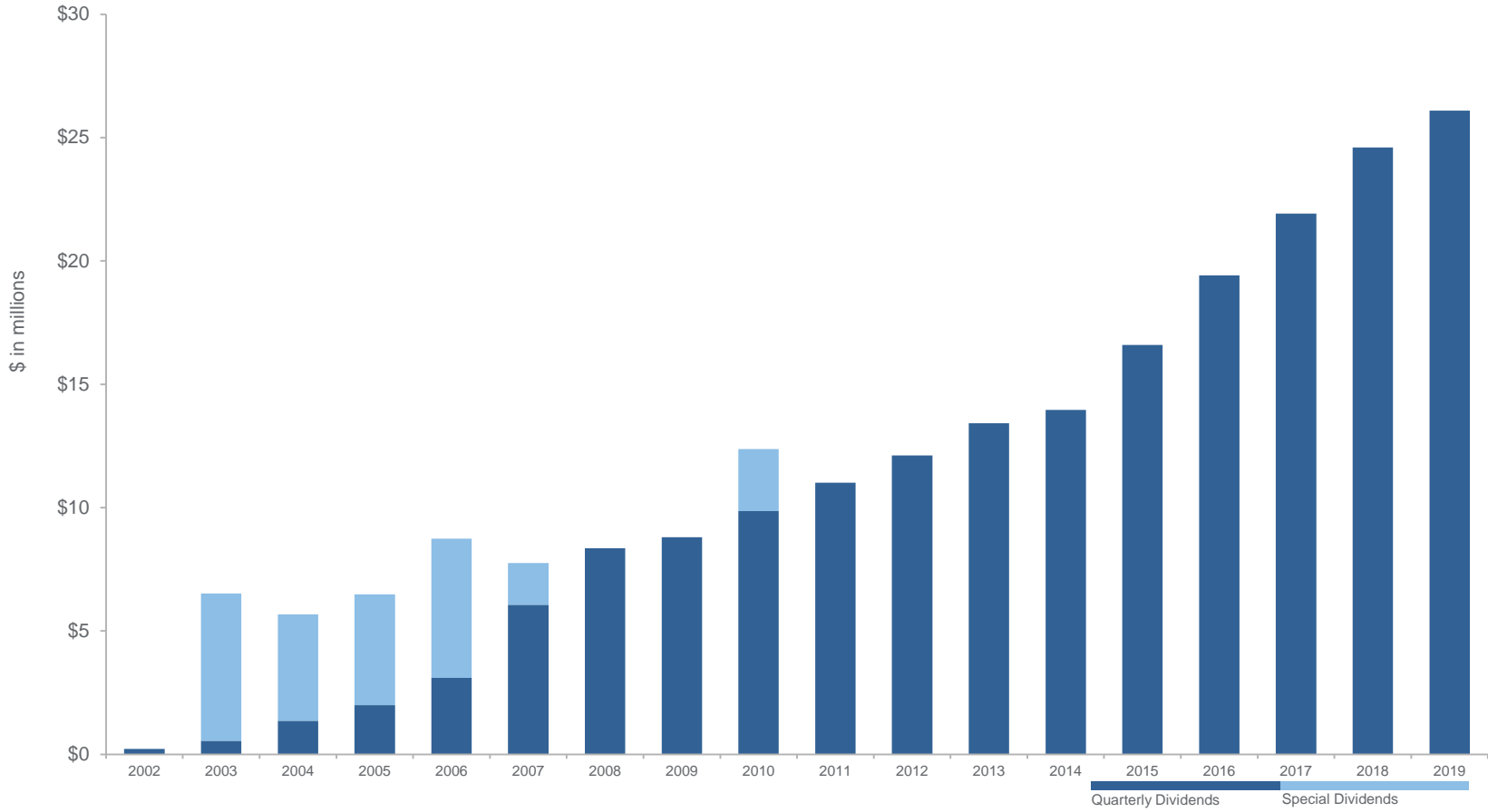
The following table provides a reconciliation of net income to Economic Earnings (Loss) for the three months ended September 30, 2020 (\$ thousands):

	<u>9/30/2020</u>
Net Loss	\$ (10,289)
Add:	
Stock Based Compensation Expense	488
Impairment expense	3,403
Intangible Amortization	435
Currency translation adjustment reclassification	4,193
Tax Benefit from Goodwill Amortization	59
Economic Earnings	<u>\$ (1,711)</u>



Annual Dividends

Over \$220 million of dividends paid out from 2002 to 2019



As of December 31, 2019.



Appendix



Technology | Approach



Access to world-class security protocols as they become available

Scalability and predictable cost structure



Complete visibility of risk profile of all holdings and asset classes held in multi-asset funds

Enables analysis of market complexity and components' contribution to total risk

Uses precise market risk exposures to measure and control risk



Formal data management program

Data integrity and data compliance for the firm



Multi-asset and multi-currency platform that will allow us to expand into other asset classes at will.

Robust portfolio compliance engine to keep up with the ever-changing regulatory landscape

Access to best-in-class data for trading and portfolio management



Create an operational digital platform that will form the backbone of our operating platform for all our business lines

A true multi-asset and multi-currency platform to support our business as we expand to other asset classes with more complexity



Online advice tool designed to meet the needs of digitally savvy investors

Real-life investment solutions, low cost solutions and digitally-based service

Streamlined documentation for account opening through Apex Clearing



An initial holistic client experience, customizable with the ability to access information easily, anytime and in any way (PC, tablet or smart phone)

A digital toolset to meet the needs of investors across the spectrum of beginner to expert

Cloud Azure



FactSet Risk Analytics



Markit EDM



Bloomberg AIM+



InvestCloud White



Wealth Coach



InvestCloud Digital



2015
Start of cycle

2016

2016

2016

2019

2020

2020



Mutual Fund **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 1.877.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 SEI Investments Distribution Co., 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. Value and Multi-Asset Funds (I-Shares)	
Name	Symbol
LargeCap Value	WHGLX
SMidCap	WHGMX
SmallCap	WHGSX
Total Return	WLVIX
Income Opportunity	WHGIX
Alternative Income	WMNIX
High Income	WHGHX



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;
- the impact of the COVID-19 pandemic;
- the significant concentration of our revenues in a small number of customers;
- regulations adversely affecting the financial services industry;
- competition in the investment management industry;
- our ability to develop and market new investment strategies successfully;
- our AUM include investments in foreign companies;
- our reputation and our relationships with current and potential customers;
- our ability to attract and retain qualified personnel;
- our ability to maintain effective cyber security;
- our ability to perform operational tasks;
- our ability to identify and execute on our strategic initiatives;
- our ability to maintain effective information systems;
- our ability to select and oversee third-party vendors;
- litigation risks;
- 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;
- our ability to maintain an effective system of internal controls;
- our stock is thinly traded and may be subject to volatility;
- 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;
- we are a holding company dependent on the operations and funds of our subsidiaries;
- our relationships with investment consulting firms; and
- our ability to avoid termination of client agreements and the related investment redemptions.

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 December 31, 2019 and our quarterly report on Form 10-Q for the quarters ended March 31, 2020, June 30, 2020, and September 30, 2020 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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WHG
LISTED
NYSE