

1Q 2024

Asset & Wealth Management Quarterly M&A Insight

RAYMOND JAMES | INVESTMENT BANKING

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Notes and disclosures

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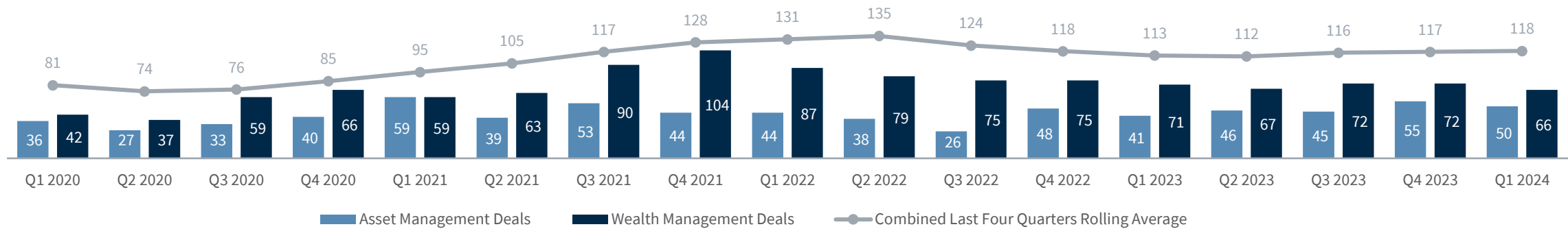
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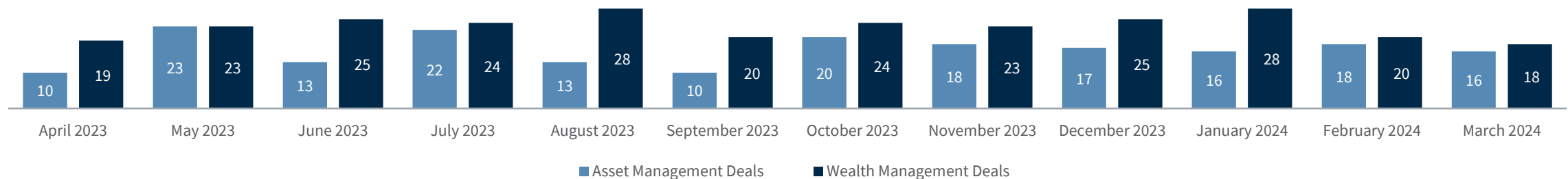
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Asset & Wealth Management M&A activity

QUARTERLY NUMBER OF TRANSACTIONS | ASSET VS. WEALTH MANAGEMENT



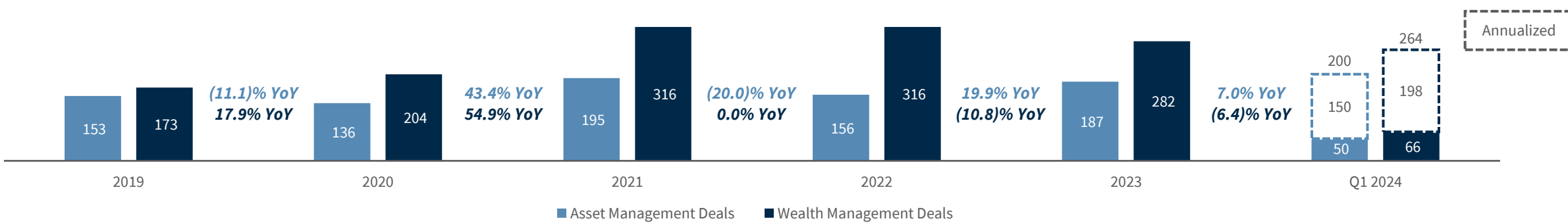
MONTHLY NUMBER OF TRANSACTIONS | ASSET VS. WEALTH MANAGEMENT



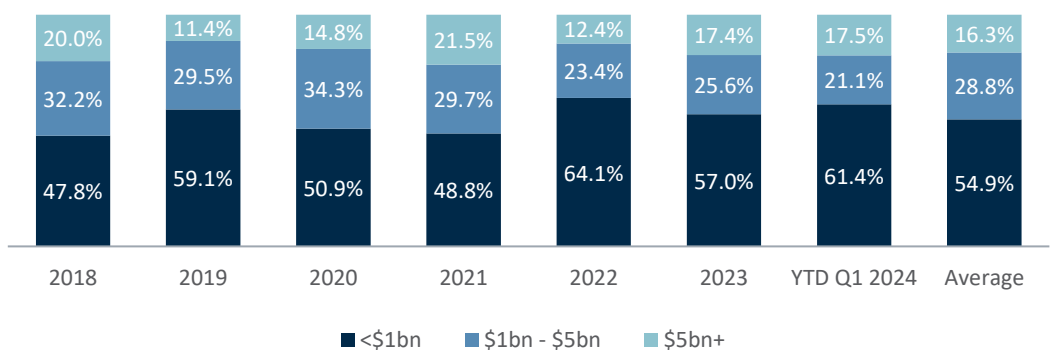
Source: Press Releases, S&P Capital IQ
 Note: Asset management includes both traditional and alternative asset managers

Asset & Wealth Management annual M&A activity

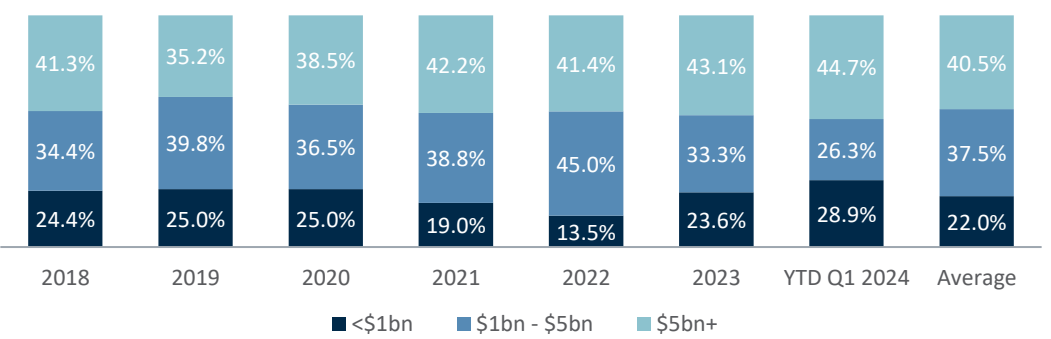
ANNUAL NUMBER OF TRANSACTIONS | ASSET VS. WEALTH MANAGEMENT



NUMBER OF WEALTH MANAGEMENT TRANSACTIONS BY SELLER AUM



NUMBER OF ASSET MANAGEMENT TRANSACTIONS BY SELLER AUM



Source: Press Releases, S&P Capital IQ
 Note: Asset management includes both traditional and alternative asset managers

1Q 2024: Wealth Management deal highlights



MINORITY TRANSACTIONS

- **January 16: Constellation Wealth Capital (“CWC”)** a capital provider and partner to wealth managers backed by **Black Owl Capital Investments**, acquired a minority stake in **Perigon Wealth Management**, a wealth advisory firm, with \$6.5bn in AUM. **Merchant Investment Management**, a capital partner to financial services companies, exited its stake as a part of the transaction
- **January 17:** The following day, **CWC** announced a minority investment in **Lido Advisors**, a high-net-worth focused wealth manager with more than \$19bn in AUM. Private equity firm **Charlesbank Capital Partners**, who first partnered with Lido in 2021 will remain as the lead investor
- **January 24:** Capital provider **Wealth Partners Capital Group** and private equity firm **HGGC** acquired a minority stake in **True North Advisors (“True North”)**, a wealth advisor and multi-family office with \$3.3bn in AUM. True North intends to use the proceeds to grow through targeted acquisitions
- **February 1: Charlesbank Capital Partners** provided a \$250mm capital commitment to **Rise Growth Partners**, the minority investor in RIAs created by United Capital founder Joe Duran
- **February 22: Allianz X**, an investment arm of **Allianz SE (XETRA: ALV)**, a German insurer and asset manager, announced it would invest up to \$300mm and **CWC** announced it would invest up to \$150mm – \$115mm of which is expected to fund by March 31, 2024 – in **ALTi Global (NASDAQ: ALTI)**, a leading independent global wealth and alternatives manager with approximately \$68bn in assets. The investment will be structured through newly issued common stock, convertible preferred stock and warrants
- **February 27: TRIA Capital Partners**, a minority financier for wealth management firms, acquired a stake in **Plancorp**, an independent wealth manager with \$6.5bn in AUM, joining alternative asset manager **The Cynosure Group** who has been a minority investor since 2021

Source: Press Releases, Company Filings

Note: Local currency converted to USD using applicable exchange rates at time of announcement

1Q 2024: Wealth Management deal highlights (cont.)



MAJORITY TRANSACTIONS

- January 12: Arax Investment Partners (“Arax”)**, a wealth manager and broker-dealer backed by private equity firm **RedBird Capital Partners**, announced the acquisition of hybrid broker-dealer/RIA **Excel Securities & Associates**, with over \$1bn in client assets, which will be rebranded to **Ashton Thomas Securities**. It also announced the **Stafford Schauer Private Wealth Team** will be joining Ashton Thomas from **Alex. Brown**, bringing \$2bn in assets
- February 6: Charlesbank Capital Partners** acquired the majority stake in **Perspective Financial Group**, a UK wealth management consolidator with over \$10bn in AUM, previously held by private equity firm **CBPE Capital**
- February 13: LPL Financial (NASDAQ: LPLA)**, an independent broker-dealer, acquired fellow broker-dealer **Atria Wealth Solutions**, adding over \$100bn of brokerage and advisory assets, supported by 2,400 advisors. The transaction’s upfront price was ~\$805mm with potential earnouts of \$0mm to ~\$230mm based on retention ranging from 80% to 100%
- February 15: OneDigital Investment Advisors**, the wealth and management subsidiary of **OneDigital**, an insurance brokerage and financial services firm, announced its acquisition of the retirement benefits advisors division of **Wintrust (NASDAQ: WTFC)**, adding \$2.6bn in retirement plan assets
- March 8: Pollen Street Capital**, a UK-based private equity and private credit manager, agreed to a take-private of **Mattioli Woods (LON: MTW)**, a UK-based provider of wealth management and employee benefit services with over \$19bn in AUM/A. The offer valued Mattioli Woods at approximately \$551mm, a 34% premium to the last closing share price
- March 11: Special-purpose acquisition company Kingswood Acquisition Corp.** completed its merger and listing of independent broker-dealer aggregator **Wentworth Management Services** with \$25bn in AUM, valuing the company at \$208mm. The combined entity will do business as **Binah Capital Group (NASDAQ: BCG)**
- March 19: Multi-family office Caprock** announced its first acquisition, purchasing boutique high-net-worth wealth manager **Grey Street Capital**, adding \$2.2bn in AUM

Source: Press Releases, Company Filings

Note: Local currency converted to USD using applicable exchange rates at time of announcement

1Q 2024: Serial RIA acquirer highlights

DEAL HIGHLIGHTS AMONG SERIAL ACQUIRERS OR RIA CONSOLIDATORS

Focus Financial (“Focus”) has continued its consolidation of partner firms into regional “hubs”: Focus hub firm Kovitz Investment Group agreed to acquire fellow Focus partner firm Telemus Capital (\$3bn), Focus hub firm Colony Group agreed to acquire fellow Focus partner firm GW & Wade (\$10.4bn) and Focus announced they were in talks to buy out the management of SCS Financial (\$30bn) to create another hub firm

- Separately, Focus partner firms also announced the acquisitions of Executive Wealth Group (\$400mm) and Wasserman Wealth Management (\$300mm)

Since receiving an investment from CWC in January, **Perigon Wealth Management** announced the acquisitions of Prudeo Partners (\$425mm), Blue Water Capital Management (\$200mm) and Lumin Financial (\$175mm)

MAI Capital Management announced the acquisitions of Madison Wealth Management (\$1.4bn), LWS Wealth Advisors (\$562mm) and Traverso Chambers Private Wealth Management (\$549mm)

Mercer Global Advisors announced the acquisitions of MDK Private Wealth Management (\$2.5bn), Transitions Wealth Management (\$465mm) and River Glen Wealth Counselors (\$275mm)





Allworth Financial announced the acquisitions of Tridea Advisors (\$341mm) and Capital Point Financial Group (\$280mm)

Mariner announced the acquisitions of two institutional advisory firms: AndCo Consulting (\$90bn) and Fourth Street Performance Partners (\$14bn)

Waverly Advisors announced the acquisitions of StrategIQ Financial Group (\$1.5bn) and EFP Advisory (\$280mm)

Beacon Pointe Advisors, Bluespring Wealth Partners, CAPTRUST, Carson Wealth Management, EP Wealth Advisors, Hightower, Merit Financial Group, Modern Wealth Management, Pathstone, Savant Capital, Sequoia Financial Group and **Wealth Enhancement Group** each announced one acquisition in the quarter

M&A market commentary

 OVERALL ACTIVITY	January and February showed strong activity in wealth management, as deals negotiated in 2023 were completed, leading to a quarter with activity in-line with the last several quarters. Asset management deals were steady and continued the trend seen in 2023 of heightened activity
 MARKET DRIVERS	<p>Acquisitions have been driven by continued activity from strategic acquirers often buoyed by strategic and capital support from private equity</p> <ul style="list-style-type: none">• Expanded service offering: Wealth platforms continue to use M&A to expand their client service offering: Hightower, Creative Planning, Savant and Modern Wealth Management each completed acquisitions to expand their capabilities in tax planning and related services in 2H 2023 and Trivium Point Advisory acquired accounting, tax and consulting firm Lyons & Lyons, CPAs in 1Q 2024<ul style="list-style-type: none">◦ Additionally, Mariner Wealth Advisors launched Mariner Institutional with the acquisitions of outsourced chief investment officers (“OCIO”) AndCo Consulting and Fourth Street Performance Partners. More OCIO transactions are expected in 2024 as wealth managers aim to capitalize on the cross-selling opportunities available with a business combination• Minority capital providers: New entrants in the minority capital space were active in 1Q24. Constellation Wealth Capital made investments this quarter in Lido Advisors, Perigon Investment Management and AlTi. Rise Growth Partners received a \$250mm investment from Charlesbank Capital Partners and intends to announce its initial RIA investments throughout 2024• Asset management offering expansion: Asset managers continue to venture into new product lines, particularly in the alternative asset space. Sagard’s acquisition of HalseyPoint provided additional CLO exposure, BREIT strengthened its residential real estate exposure and capabilities with the acquisition of Tricon Residential and General Atlantic launched its sustainable infrastructure strategy with the acquisition of Actis• Large Firms in the News⁽¹⁾: Several backers of large platforms have been exploring a sale: Estancia Capital Partners is pursuing a sale of its majority interest in Snowden Lane Partners, Huatai Securities is pursuing a sale of its stake in TAMP provider AssetMark, Reverence Capital Partners is searching for a buyer for its minority stake in Osaic and Cresset is pursuing a capital raise
 PRIVATE EQUITY SPONSORS	<p>Remained active in 1Q 2024, with notable deals from existing and new market entrants</p> <ul style="list-style-type: none">• Select 1Q 2024 PE investments: High profile deals include CWC and AllianzX’s minority investment in AlTi, Flexpoint Ford’s minority investment in Public Trust Advisors, Charlesbank Capital Partners’ investment in Rise Growth Partners and Lightyear Capital’s acquisition of Prime Pensions
 BROKER-DEALERS	<p>Consolidation and investor interest in independent broker-dealers and hybrids continues to be active; significant transactions include LPL’s acquisition of Atria Wealth Solutions and Arax Investment Partners’ launch of Ashton Thomas Securities through the acquisition of Excel Securities & Associates</p>

1) Per Citywire articles on January 10, 2024, December 19, 2023, December 6, 2023 and November 2, 2023, respectively

1Q 2024: Asset Management deal highlights



MINORITY TRANSACTIONS

- **January 16: Flexpoint Ford**, the private equity firm specializing in the financial services and healthcare industries, made a significant investment in **Public Trust Advisors**, an investment advisory firm dedicated to serving municipalities, school districts and other local government entities, with \$80bn in AUM
- **February 4: Scarcity Partners**, an Australian minority investor in fund managers, agreed to acquire 30% of **Evidentia Group**, an Australian investment advisor and OCIO with ~\$8bn in AUM
- **February 5:** Bahrain-based global alternatives investment manager **Investcorp** announced a strategic investment through **Investcorp's Strategic Capital Group** in **Banner Ridge Partners**, an alternative investment specialist with ~\$7.3bn in AUM
- **February 18: General Atlantic**, a global growth investor, purchased a stake in **Partners Capital**, a UK-based investment advisor and OCIO with over \$50bn in AUM
- **February 27: Hunter Point Capital**, a capital provider to alternative asset managers globally, announced a minority investment in **Pretium**, a residential real estate asset manager with more than \$50bn in AUM
- **March 14: Dai-ichi Life Holdings (TSE: 8750)**, the largest publicly traded life insurance group in Japan, acquired a 19.9% stake in **Canyon Partners**, a global alternative investment manager with ~\$24bn in AUM, with rights to acquire up to 51% in 2027 and 100% in 2029. Dai-ichi will also commit at least \$1.3bn of LP capital
- **March 15:** Asset manager **GQG Partners (ASX: GQG)** announced the launch of **GQG Private Capital Solutions** with the acquisitions of stakes in **Avante Capital Partners**, the private credit firm with \$1bn in AUM, **Cordillera Investment Partners**, the investment manager focused on niche and non-correlated assets with \$1.5bn in AUM and **Proterra Investment Partners**, the natural resource private equity firm with \$3.7bn in AUM. GQG bought the stakes from the Australian multi-affiliate manager **Pacific Current Group (ASX: PAC)**

Source: Press Releases, Company Filings

Note: Local currency converted to USD using applicable exchange rates at time of announcement

1Q 2024: Asset Management deal highlights (cont.)






MAJORITY TRANSACTIONS

- January 9: Blackrock (NYSE: BLK)**, the world's largest asset manager, announced its acquisition of **Global Infrastructure Partners**, an infrastructure private markets investment platform with \$100bn in AUM, for approximately \$12.5bn in a combination of cash and equity
- January 16:** Global growth investor **General Atlantic** announced the acquisition of **Actis**, a UK-based asset manager focused on sustainable infrastructure with ~\$12.5bn in AUM. Actis will become General Atlantic's sustainable infrastructure arm
- January 19: Blackstone (NYSE: BX)**, through **Blackstone Real Estate Income Trust ("BREIT")**, agreed to a take-private with **Tricon Residential (NYSE: TCN)**, for \$11.25 per share, a 30% premium to the last closing share price. Tricon, a Canadian real estate firm with \$12.5bn in AUM, is an owner, operator and developer of single-family rental homes in the United States and multi-family apartments in Canada
- February 2: Guardian Capital Group (TSX:GCG)**, a Canadian global financial services firm offering private equity, wealth management and asset management services, announced the acquisition of **Sterling Capital Management**, an independent investment manager with over \$76bn in AUM, from **Truist Financial Corporation (NYSE: TFC)**. The transaction includes a payment of \$70mm at closing, as well as future earn-out incentives
- February 7: Amundi (ENXTPA: AMUN)**, the French asset manager majority-owned by **Credit Agricole (ENXTPA: ACA)** offering asset management services, announced the acquisition of **Alpha Associates**, the Swiss asset manager offering private markets multi-manager investment solutions. Amundi will pay up to \$377mm for the acquisition, adding \$9.1bn in AUM
- February 9:** Private equity firm **TA Associates**, announced its acquisition of **PMA Financial Network**, a provider of custom investment advisory solutions to municipalities, school districts and other local government entities with \$37.5bn in AUM, from financial services-focused private equity firm **Estancia Capital Partners**
- March 8: Blackrock (NYSE: BLK)** announced it was expanding its investment in **SpiderRock Advisors**, an asset management firm specializing in separately managed accounts with \$4.8bn in AUM. Blackrock first took a minority stake in SpiderRock in 2021 and will purchase the remainder of the firm through the transaction

Source: Press Releases, Company Filings

Note: Local currency converted to USD using applicable exchange rates at time of announcement

Representative RJ AWM Transactions

 <p>a subsidiary of</p>  <p>has been acquired by</p> 	 <p>has been acquired by</p> 	 <p>has sold its Private Client business to</p>  <p>a subsidiary of</p> 	 <p>has combined with</p>  <p>and listed on Nasdaq via business combination with</p>  <p>to form</p> 	 <p>has combined with</p>  <p>and simultaneously received an investment from</p> 	 <p>has merged with</p> 	 <p>has received an equity investment from</p>  <p>\$425 million CAD enterprise value</p>
 <p>has received a strategic investment from</p>  <p>HIGHTOWER</p>	 <p>has been recapitalized by</p> 	 <p>has received convertible note financing from a</p> <p>Private Investor Consortium</p>	 <p>has been acquired by</p> 	 <p>has received a strategic investment from</p> 	 <p>has merged with</p> 	 <p>has sold</p>  <p>Wisdom for Wealth. For Life.</p>
 <p>has acquired certain assets of</p> <p>Eaton Vance WaterOak Advisors, formerly Eaton Vance Investment Counsel ("EVIC") Division</p> <p>from</p> <p>Morgan Stanley Investment Management</p>	 <p>has been acquired by</p> 	 <p>has been acquired by</p>  <p>WEALTHSPIRE ADVISORS an NFP Company</p> 	 <p>has been acquired by</p> 	 <p>has merged with</p> 	 <p>a partner firm of</p>  <p>has received a minority investment from</p> 	 <p>HOMRICH BERG WEALTH MANAGEMENT</p> <p>has received a strategic investment from</p> 

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