AlTi (ALTI)

2Q 2026 EARNINGS

August 10, 2026

CORPORATE PARTICIPANTS

Jeffrey Schoenborn, *Investor Relations*

Nancy Curtin, *Interim Chief Executive Officer and Global Chief Investment Officer*

Patrick Keenan, *Chief Financial Officer*

Kevin Moran, *President and Chief Operating Officer*

CONFERENCE CALL PARTICIPANTS

Wilma Burdis, *Raymond James*

PRESENTATION

Operator

At this time, I would like to welcome everyone to AlTi's Second Quarter 2026 Earnings Conference Call.

I would like to advise all parties that this conference is being recorded, and a replay of the webcast is available on AlTi's Investor Relations website.

Now at this time, I will turn things over to Jeff Schoenborn with AlTi Investor Relations. Please go ahead.

Jeffrey Schoenborn

Good afternoon, and welcome to AlTi Global's second quarter 2026 earnings conference call.

On today's call, we will hear prepared remarks from Nancy Curtin, Interim Chief Executive Officer and Global Chief Investment Officer, as well as Pat Keenan, Chief Financial Officer. They will be joined by Kevin Moran, our President and Chief Operating Officer, for the Q&A session.

Before we begin, I would like to remind everyone that certain statements made during the call may be deemed forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, comments made during the prepared remarks and in response to questions. Forward-looking statements can be identified by the use of words such as anticipate, believe, continue, estimate, expect, future, intend, may, planned, and will, or similar terms.

Because these forward-looking statements involve both known and unknown risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these statements. For a discussion of the risks and uncertainties that could cause actual results to differ, please refer to AlTi's filings with the Securities and Exchange Commission, including its most recent annual report on Form 10-K and subsequent quarterly reports on Form 10-Q. AlTi assumes no obligation or responsibility to update any forward-looking statements.

During this call, some comments may include references to non-GAAP financial measures. Full reconciliations can be found in our earnings presentation and our related SEC filings.

With that, I'd like to turn the call over to Nancy Curtin.

Nancy Curtin

Thank you, Jeff, and good afternoon, everyone.

I want to begin with what we believe is one of the most important aspects of the AlTi story, the strength, rarity, and long-term relevance of our franchise. Globally, the creation of private wealth continues to be supported by powerful secular tailwinds. Wealth creation is expanding not only in the United States, but increasingly across Europe, Asia, the Middle East, and other markets.

At the same time, the needs of ultra-high net worth families are becoming more complex, more global, and more interconnected. Our focus remains squarely on serving ultra-high net worth families, family offices, and institutions. The number of independent firms capable of advising families with hundreds of millions or indeed billions of dollars of assets across geographies, generations, and asset classes is remarkably small. We believe this scarcity value creates substantial long-term franchise value.

Importantly, we do this as an independent advisor. Our model is designed around the needs of the client rather than proprietary product distribution. We believe that alignment, combined with our global capabilities and highly collaborative culture, differentiates us in the marketplace and contributes to the exceptionally high client retention rates that we enjoy.

In fact, recent research we conducted among family offices globally reinforces what we hear from our clients daily. Nearly half of respondents said they have begun to formally define the purpose of wealth and the role it should play across generations. Yet many have not fully engaged the next generation in those discussions. We view this as a powerful validation of the work we do to help families navigate governance, succession planning, stewardship, education, and long-term legacy objectives alongside our sophisticated investment management, planning, and wealth advice expertise.

Increasingly, our role is helping to prepare future generations for the responsibilities that come with wealth. We believe that distinction is becoming more important to families around the world and represents a significant opportunity for AlTi to create meaningful long-term value for clients and Shareholders.

As we look ahead, our strategic priorities remain clear. First is organic growth. We believe strong net organic growth is the clearest indication of the health of a wealth management business. Our focus is on attracting new clients, deepening existing relationships, expanding advisor capacity, and continuing to earn referrals through exceptional service and client outcomes.

Second, we continue to invest in our core wealth management franchise. We remain focused on expanding advisor capacity in key markets, densifying offices where we already have scale, and selectively adding talent and teams that align with our culture.

A recent example is our continued investment in Miami, which has emerged as one of the fastest-growing wealth hubs in the United States, benefiting from both domestic migration and increasing international wealth flows. In the second quarter, we announced that César Pachon joined AlTi to lead our Miami office, bringing decades of ultra-high net worth client experience, enhancing our strength in serving globally connected families and family offices.

Internationally, we remain disciplined in allocating resources to markets that demonstrate strong growth potential and attractive long-term economics. Our global footprint is intentional, reflecting where internationally mobile families increasingly live, invest, and conduct businesses. In addition, investments in our already substantial private endowments business continued with the recent addition of Mike Cagnina, who brings decades of experience to AlTi, including many years at SEI's global institutional group, where he co-founded its endowment and foundations practice.

A third strategic priority remains our laser focus on improving profitability and operating efficiency. We have undertaken a comprehensive effort to streamline the organization, simplify operations, reduce complexity, and improve scalability. We are in the early stages of seeing the benefits, and we believe the organization is becoming leaner and better positioned for long-term growth. While reported numbers do not yet fully reflect that progress, our underlying expense trajectory is improving. These efforts are aimed at better aligning the business with its core strengths and ensuring our financial results more accurately reflect AlTi's long-term earnings power.

Turning to our second quarter financial results, assets under management grew to $51 billion. For the wealth management business AUM growth reflected gross client inflows of nearly $800 million in the second quarter of 2026, while net flows totaled about $700 million. Market appreciation also had a positive impact on AUM, supported by staying the course in more difficult markets and our positioning in technology, energy, and power infrastructure, all benefiting from longer-term secular demand tailwinds. AUM growth was achieved even as we maintain a significant portion of the portfolio in alternatives which do not price at quarter end.

Our external strategic managers run with low net market exposure, so they tend to have a more muted performance when markets move higher in short bursts, but continue to provide both diversification and downside protection. During the second quarter, one of these three external managers, the Asian Credit and Special Situation strategy, experienced an extraordinary circumstance. Unfortunately, its founder and Chief Investment Officer experienced a sudden and serious health event. Our thoughts are with him, as well as his family and colleagues, and he has our very best wishes for a full recovery.

Following this event, this external manager and his board made the unexpected decision to unwind the fund within a 12-month time horizon. As a result, for the second quarter, we recorded an unrealized investment loss on our stake in the strategy. This was an extraordinary event unrelated to investment performance, and importantly, our stakes in the two other external strategic managers are performing solidly as expected.

Turning to the top line, AlTi generated $58 million in total revenue, representing 11% growth compared to the same period of last year. Recurring management and advisory fees totaled $54 million, up 11% year-over-year, and continue to represent the majority of our revenue base, reflecting the stability and recurring nature of our business model.

We are also pleased to report that Adjusted EBITDA for the second quarter of 2026 was over $5 million, up 9% compared to the prior year quarter, largely driven by the revenue increase, along with early improvements in our operating expenses, which we expect to accelerate in 2027 as cost controls and vendor rationalization take hold.

Finally, with respect to the ongoing strategic review process, the committee continues its work. As of today, there is nothing further to report. We will provide updates as appropriate.

Now with that, I will turn the call over to our CFO, Pat Keenan, to walk through the financials in more detail. Pat?

Patrick Keenan

Thank you, Nancy, and good afternoon, everyone.

Assets under management on June 30, 2026, were $51 billion, up 8% year-over-year, and 6% from March 31, 2026, driven by strong investment performance and net positive client inflows. In the second quarter of 2026, AlTi generated $58 million of total revenue, representing an 11% increase versus the same period last year. Recurring management and advisory fees totaled $54 million, up 11% year-over-year and 5% sequentially, primarily due to approximately $700 million of net organic growth in AUM in the second quarter of 2026.

Distributions from investments increased 28% year-over-year with outperformance by our external strategic managers, as reflected in higher distributions related to management fees in the European Equity strategy and the Real Estate Bridge Lending strategy. As discussed during our last earnings call, the incentive portion of investment distributions tend to be most significant in the first quarter of each year, which accounted for their contribution in the first three months of 2026. These distributions can play an important role in diversifying cash flows and contributing to results across different market environments.

Due to the unexpected decision by the Asian Credit and Special Situations manager to unwind the fund within a 12-month time horizon, we anticipate diminishing contributions to AlTi revenues from this fund. For context, this year to date, this strategy represented about 75 basis points of AlTi recurring management fees and about 650 basis points of the incentive portion of distributions. Also, as a result of the manager's decision to unwind, we recorded an unrealized investment loss of nearly $19 million on our stake in the fund.

Turning to operating expenses, we are beginning to see the early benefits of AlTi's comprehensive effort to streamline the organization, simplify operations, reduce complexity, and improve scalability. We expect these benefits to accelerate in 2027 as cost controls and vendor rationalization takes hold. For the quarter, reported operating expenses totaled $69 million, improving 12% from $78 million in the year ago period, with reductions in both compensation and non-compensation expenses.

Total compensation and benefits expense improved to $41 million, down 5% from the year ago period, reflecting our expense reduction efforts. Comp and benefits declined 26% sequentially, given elevated first quarter expenses associated with AlTi's management restructuring earlier this year, as well as our focus on cost controls.

Non-compensation expenses improved by 20% from the year ago period, reflecting progress under our zero-based budgeting initiatives. This included a 40% reduction in professional fees compared to the second quarter of 2025, as well as lower technology, occupancy, and marketing expenses. These reductions also reflect our focus on cost controls, as did the 8% decrease in non-compensation expenses for the first half of 2026 compared to the same period last year.

For the second quarter of 2026, Adjusted EBITDA was over $5 million, up 9% from the prior year period, driven by growth in total revenue and recurring management fees, as well as lower operating expenses. Adjusted EBITDA margin was 9.3% in the second quarter of 2026, compared to 9.5% in the prior year period. Adjusted EBITDA margin of 20% in the first three months of 2026 reflect the impact of the incentive fees from investment holdings and external managers, which, as discussed, are primarily a first quarter complement to recurring management fee revenues.

Other expense for the quarter was $20 million, including the effect of the unrealized investment loss on the Asian Credit and Special Situations stake, compared to other expense of $5 million in the year ago period.

On a GAAP basis, we reported an operating loss of $11 million, a 58% year-over-year improvement, reflecting growth in total revenue and recurring management fees, as well as lower compensation and non-compensation expenses. We also improved year-to-date GAAP operating loss by 37% in 2026 compared to the first half of 2025, driven largely by revenue growth as well as reductions in non-compensation expenses that resulted from our efficiency initiatives.

Finally, on a GAAP basis, we reported a net loss from continuing operations of $31 million for the quarter, compared to $26 million in the prior year period.

With that, I'll turn it back to Nancy for her closing remarks.

Nancy Curtin

Thank you, Pat.

As you have heard today, we continue to make meaningful progress across the areas that we have prioritized for our business. We remain focused on organic growth, thoughtful investment in our wealth management platform, strong and diversifying market gains, and operating efficiency improvement across the organization.

We believe the secular trend supporting the growth of ultra-high net worth market remains firmly intact, and we continue to see increasing demand for the comprehensive advice, family office capabilities, and global perspective that distinguish AlTi in the marketplace.

I would like to thank our clients for their trust, our advisors and employees for their commitment, and our shareholders for their continued support.

Now I will turn the call back to the Operator for questions.

Operator

Thank you. We will now be conducting a question-and-answer session. If you would like to ask a question, please press star, one on your telephone keypad. A confirmation tone will then indicate your line is in the question queue. You may press star, two if you would like to remove your question from the queue. For participants using speaker equipment, it may be necessary to pick up your handset before pressing the star keys. One moment please while we pull for questions.

Our first question comes from Wilma Burdis with Raymond James. Please go ahead.

Wilma Burdis

Hey, good afternoon. Reported operating expenses seem to improve considerably. Can you give us some color on where you are as far as rolling on the ZBB benefits and where should we expect that to trend in the coming quarters?

Nancy Curtin

Wilma, excellent question, and thanks for participating today. Let me turn to Kevin, who has really spearheaded that initiative, but we are really pleased with the beginning results we are seeing this year, and the ongoing expense reductions that we think will come through in 2027. Kevin?

Kevin Moran

Hi, Wilma. Thanks, Nancy. The zero-based budgeting, I think as we've talked about on prior calls, is the budgeting methodology that we're using at AlTi. We've now used it; I think this is the second year that we've used it. We used it for the 2025 and now the 2026 budgeting process.

I think as Nancy and Management spoke about on prior calls, we're laser focused on reducing our cost structure of the business to improve profitability, combine that with revenue growth, which leads us to be really confident about the future of the business. We would expect and certainly are very focused on continuing the cost discipline and continuing to drive down all elements of our cost structure, both comp and non-comp. I think you've seen that in the Q2 numbers.

Wilma Burdis

Thank you. Can you talk a little bit about the net flows in the quarter and how you guys are thinking about organic growth going forward? Thanks.

Nancy Curtin

Organic growth is a clear priority for our business, and it was, I think, quite pleasing. It's been a volatile year, to say the least, in markets, etc., but it was quite pleasing to see about $700 million of net flows in the second quarter. That combined with market performance, I said, led to a very pleasing result. Part of the market performance, I would add, we stayed invested during the more turbulent first quarter. We felt our positioning was rightly aligned for what longer term clients were looking for, and that bounced back quite nicely. The combination of positive net flows and reaping the benefits of market performance, I think characterized quite nicely in the second quarter.

Wilma Burdis

Thank you. Can you talk about the appetite for further M&A deals and maybe just touch on which geographies would be interesting to AlTi. Following Kontora, does it make sense to expand the European footprint or are domestic opportunities more attractive? Maybe just talk about that. Thank you.

Nancy Curtin

Thanks, Wilma. We always are open to acquisition opportunities in the core and strategic markets that we think are most attractive. Of course, the United States has been a very successful market for us. The recent acquisition, Kontora in Germany, has also been really a great foothold to expand our presence there.

We will continue to look opportunistically. It is not something we're trying as a sort of roll-up strategy. That's not what we do. We look strategically for management teams and companies that align from a philosophy, a target client, client first mentality, and the type of independent integrated holistic advice that we provide. That's really important that we find those companies, and if we do, in strategic markets, that we can integrate them. Nothing to comment on at the moment, but always part of our longer-term strategy.

Wilma Burdis

Okay, thank you. I realize you may not be able to say too much about this, but is there any update on the strategic review or just maybe just give an update of what you guys are thinking there. Thanks.

Nancy Curtin

Yes, of course. As you can imagine, as a public company, there's not too much that we can comment on, and we don't comment on rumor and speculation. What I would say is the special committee, as you would expect, will continue to review any and all opportunities that will enhance the value for shareholders, of course, our clients, employees, and the long-term franchise value of the firm. We're guided by those principles. The special committee is still in place, but that's really, Wilma, all I can comment on today.

Wilma Burdis

Okay, thank you. Then maybe just last one for me. Could you talk a little bit about the event-driven platform and the trends there that you're seeing? Thanks.

Nancy Curtin

On the event-driven side, first of all, I would say that generally our external and hedge fund strategies tend to run with a much lower level of net exposure. They're not strategies that are going to move with the market going down violently and then going up. They protected capital quite nicely in the first quarter. But the second quarter, when you see a robust recovery in markets, is really not the environment for those strategies. ARM, in particular, is going to be very, very deal specific. It doesn't invest in speculative transactions. It is only announced deals where there's complexity and a spread that Drew thinks is worth the sort of the risk/return payoff is appropriate.

I would say a little bit more muted performance, but again, these things can change quite quickly as the M&A environment changes, and often the fourth quarter tends to be a much better quarter generally for hedge fund strategies.

Wilma Burdis

Okay, thank you.

Operator

At this time, we have no further questions. I would like to hand the call back to Nancy Curtin for closing remarks. Nancy?

Nancy Curtin

I would like to thank everyone for participating today. We look forward to updating you on our progress in the quarters ahead as we remain laser focused on our organic growth and cost discipline. We appreciate your interest and look forward to speaking with you again next quarter. Thank you, everyone.

Operator

This concludes today's teleconference. You may disconnect your lines at this time. Thank you for your participation.