

AITi (ALTI)

4Q 2025 EARNINGS

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CORPORATE PARTICIPANTS

Lily Arteaga, *Head of Investor Relations*

Michael Tiedemann, *Founder*

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

Mike Harrington, *Chief Financial Officer*

Kevin Moran, *President and Chief Operating Officer*

CONFERENCE CALL PARTICIPANTS

Wilma Burdis, *Raymond James*

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PRESENTATION

Operator

Good morning. At this time, I would like to welcome everyone to AITi's Fourth Quarter 2025 Earnings Conference Call.

During the call, your lines will remain in a listen-only mode. After the speakers' remarks, there will be a question-and-answer session.

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

Now, at this time, I will turn things over to Lily Arteaga, Head of Investor Relations for AITi. Please go ahead.

Lily Arteaga

Good morning to everyone on the call today. Today, we will hear from Michael Tiedemann, Nancy Curtin, and Mike Harrington. Nancy and Mike Harrington, along with Kevin Moran, our President and COO, will be available to take questions during Q&A.

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 discussion of the risks and uncertainties that could cause actual results to differ, please refer to AITi'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. AITi 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 Michael Tiedemann.

Michael Tiedemann

Thank you, Lily, and good morning everyone.

Before we begin, I would like to reflect on where AITi stands today, three years since our listing. In early 2023, we entered the public markets with a clear ambition to build the premier global wealth management platform focused on the fastest-growing segment of the wealth landscape, the ultra-high net worth segment. I feel immense pride in what we've accomplished over this period and believe our team has created the most complete, high-end investment solution set for large and complex families that exist.

Today, AITi delivers full-service Global Wealth Management solutions in 19 cities across nine countries. Since our listing, we've grown our AUM and our wealth platform by 70% while maintaining industry-leading client retention rates above 95%. We are established in the highest end of the wealth market with clients that average assets in excess of \$50 million, a number that continues to rise as our prospects grow in size

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over time. Our team and the platform we have built is positioned to perform over both the near and long term.

Now, I want to turn to an important update, which also was announced earlier this morning with our earnings press release. After more than 25 years leading the Company, I will be stepping down as CEO and Nancy Curtin, our Global Chief Investment Officer, will become Interim CEO. I've known Nancy for many years and her leadership has been pivotal to the success of our business. I'm confident the Company is in capable hands and will continue to be supporting Nancy to ensure a smooth transition.

Importantly, we've built a world-class team uniquely able to serve the most sophisticated client base in wealth management. I have immense respect and admiration for my colleagues all over the world for the dedication they have to serving our clients. Their relentless collaboration defines our corporate culture as a firm.

And lastly, I would be remiss not to thank our incredible and loyal client base who've placed their trust in AITi over the years, allowing us to serve their families across generations.

With that, I will turn the call over to Nancy and the leadership team for their prepared remarks and today's subsequent Q&A session. Thank you.

Nancy Curtin

Thank you, Michael. I'm grateful for the opportunity to step into this role and to work with our talented professionals and Global Leadership team as we continue to drive the business forward. I also want to personally thank Michael for his many years of dedication and focus, which has laid an excellent foundation to advance the Company into its next chapter.

As he mentioned, AITi was built to serve the most sophisticated segment of the wealth market. This segment is looking for what we can deliver, holistic and independent approach to complex wealth management where client needs span family governance and education, tax and structuring, and multiple generations and jurisdictions. We've been doing this for over two decades and are one of the few firms truly able to deliver customized solutions on a global basis. We're proud of what we've built.

The same investment discipline and long-term client-centric approach also underpins how we serve clients on the platform today. Alongside our work with families, we have leveraged our institutional capabilities to build a leading global endowment and foundation, or E&F business, using our institutional investment management platform and capabilities. This complementary and growing practice has grown to more than \$8 billion in assets under management at year-end 2025, largely serving private and family foundations, and we view it as a natural extension of our Wealth Management business.

Building on that foundation, growth across the platform has been strong. Since our listing, organic growth has been driven by both new client additions and continued expansion of existing relationships as families, endowments, and foundations increase the scope of their engagement with AITi over time. Over the past three years, we've generated over \$9 billion of projected billable assets, including nearly \$4 billion added in 2025 alone, reflecting sustained demand from ultra-high net worth and institutional clients across our U.S. and international businesses.

At the same time, we've been deliberate in where we focus the business. Over the past three years, and especially in 2025, we have remained firmly focused on our core Wealth and Institutional Management business, with continued emphasis on delivering excellence in client service.

In parallel, we've taken meaningful steps to simplify the organization and address non-core costs, actions that are enabling continued investment in our platform and positioning earnings to scale over time as these initiatives progress. As part of that focus, a comprehensive strategic assessment led to the exit of our non-

core international real estate business in 2025, eliminating the future costs and obligations associated with that platform.

Complementing these efforts, we have adopted zero-based budgeting process as our budget methodology. Through the 2025 and 2026 process, ZBB has enabled us to identify approximately \$20 million of recurring annual gross savings with the majority expected to be realized by year-end 2026.

Separately, our investments in alternative strategies continues to strengthen our capital and liquidity position and made a meaningful contribution to our results in 2025. Our interest in these internally and externally managed strategies provide a complementary source of cash flow to our core Wealth and Institutional Management businesses and support future growth initiatives within that segment.

With that context, I want to turn to our results highlights for the year.

In 2025, AITi generated \$255 million in total revenues, representing 29% growth compared to 2024. Total revenues benefited from contributions from our alternative interests, while the core of our revenue base remained anchored in nearly \$200 million of predictable recurring management fees.

Adjusted EBITDA reached \$35 million for the year. As we look ahead, we are increasingly excited by the opportunities to continue to grow organically while continuing to streamline the cost basis of the firm.

With the platform now simplified, following the restructuring of our non-core international real estate business, we expect our results to increasingly reflect the strong fundamentals of the Company.

In closing, I want to provide an update in our strategic review. As announced in December, a special committee was formed to review strategic options to maximize long-term value for shareholders. To date, the special committee has not received a proposal that it believes encapsulates the long-term value of the business, and it continues to evaluate a full range of alternatives with a clear focus on enhancing shareholder value informed by our clear strategy, strong management team, and simplified platform. If any proposal is received from any party, the committee will evaluate it consistently with its fiduciary duties.

With that, I'll turn it over to Mike Harrington to walk through the financials. Mike?

Mike Harrington

Thanks, Nancy.

We made significant progress in 2025, and we expect to see the benefits of that progress in 2026. With the exit of non-core activities now complete and the impact of zero-based budgeting beginning to show, we believe the strength of our business will become increasingly evident in the years ahead.

Total assets under management reached \$50 billion at year-end, up 10% year-over-year, driven by strong investment performance and the acquisition of Kontora. That growth was achieved despite a more muted market impact in international business stemming from foreign exchange headwinds related to the U.S. dollar depreciation, given that growth assets within these portfolios are typically unhedged.

For the full year of 2025, AITi generated approximately \$255 million of total revenue, representing a 29% year-over-year growth. The increase was driven by robust AUM expansion, along with meaningful contributions from incentive fees, reflecting the strong investment performance throughout the year across the alternatives managers in which we hold ownership stakes.

Fourth quarter revenue totaled \$88 million, up 71% from the prior quarter, reflecting continued AUM growth and a \$29 million contribution from incentive fees associated with the strong performance of the arbitrage strategy in 2025, which generated an 11.3% return for the year.

Stepping back from the contribution of incentive fees in the year, the underlying strength of our business continues to be reflected in the growth of our recurring management fees. Management fees totaled nearly \$200 million in the year, up 9% year-over-year, and \$53 million in the fourth quarter, up 14% compared to the same period in 2024, supported by sustained asset growth.

Before turning to expenses, I want to highlight some important nuances in our financials. The results we're presenting today continue to reflect the lag in actions taken and costs incurred in 2025, and as a result, the operating leverage of the business is not yet visible.

That said, revenue growth remains strong, and we are seeing benefits from zero-based budgeting in areas such as occupancy, systems, and marketing. At this stage, however, those benefits are being offset in our reported results by discrete, one-time items, including temporary costs associated with the strategic review process. We expect these costs to subside in the coming periods and allow the underlying expense trends to become clearer.

For the full year, reported operating expenses increased by \$72 million to \$329 million. The increase was largely driven by higher compensation costs inclusive of an approximately \$14 million bonus accrued associated with the arbitrage incentive fee recorded in Q4, the integration of Kontora in 2025, and other one-time items related to the strategic review process, zero-based budgeting program, and the exit of the international real estate business.

On a normalized basis, excluding non-recurring and non-cash items, as well as the arbitrage incentive fee bonus accrual, full-year operating expenses were \$205 million compared to \$182 million in 2024. The increase primarily reflects higher compensation costs, including the effect of a Kontora acquisition, increased professional fees, and G&A expenses driven partially by the strategic review process, as well as foreign exchange and VAT.

Beneath these temporary and non-core items, our cost structure is improving. As zero-based budgeting initiatives continue to progress and non-core items roll off, we expect these improvements to become increasingly visible in our reported results.

For the full year, Adjusted EBITDA increased 45% to approximately \$35 million, reflecting the contribution from incentive-related performance during the year. Adjusted EBITDA for the quarter was \$11 million, nearly doubling sequentially, largely driven by the net contribution from the incentive fee.

Adjusted EBITDA margins were 14% for the year and 13% for the quarter.

On a GAAP basis, we reported a net loss of \$155 million for the year and \$15 million for the quarter, driven largely by non-cash, non-recurring items.

For the full year, Other loss was \$31 million, primarily attributable to a \$35 million impairment charge of the arbitrage fund recorded in Q3. In the fourth quarter, we recorded a loss of \$8 million, reflecting fair value adjustments on certain items.

Looking ahead, we expect 2026 to mark a turning point for the business. As initiatives continue to take hold, progress should become increasingly evident in our normalized results, supported by additional savings from optimizing office occupancy and completing the wind-down of legacy technology and vendor contracts. As revenues continue to grow and the platform scales, the impact of zero-based budgeting and platform efficiencies should become clearer, allowing the financial profile of the business to reflect its underlying strength.

With a focused strategy, durable client relationships, and a simplified operating model, we believe AITi is well-positioned to deliver sustained growth and increased profitability over time.

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

Nancy Curtin

Thank you, Mike. 2025 was a critical year for AITi. While we continue to grow our business and deliver for our clients, we also made necessary decisions to simplify the business, sharpen our focus and position the firm for long-term value creation. As a result, we enter 2026 with a cleaner structure, a stronger operating model, and a platform aligned around recurring revenue wealth and investment management.

Thank you for your continued interest and support. We look forward to updating you on our progress in the quarters ahead.

I'm now turning over 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 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.

Our first question will come from Wilma Burdis with Raymond James.

Wilma Burdis

Good morning. Could you provide a little bit more color on the decision to transition CEOs and just talk about what the search process looks like from here? Thanks.

Nancy Curtin

Well, first of all, Wilma, it's Nancy. Thank you very much for your support of the Company. It was a bit broken up, but I think you asked the question, can we give a little more color on the transition process? Is that right?

Wilma Burdis

Yes.

Nancy Curtin

Okay, great. It was a thoughtful discussion, as you can imagine, between the Board and Management as part of AITi's ongoing focus and next phase of growth. I think we just decided it was the right time to appoint a new leader for AITi's next chapter in growth ahead and continuing to execute our strategy.

But I want to say up front that while there's a change in leadership, obviously myself, our overall strategy of being a preeminent, ultra-high net worth firm operating on a global basis with excellent client service, independent advice, and all those characteristics that both Mike and I spoke to, that remains. Continuity, momentum, and the strategy that's already in place is absolutely what we aim to continue to deliver on.

It might be helpful, just to turn to Kevin, who's sitting next to me as well, and he can comment on it. Kevin and I are working side by side, and we look forward to the partnership together.

Kevin Moran

Thanks, Nancy. Wilma, I've spoken to you in the past on some of these calls. So, as I think you know, myself, Nancy, Mike Tiedemann, the Management team here at the firm has been together for a very long

time. I've been with the firm for about 18 years, and that's the case for many at the Management level. So, as Nancy says, we believe in the strategy, that we'll continue execution on the go-forward strategy that Mike Tiedemann put in place 25 years ago when he launched what was at that point Tiedemann Advisors. We at the Management team, it's a very cohesive, long-tenured team and we remain absolutely focused on continuing to grow and execute the business strategy that Nancy and Mike Tiedemann laid out in their remarks.

Wilma Burdis

Great. I think you made a few comments on the process on the call, but can you just give us an update? It sounds like is this more of a pivot towards focusing on operating? Can you just talk a little bit more about, you know, how that all fits together? Thanks.

Nancy Curtin

So, let me think about it. I think what you're saying, again—it's a strange line. I think the strategy of being the preeminent global leader executing in a marketplace that is growing with ultra-high net worth, huge intergenerational wealth transfer, and our already existing excellent clients that we have in place remains our change.

But let me turn to Kevin because a core part of that is of course growing our business organically and from time to time opportunistically and strategically looking at inorganic—but there's nothing on the horizon at the moment—but also continuing to be mindful of ZBB, which is a core part of our cost discipline and process, and continuing to think about how we scale the business.

Let me turn to Kevin to pick up on that because he's really led that over the last couple of years.

Kevin Moran

Sure. Thanks, Nancy.

We're very focused, as we've talked about on previous calls, I think Mike talked again about today on further optimizing our cost structure. What we're really looking to do is make sure that our cost structure is as optimized as possible to allow us to continue to scale the business. So, we're very focused on the cost structure, but at the same time, we're very focused on growth. Organic growth for us is really the hallmark of a really healthy business, and we're very focused on continuing to...

We think we have a terrific service model and one of the best platforms for servicing the ultra-high net worth client base that exists globally, certainly in the United States and elsewhere. So, we're very confident in our ability to win business and bring on clients and services to compete in the best way possible in the industry, so that's on the growth side.

As Nancy said we're uniquely positioned to also execute inorganic growth, both in the United States and elsewhere. So, we have just a terrific opportunity set in terms of both growing organically and inorganically. At the same time, we are surely not taking our eye off the ball on the expense side.

We're going to make investments. We're seeing that on the technology side We're making technology investments that we think will drive efficiencies over time. Think of everything from mid to back office, and even on the front office side, there's a lot to do in AI and technology initiatives.

At the same time, looking to really streamline the rest of our non-comp costs. So, we've been really proactive around occupancy, as an example, and you're seeing that in the numbers. We're going to continue to make sure that we're right-sizing our occupancy expense.

And then the major—where you're going to see continued improvements is on tech spend. As mentioned, we're investing into technology. We're also actively managing the technology spend. So, as some contracts where you'll see continued improvement on the tech spend.

Then professional fees, again, that's where Mike Harrington's remarks talking about some of the noise that we've seen from costs related to the strategic initiatives and elsewhere, as those one-time expenses come off, you'll also see improvement on the professional fees.

It's a management team that's very focused on both the top line growth as well as bottom line improvement on the expense side.

Wilma Burdis

Great. Thank you. And then it looked like you had pretty solid merger arbitrage performance in the quarter. Maybe give us a little bit more color on that. Thanks.

Kevin Moran

The merger arbitrage strategy has been operating for a very long time. Twenty twenty-five had a strong year, so I think performance was a little over 11% for the year and that correlated to the improving management fees, which are based on improving AUM growth, as well as a strong incentive fee.

As you know, the incentive fees for that are crystallized at the end of the year, so those are based on the performance for the full year and we earned a pretty strong incentive fee for 2025.

We don't have a view on 2026 because, again, we don't know what performance will be for the strategy, but that strategy has a very long track record of doing pretty well in most market environments.

Nancy Curtin

I guess I would just add to that, Wilma. I mean, we'll have to see what happens, of course, with the conflict in the Middle East, but M&A activity is broadly picking up, both the volume and value of transactions. This represents a pretty ripe opportunity for the arbitrage strategy. So, we'll see what happens this year but it's (inaudible). He manages to produce performance in all sorts of years, but I would say M&A activity, it looks like, again, soon when we get through the conflict, will be a strong year in 2026.

Wilma Burdis

Okay, great. It looked like there were some pretty solid additions in AUA. Can you just touch on that a little bit?

Kevin Moran

So, Wilma, I think you're seeing on the AUA growth, we have the Kontora acquisition. That's the acquisition of the German multifamily office that we completed last April that led to increased, obviously, revenue. Our revenue numbers increased as a result of that transaction. But also, they have—their business, it's a multifamily office. They have AUM and AUA, so you're seeing the uptick in the AUA really from that acquisition. Part of the business strategy behind that acquisition was, over time, to convert their AUA assets to AUM assets, which we have had a very long, successful track record to be able to do with the rest of the business. That was really the main driver in the AUA uptick in 2025.

Wilma Burdis

Oh, I guess drilling into that a little bit more, I think there was some AUA that was added in 4Q. Just was curious on that.

Kevin Moran

I think what you're seeing there is just the typical sort of movement of client assets in and out of their portfolios. We provide holistic services across a client's entire net worth, so everything from real assets, like real estate, to investment assets. Again, Nancy and the investment team have done a terrific job of managing client portfolios.

So, I think there it's nothing unusual. It's just as we, particularly if we can bring on large clients, they may have, at times, very large AUA as opposed to AUM assets. Just think of AUA as really non-financial assets. Just anything else an ultra-high net worth client could own. So, real estate, artwork, collectibles, those would all be flowing into our AUA as opposed to our AUM. But it's really core to the service model for us to be able to oversee and report and manage and advise on both the AUA and the AUM.

Wilma Burdis

Could you give us a little more color on the 13D that was filed by Allianz? Thanks.

Nancy Curtin

Yes, thank you for that question, Wilma.

As you know, Allianz has been a strategic partner of the firm for the last 18 months and they filed a 13D. We have no further insight into what their intentions or plans are, but from a regulatory perspective, if they have any plans to increase their engagement, they are required to file a 13D. They've been a trusted and excellent partner and if they decide to move forward—and we don't have any visibility into that at this point—that could be welcome. Of course, in any event, as you're well aware, we have a Special Committee of the Board of Directors. And any kind of proposal about the company strategically would go into our Special Committee, who is committed of the independent directors to delivering the value for shareholders and representing all shareholders of the Company.

That's all I can say at the moment, but thank you for the question.

Wilma Burdis

Thank you. Then could you just give us a little bit more detail on ZBB, where you stand with that? What's to come? What else you're doing there? Thanks.

Kevin Moran

Wilma, it's Kevin again. I can take that one and Nancy or Mike may want to jump in.

Zero-based budgeting is, primarily, one is the budgeting approach we're taking going forward. So, the numbers, the \$20 million number that we talked about was based upon the zero-based budgeting approach that we used for the 2024—sorry, for the 2025 budget. Of the \$20 million, really, it was across the entire scope of non-comp expenses. The expenses that we identified were expected to be realized over probably about nine quarters, so going into the first quarter of 2027. The reason it's an extended period of time is that a lot of those expenses are subject to contracts. Think of anything from leases to technology vendors that as we identify and then we just don't renew the contract, we have to wait until the contract itself runs out.

What we saw in 2025 was really the non-contractual expenses. What Nancy talked about or Mike Harrington, we talked about things like marketing, travel, entertainment, and tech expenses where we had contracts expiring in 2025. So, that's what we've seen so far.

Same thing with occupancy. We made a significant improvement in reducing our occupancy expense. What we'll see in 2026 is continued cost reductions around technology and occupancy as we continue to move through leases and contracts that are expiring over the next four to five quarters.

Wilma Burdis

Just following up on the earlier question on Allianz, can you just remind us? It seemed like I thought Allianz had a multi-year standstill. Can you just remind us where that stands, I guess? No pun intended.

Nancy Curtin

I'll let Kevin take that. Kevin.

Kevin Moran

Yes, when Allianz invested, they did have a standstill. So, they would need Board approval or Board consent for us to waive the standstill. The standstill can be waived if they do have one in place, so they will discuss that with the Special Committee in terms of how to move forward if they wish to do so.

Wilma Burdis

Makes a lot of sense. Then could you just give us a quick reminder of where you stand with capital and potential to grow, acquire new advisors or new platforms? Thanks.

Nancy Curtin

That's a core part of our strategy. It's both organic, which is the priority, but, of course, inorganic as well. Let me turn to Kevin on that so he can talk about the funding that we have and sources we have to continue to allow us to pursue inorganic opportunities. Kevin?

Kevin Moran

Thanks, Nancy.

On the organic side, we don't see the need for funding to allow us to continue to execute on the organic growth initiatives. We have a terrific group of advisors and support staff and development teams globally to allow us to continue to pursue organic growth.

In the event we identify an attractive M&A opportunity or a larger lift out that would require capital, we have had discussions with capital providers and think that capital is readily available. For us, we can execute on a great idea and we can show a capital provider how accretive that transaction will be.

To sum it up, on the organic side we don't see a need for capital at this time to continue to execute. If and when we identify an inorganic opportunity, we are confident we will be able to raise capital to fund and execute on that.

Wilma Burdis

Thank you. I can requeue potentially. Thanks.

Operator

As a reminder, that is star, one if you would like to ask a question. We'll pause for just a moment.

This now concludes our question-and-answer session. I would like to turn the floor back over to Nancy Curtin for closing comments.

Nancy Curtin

Thank you very much for joining us on the call this morning. Of course, we look forward to sharing updates on our progress on our first quarter call. And thank you for the excellent questions. Very much appreciated. Thank you for your time.

Operator

Ladies and gentlemen, thank you for your participation. This does conclude today's teleconference. You may disconnect your lines and have a wonderful day.