SOWELL MANAGEMENT

Exploring *new heights.*

Investment Management

THERE FOR THE **ADVISORS** THERE FOR THE **JOURNEY**

SOWELL MANAGEMENT

The **highest growth** advisors in the country are **24%** more likely to utilize model portfolios in their practice and spend less time monitoring markets.[1]

*"Our platform is designed to give financial advisors the **flexibility, expertise, and tools** they need to provide personalized, institutional-quality investment solutions."*

— Bill Sowell, CEO, Sowell Management

1 Pathways to Growth – 2023 Advisor Benchmarking Study. Capital Group and Escalent.

Why Outsource Investment Management?

Outsourcing isn't a Shortcut it's a Strategy

As a financial advisor, balancing all of your responsibilities is increasingly difficult—and sometimes counterintuitive. How do you research, implement, and monitor investment recommendations while strengthening ties with clients, personalizing financial plans, growing your business, managing staff, staying abreast of compliance, and still maintain any semblance of work/life balance?

Relationships and Time are Your Most Valuable Resources

Time determines your ability to achieve your goals—and the goals and dreams of your clients. Each of your advisory clients has distinct needs. This is especially true for high-net-worth households. An advisor offering unique, customized solutions has an opportunity to differentiate themselves in a crowded marketplace.

A Scalable Model That Frees You to Focus on Clients

Outsourcing investment management helps advisors operate more strategically. It enables business scalability, provides access to specialized portfolio expertise, and ensures more stringent due diligence—all while helping you better navigate compliance and regulatory complexity.

Top 5

Reasons Advisors Outsource Investment Management

1. Business Scalability
2. Leverage Investment Management Expertise
3. Focus Efforts on Client Acquisition & Retention
4. Better Address Compliance & Regulations
5. More Stringent Manager Due Diligence

When you remove the day-to-day portfolio oversight, you create capacity to focus on growth, client acquisition and retention, and delivering more personalized service. You gain time, clarity, and confidence—all essential for building a firm that's both resilient and responsive.

Stronger Client Relationships
Financial Professionals who have outsourced investment management say it helps deliver stronger client relationships (83%), higher new client acquisition (74%) and increased client retention (82%).[3]

Save Time
Advisors who have outsourced the majority of their investment management (50% or more) saved an average of 7.9 hours per week – time that can be spent on developing stronger client relationships.[4]

Growth in Total AUM
91% of advisors who outsource the majority of their investment management report experiencing growth in total assets under management.[5]

1 ©2019 Broadridge Financial Solutions, Inc. Based on 500 financial advisors who met the criteria of +$10M in AUM, minimum of 25% of AUM in mutual funds and/or ETFs, 50% of assets with retail investors, 25% of AUM in fee-based advisory. Profile of respondents: 44% wirehouse, 31% IBD, 15% RIA and 9% regional. 3 The Impact of Outsourcing, AssetMark, Inc. 2021 4The Impact of Outsourcing, AssetMark, Inc. 2021 5The Impact of Outsourcing, AssetMark, Inc. 2021

Investment Solutions to Help You Scale More Efficiently

Our investment platform is designed to provide a comprehensive suite of solutions that streamline portfolio management, enhance scalability, and enable tailored strategies for clients across various investment needs. Whether you're managing high-net-worth portfolios or offering broader investment options, our platform combines actively managed portfolios, alternative investments, and open-architecture solutions, allowing you to optimize risk-adjusted returns and efficiently serve your clients while focusing on growing your business.

91% of advisors say model portfolios allow them to spend more time on client-facing activities.[1]

85% of advisors rely on model portfolios – either exclusively or in combination with custom portfolios.

62% of advisors outsource model portfolios to their home office or turnkey asset management programs (TAMPs).

Investment Solutions for a Range of Outcomes

Whether your client's goals are capital preservation, income, growth, or thematic investing—or somewhere in between—our solutions offer a flexible starting point for creating tailored client portfolios.

Delivering Personalization at Scale: A Total Portfolio Solution

Scaling Portfolio Management	~9 hours/week saved by RIAs outsourcing investment management[1]
Competing for HNW Clients	$3mn+ households nearly doubled SMA usage over the past 2 years[2] Only 10% of Accredited Investors at >$1bn RIAs are using Alternatives[3]
Accelerating Growth	83% of advisors who use outsourced investment solutions report higher business valuations[3] Increase operational efficiency through integrated tech and outsources trading
Personalization & Customization	The demand for personalized and customized portfolios is growing rapidly. For example, custom model portfolio assets surged by nearly 50% between mid-2023 and late 2024, reaching $125 billion.

1 Fidelity 2023 RIA Benchmarking Study. 2Hearts & Wallets Investment Products & Asset Mangers 2023 Report. 3The Impact of Outsourcing, AssetMark 2021.

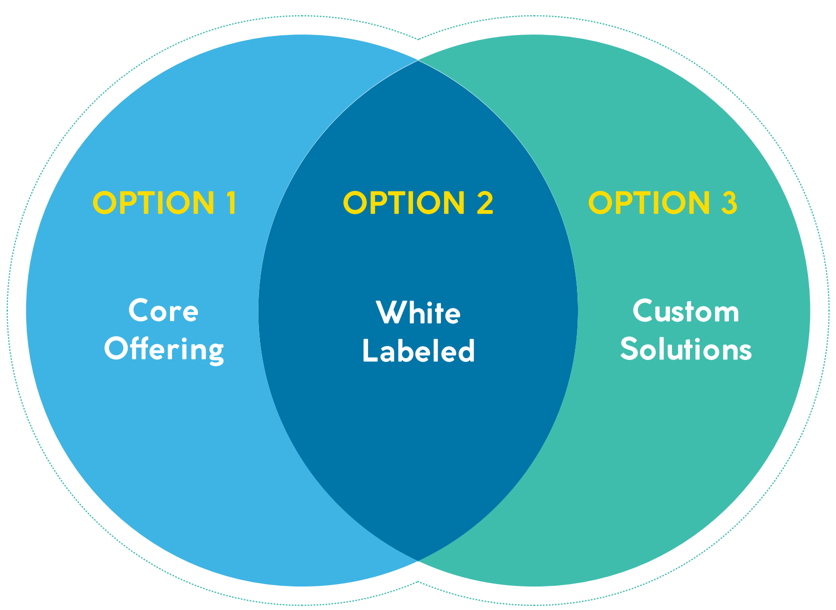
Delivering Investment Freedom

Sowell IM offers traditional "OCIO" solutions to advisors – we call it "iCIO" or insourced Chief Investment Officer (CIO). We provide advisors with a deeper layer of skilled research and analytics capabilities. FLEX IM can help you with more complex portfolio construction and offer access to boutique and institutional managers. Sowell IM will work with you to curate, implement and oversee the execution of the desired strategies within FLEX IM. The choice is yours.

iCIO – we harness your intellectual DNA and dovetail it with our institutional discipline.

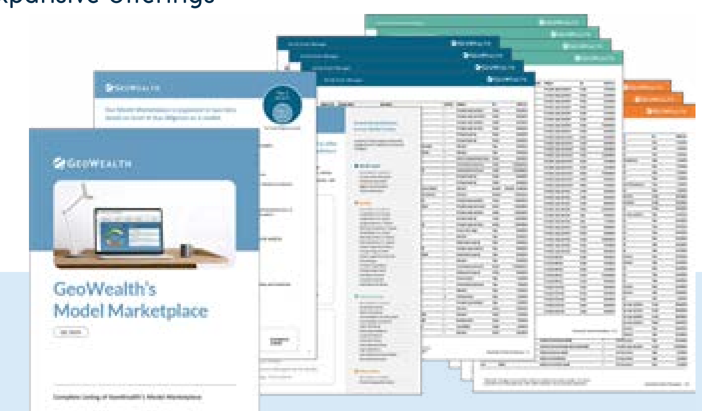
Your "iCIO" team is passionate and committed to the following deliverables:

- Defend your brand and equip you for new growth
- Enable you to compete for ultra-high net worth clients
- Convey temperateness with clients during high levels of volatility
- Differentiate your practice with boutique + emerging managers
- Offers white label customized solutions and portfolio



Empowering Advisors with Flexible, Customizable Solutions

Our platform is built to provide financial advisors with open architecture, giving them the freedom and flexibility to select the investment solutions that best align with their clients' needs. With access to a wide array of customizable portfolios, advisors can design tailored investment strategies that cater to diverse client goals. Whether seeking traditional or alternative investments, our expansive offerings enable advisors to stay agile in a constantly evolving market. This flexibility is at the core of our platform, allowing advisors to adapt and grow their business without being constrained by rigid structures.



Why Advisors Choose our Platform

Model Marketplace Menu

Our expansive open architecture model marketplace is organized by asset manager, by asset class type and by due diligence tier, with the flexibility to customize portfolios using institutional quality models.

Broad Array of Categories

Over 300 model suites from third-party managers, spanning the full breadth of investment categories – including individual equity, bond, and alternative investments – providing advisors with the tools needed to build portfolios with a tailored approach.

Marketplace by the Numbers

More than 700 individual models from over 70 asset managers, spanning a full range of investment categories. Select models based on asset class, risk profile and client needs - ensuring a diverse and comprehensive approach to portfolio construction.

Discover the Flexibility & Range of Our TAMP Platform

Every financial advisor has their own vision, ideas and insights about how to invest client assets and which portfolio management solutions to leverage. We provide the tools to efficiently run an investment advisory firm and the freedom to choose from robust UMA/SMA investment management offerings.

We offer robust choice of investment solutions for wealth advisors and the freedom to choose. In today's markets, it's more important than ever to partner with a firm with top institutional-quality investment managers, a proprietary technology platform, and choice — the flexibility to construct client portfolios with the right modular solutions.

The TAMP Platform Spectrum

Our platform presents a range of investment management options across the spectrum, designed to fit the diverse needs of advisors and their clients. Choose from flexible, open-architecture solutions to fully curated, turnkey offerings.

FLEX Investment Management (IM)

A flexible, bespoke investment offering that gives you the ability to build optimal portfolios that truly fit your client's needs. This option may include our Insourced Chief Investment Officer (iCIO) services with white-labeling opportunities.

Other Options Based on Advisor Choice

ADHESION WEALTH
An open-architecture investment management "marketplace" with access to over 500 institutional-caliber asset managers. This allows you to create diverse, simple, or complex portfolios to best meet your client's goals.

ASSETMARK
A platform managing over $100 billion in client assets, offering an impressive lineup of curated investment options. AssetMark includes an award-winning, in-depth manager due diligence program.

"Our platform is designed to give financial advisors the ***flexibility, expertise, and tools*** *they need to provide personalized, institutional-quality investment solutions."* — **Bill Sowell, CEO, Sowell Management**

Program Offerings:

Our impressive lineup of asset management solutions provides you with the flexibility to design your investment solutions based on client's unique needs and preferences.

OCIO: Our Sowell Affinity Insourced CIO offering, providing full support and white-label options for seamless integration.

3rd-Party Managers: Access to a diverse range of experienced managers to further diversify client portfolios.

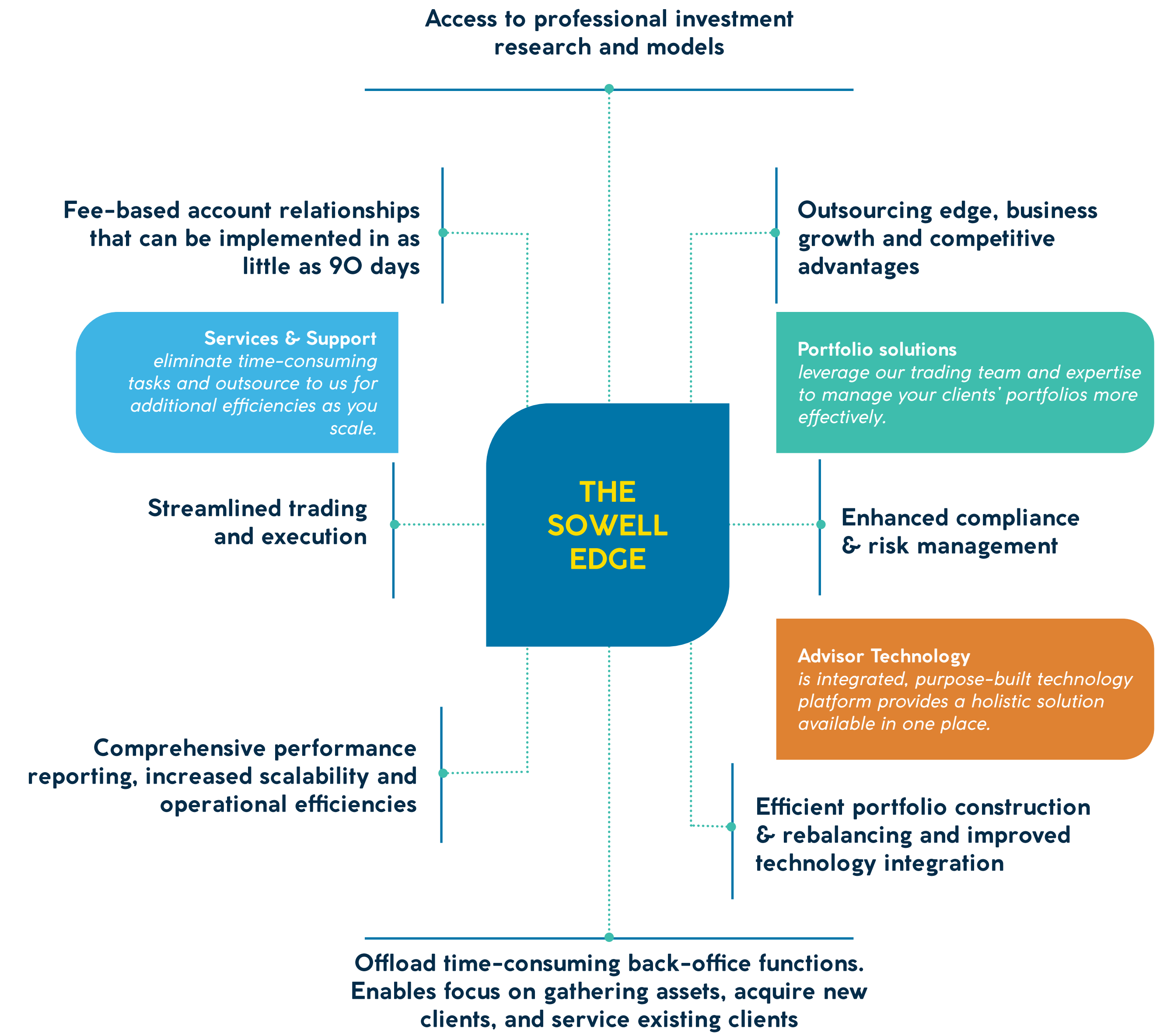
SMAs & UMAs: Tailored solutions that offer personalized, multi-asset portfolios for every investor.

Specialized Solutions: Including tax-managed, risk-managed, and faith-based options, designed to meet specific client objectives.

Custom Solutions: Offering complete customization to meet the unique needs of your clients.

A comprehensive, fully-integrated platform offering top-tier portfolio solutions.

Our customizable open-architecture system, combined with our proven spectrum of investment strategies, empowers investment advisors and institutional investors to scale more quickly and deliver greater efficiency — ultimately helping them grow their business and better serve their clients' needs.



Grow Your Business & Serve Your Clients Better

No matter your advisory structure, we have the solutions and expertise to maximize your clients' wealth, improve the efficiency of your business, and strengthen your bottom line. Our integrated technology solutions, turnkey investment platform, and outsourced service offering means you can focus on what matters most: building stronger client relationships.

Trading · Rebalancing · Reconciliation · SMAs · UMH · Billing · Model Center
UMAs · Model Marketplace · Custom Workflows · Risk Scoring · Document Vault · Alts
Aggregation · Advisor as PM · Tax Tools · Aggregation · Client Portal · Direct Indexing
Reporting · Householding · Investment Proposals · Mobile App · Training Guides · IPSs

Our FLEX Investment Management Solutions

Our investment solutions were created to **empower advisors with flexible, customizable investment options.**

Our Solutions represent the heart of our investment platform, designed to provide the essential strategies that serve as the foundation for advisors and their clients. These offerings provide flexibility, consistency, and the ability to create customized solutions to meet a wide range of financial objectives. Institutionally managed by our Sowell Affinity team.

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SOWELL MODELS

Classic ETF Strategies Globally diversified ETF portfolios that provide broad market exposure. Designed to be cost-efficient, they use strategic asset allocation to capture long-term returns with minimal trading. Ideal for those seeking low-cost diversification across equities and fixed income with just a few holdings.

Tactical Asset Portfolios (TAP) A rules-based strategy that adjusts between equities, fixed income, and cash based on technical signals and macroeconomic data. It offers 3 allocation models (100/0, 60/40, 0/100) to adapt to changing market conditions, aiming to preserve capital and enhance returns.

Flagship Equities Concentrated, factor-based portfolios holding 30-50 stocks. The Dividend model focuses on consistent dividend growth, while the Equity model targets market-rewarded factors. Built for investors seeking alpha through fundamental stock selection.

Liquid Alts – Global Macro Series Actively managed portfolios blending strategic allocation with tactical flexibility. Invests in global equities, fixed income, and alternative assets like gold ETFs to capture macro trends and hedge risk, designed to provide better risk-adjusted returns.

In-Demand Solutions

Modern Portfolio Diversification (MPD) —a UMA offering

Our MPD Series Models offer a comprehensive, multi-strategy approach designed to address a wide range of client needs. Whether your client is focused on capital preservation, income, growth, or theme-based investing, our MPD models provide a flexible starting point for building custom client portfolios. Each model combines multiple methodologies to balance risk, reward, and specific client goals, offering a well-rounded solution for every investment need.

The Sowell Visionary Allocation Strategies— Built with Goldman Sachs Asset Management

This portfolio series offers clients access to the deep resources of Goldman Sachs, combined with the personalized wisdom of our Sowell OCIO team. Designed for the discerning advisor, this series can serve as a core portfolio offering for mass affluent clients. Plus, it provides customizations tailored to high-net-worth (HNW) and ultra-high-net-worth (UHNW) clients, incorporating SMA's and alternative investments to meet their unique needs.

Multi-Asset Class Agility Enables advisors to construct portfolios with exposure to equities, fixed invoice, alternatives and more, harnessing the power of various asset classes.

Differentiation | Diversification Offers sophisticated and broadly diversified portfolios that transcend traditional diversification strategies, helping you to stand out from the competition.

High Net Worth/Ultra High Net Worth (HNW/UHNW) Tailored strategies designed for individuals with substantial assets, including direct indexing, and tax-efficient portfolio management.

Alternatives Exclusive opportunities through iCapital, CAIS, and First Trust Capital Management, providing clients with access to private equity, real estate, and other alternative investment options to enhance diversification and achieve specific financial objectives.

CURATED SOLUTIONS

Specialized Solutions A wide range of in-house and third-party investment strategies—including faith-based, tax-managed, direct indexing, and private investments. Built to help advisors tailor portfolios to each client's values, tax situation, and long-term goals with a flexible, high-conviction approach.

Income Solutions Designed to meet the needs of income-focused investors, a lineup of in-house and third-party strategies across dividend equities, fixed income, and alternative yield sources. Aimed at delivering consistent cash flow with risk-adjusted performance across a range of market conditions.

Retirement Planning An end-to-end retirement offering for advisors serving individuals and retirement plans, with access to in-house and third-party strategies. Supports 401(k) and 403(b) plans with fiduciary support (3(21) or 3(38)), plan sponsor tools, participant education, and personalized portfolios for every stage of the retirement journey. decumulation.

Downside Risk Solutions Investment strategies designed to mitigate downside risk, with flexible allocation options tailored to each client's risk tolerance. Leveraging both in-house (TAP Overlay) and third-party offerings, these solutions help advisors align portfolios with client-specific objectives amid market volatility.

Empowering Advisors with Bespoke OCIO Solutions

Sowell Management **FLEX IM** = built for today's advisors and tomorrow's goals.

Sowell Management FLEX IM offers traditional "OCIO" solutions to advisors. We call it iCIO (in-sourced Chief Investment Officer). Advisors gain access to a team with over 30 years of institutional investment management. Our iCIO team has successfully managed across multiple asset classes for some of the largest pension funds, foundations, endowments, and fortune 500 companies.

Our CIO team partners with your practice to build "bespoke" investment solutions. With iCIO solutions, we enhance your portfolio management capabilities, enhancing your brand and continuing to presenting you as the smartest advisor in the room. By aligning expert investment strategies and expertise with advanced technology, we help advisors achieve client objectives efficiently and effectively.

We work with advisors to build institutional-quality portfolios

We're committed to empowering financial advisors with the knowledge, tools and expertise to navigate and succeed in today's dynamic markets.

A Highly-Accomplished Research & Investment Team

We are specialists in Asset Allocation and Equity Markets, bringing institutional-quality resources to your advisory business.

Award-Winning Investment Research

We offer award-winning research and cutting-edge insights to help advisors make informed decisions.

10 AWARDS FOR OUR RESEARCH

40+ ARTICLES PUBLISHED IN ACADEMIC JOURNALS

13 INVESTMENT PROFESSIONALS

3 PhDs

7 CFA, MFE, AND/OR MSF DESIGNATIONS

Numerous invitations to present at leading finance industry events

Gregory Lai, CFA
Co-CIO, Sowell Rayliant

Expertise: Quantitative Investing, Risk Management

Experience | 30 years
MD, Affinity Investment Advisors (2010-2024)
MD & Head US Active Equity, Morgan Stanley (2007-2010)

Education: BS, UCLA; MBA, UC Irvine

Alex Hsiao, MBA
Co-CIO, Sowell Rayliant

Expertise: Asset Allocation,Portfolio Construction

Experience | 25 years
CIO, Affinity Investment Advisors (2018–2024)
CIO, Progress Investment Management (2006–2017)

Education: BS, UC Davis; MBA, UC Irvine

Jason Hsu, PhD
Chief Investment Officer & Founder, Rayliant

Expertise: Asset Allocation, Quantitative Investing

Experience | 27 years
Associate Professor, UCLA Anderson School of Management
3X Winner of CFA Institute Graham & Dodd Research Award, 3X Winner of JPM Bernstein-Fabozzi Research Award, 4X Winner William Sharpe Award

Education: PhD of Finance, UCLA

Phillip Wool, PhD
Global Head of Research, Rayliant

Expertise: Global Equities, Asset Allocation

Experience | 20 years
PM, Rayliant ETFs (RAYC, RAYD, RAYE)
PM, Rayliant Asset Allocation Portfolios
Previously Professor of Finance, SUNY Buffalo (2013-2017)

Education: PhD of Finance, UCLA

Our Firm Philosophy

From Data to Decisions: The Sowell Advantage

Sowell Investment Management's Approach is a dynamic, scientific methodology designed to unlock alpha in global markets. By combining fundamental analysis with advanced quantitative techniques, we aim to generate consistent, repeatable outperformance for our clients.

Big Data

Our models leverage billions of data points, integrating hundreds of trading signals that are anchored in company fundamentals. This data-driven approach provides a robust foundation for predictive market insights.

Systematic Learning

Decades of historical data are used to identify patterns and capture interactions among a vast array of variables. This machine learning-driven process helps score and assess thousands of stocks for investment opportunities.

Investor Behavior

Sowell Management's approach is grounded in the science of investor psychology, utilizing models that target reliable sources of behavioral alpha—the ability to exploit inefficiencies created by human biases in the market.

It goes 'beyond smart beta'—using big data & machine learning to exploit behavioral bias

Go Beyond

Our methodology goes beyond traditional beta strategies, using big data and machine learning to identify and exploit behavioral biases in market behavior. This approach enables us to uncover opportunities that passive strategies may miss.

Be Active

Behavioral Bias Creates Mispricing: Investors' behavioral biases often lead to mispricing, which presents opportunities for alpha in equity markets globally.

Active Strategies: Our active strategies capitalize on these behavioral errors, turning them into reliable sources of alpha generation.

Be Scientific

Systematic, Data-Driven Strategies: Sowell IM applies rigorously researched, systematic strategies focused on return forecasting for outperformance in global markets.

Multi-Factor Approach: Our diversified, multi-factor approach incorporates machine learning and robust optimization techniques, designed to maximize the likelihood of achieving consistent alpha.

Our Investment Process

Sowell Investment Management's scientific investment process is systematic and disciplined, developed over two decades of rigorous research and continuous learning. Our process is built on the foundation of data-driven insights,

Over a decade of research and product evolution, unique insight gleamed from unique data and local presence, humbled by the opportunity and complexity,

QUANTAMENTAL RESEARCH

Best of Both Worlds

US Research Center

- Systematic Learning
- Advanced Statistical Analyses

6 PhDs, 10 MFEs

BIG DATA

Hard to Find, Harder to Clean

Using historical data from key international markets to inform our strategies. Novel local data sets mean greater investment edge.

- Exchange Inquiry Letters
- Insider Shares Pledging
- Political Connections Institutional vs. Retail Trade Flows

LOCALIZED SIGNALS

Diversified, Local Alpha Sources

Approximately 150 signals built around local market inefficiencies, exploiting information in three broad categories:

- Underlying fundamentals
- Behavior of corporate insiders
- Other investors' sentiment/information

PORTFOLIO CONSTRUCTION

Machine Learning + Optimization

Strategy employs machine learning to validate and weight signals / exploit interactions and non-linearities in the data; robust optimization ensures efficiency

TRADING DESK

Systematic Process + Risk Controls

US trading desk

SOWELL MANAGEMENT

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