WHITEWOLF CAPITAL GROUP

APPROVED MEDIA

You Bought the Firm, Not the Deal: What a Private Equity Stock Actually Owns

Private equity has traditionally been associated with funds that acquire, invest in and manage companies, including publicly traded companies that are taken private. Investors typically access these funds as limited partners (LPs), which often require significant capital commitments, long investment periods, and limited liquidity. These characteristics generally mean that private equity has been mostly limited to large institutional investors such as pension funds, foundations, endowments and other large asset managers.

However, there is another way to participate in the growth of the private equity industry: investing in publicly traded alternative asset managers such as Apollo, KKR, Blackstone, Ares, Carlyle and Blue Owl as well as some of their publicly traded funds (e.g., BDCs). Instead of investing directly in the funds they manage, investors own shares in the firms that manage those funds. Therefore, investors are buying an ownership interest in the asset management business itself. That can provide exposure to several sources of earnings across the business, including management fees, performance-related income, insurance or earnings from retirement services where applicable, and, in many cases, principal investments made from the manager's own balance sheet.

Management fees are generally the most recurring part of this business model. Alternative asset managers raise and manage capital across private equity, private credit, infrastructure, real estate and other strategies, and typically earn fees for managing that capital. As their fee-paying assets under management grow, the pool of capital on which they can earn management fees can also grow. Deloitte reports that management fee revenue among publicly traded asset managers increased by a median 9% in 2024, while fee-related earnings at alternative managers increased 19%[1]. PwC also estimates that private markets currently generate roughly four times as much profit per dollar from assets under management as traditional asset managers.[2] The growth of these businesses can be seen in both the assets they manage and the fee-related earnings they generate.

		AUM ($bn)				Net FRE ($mm)			
Company	Ticker	2016	2021	2025	2016–2025 CAGR	2016	2021	2025	2016–2025 CAGR
Blackstone	BX	366.6	880.9	1,274.9	14.9%	1,002.7	880.9	5,737.5	21.4%
Apollo	APO	191.7	497.6	938.4	19.3%	529.9	497.6	2,528.0	19.0%
KKR	KKR	130.0	470.6	743.9	21.4%	537.4	470.6	3,714.3	24.0%
Ares	ARES	95.3	305.8	622.5	23.2%	172.4	305.8	1,775.3	29.6%
Carlyle	CG	157.6	301.0	477.0	13.1%	(18.5)	301.0	1,236.2	N/M
Blue Owl	OWL	N/A	94.5	307.4	N/A	N/A	94.5	1,496.5	N/A

Source: Company Form 10-K filings for fiscal years 2021 and 2025. AUM and Fee-Related Earnings (FRE) are based on each asset manager's reported definitions and may not be directly comparable across firms. CAGR is calculated from the reported 2021 and 2025 figures.

Performance-related income can provide another source of earnings. Private markets managers may receive carried interest or other performance-related income when investment returns are achieved and ultimately realized. They may also invest their own capital alongside their funds or in other investments held on their balance sheets. KKR's second-quarter 2026 results, for example, show earnings from Asset Management, Insurance and realized performance income, while also separately reporting Strategic Holdings.[3] Blackstone similarly reports fee-related earnings, realized performance revenues and realized principal investment income.[4] Insurance or retirement services, where applicable, can generate spread- or insurance-related earnings. Balance-sheet investing can generate dividends, interest and investment gains from the firm's own capital. The exact mix varies from manager to manager, but the public shareholder can participate in more than just the growth in assets under management.

1 Deloitte, Casey Quirk, Asset Managers Continue Pivot to Private Markets to Defend Economics: Year-end 2024 Results, April 2025. https://www.deloitte.com/us/en/about/press-room/casey-quirk-survey-asset-managers-continue-to-pivot-to-private-markets.html

2 PwC, Asset and Wealth Management Revolution 2025, November 2025. https://www.pwc.com/gx/en/1/issues/reinvention/asset-wealth-management-revolution.html

3 KKR, Second Quarter 2026 Earnings Release, July 30, 2026. https://ir.kkr.com/media/document/15a25fa9-8226-4da1-9ff3-027b9803d436/assets/KKR_Q226_Earnings_Release.pdf?disposition=inline

4 Blackstone, Second Quarter 2026 Earnings, July 23, 2026. https://d18rn0p25nwr6d.cloudfront.net/CIK-0001393818/bfc4e119-3447-4f29-8182-680669cff5be.pdf

PwC expects private markets assets under management to reach approximately $26.6 trillion by 2030 and estimates that private markets could generate more than half of global asset-management industry revenues by then.[2] As these platforms raise capital, launch new strategies, deploy capital and realize investments, they can generate earnings from multiple parts of their businesses.

The WHITEWOLF Publicly Listed Private Equity ETF (ticker: LBO) offers investors exposure to these publicly traded alternative asset managers alongside business development companies (BDCs). Through a single ETF, investors can participate in some of the economics behind private-market growth, including management fees, performance-related income, and investments made with the managers' own capital, while maintaining the liquidity of a publicly traded investment.

Important Notice

Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a Prospectus or Summary Prospectus with this and other information about the Fund, please call +1-305.605.8888. Read the prospectus or summary prospectus carefully before investing.

There is no assurance that the Fund will achieve its investment objective.

Equity Investing Risk. An investment in the Fund involves risks similar to those of investing in any fund holding equity securities, such as market fluctuations, changes in interest rates and perceived trends in stock prices. The values of equity securities could decline generally or could underperform other investments. In addition, securities may decline in value due to factors affecting a specific issuer, market or securities markets generally.

Investment Risk. When you sell your Shares, they could be worth less than what you paid for them. Therefore, you may lose money by investing in the Fund. The Fund could lose money due to short-term market movements and over longer periods during market downturns. Securities may decline in value due to factors affecting securities markets generally or particular asset classes or industries represented in the markets. The value of a security may decline due to general market conditions, economic trends or events that are not specifically related to the issuer of the security, such as geopolitical events and environmental disasters. The value of a security may also decline due to factors that affect a particular industry or group of industries. During a general downturn in the securities markets, multiple asset classes may be negatively affected. Therefore, you may lose money by investing in the Fund**.**

Value Style Risk. The Fund follows a value investment style. Risks that accompany this investment style include, among others, the risk that the value style may be out of favor for long periods of time, that the market will not recognize a security's intrinsic value for a long time or at all, and that a stock judged to be undervalued may actually be appropriately priced or overvalued. Issuers of value stocks may have experienced adverse business developments or may be subject to special risks that have caused the stock to be out of favor. In addition, the Fund's value investment style may go out of favor with investors, negatively affecting the Fund's performance. If the Fund's assessment of market conditions or a company's value is inaccurate, the Fund could suffer losses or produce poor performance relative to other funds**.**

Listed Private Equity Companies Risk. There are certain risks inherent in investing in listed private equity companies, which encompass financial institutions or vehicles whose principal business is to invest in and lend capital to or provide services to privately held companies. Generally, little public information exists for private and thinly traded companies, and there is a risk that investors may not be able to make a fully informed investment decision. The Fund is also subject to the underlying risks which affect the listed private equity companies in which the financial institutions or vehicles held by the Fund invest. Listed private equity companies are subject to various risks depending on their underlying investments, which include additional liquidity risk, industry risk, foreign

security risk, currency risk, valuation risk and credit risk. Listed private equity companies may have relatively concentrated investment portfolios, consisting of a relatively small number of holdings, which may be adversely impacted by the poor performance of a small number of investments. By investing in companies in the capital markets whose business is to lend money, there is a risk that the issuer may default on its payments or declare bankruptcy.

Business Development Company (BDC) Risk. BDCs generally invest in less mature U.S. private companies or thinly traded U.S. public companies which involve greater risk than well-established publicly traded companies. While the BDCs in which the Fund invests are expected to generate income in the form of dividends, certain BDCs during certain periods of time may not generate such income. The Fund will indirectly bear its proportionate share of any management fees and other operating expenses incurred by the BDCs and of any performance-based or incentive fees payable by the BDCs in which it invests, in addition to the expenses paid by the Fund. A BDC's incentive fee may be very high, vary from year to year and be payable even if the value of the BDC's portfolio declines in a given time period. The use of leverage by BDCs magnifies gains and losses on amounts invested and increases the risks associated with investing in BDCs. A BDC may make investments with a larger amount of risk of volatility and loss of principal than other investment options and may also be highly speculative and aggressive.

Closed-End Funds Risk. Shares of closed-end funds frequently trade at a price per share that is less than the NAV per share. There can be no assurance that the market discount on shares of any closed-end fund purchased by the Fund will ever decrease or that when the Fund seeks to sell shares of a closed-end fund it can receive the NAV of those shares. There are greater risks involved in investing in securities with limited market liquidity. To the extent a Fund invests in closed-end funds, it will indirectly bear its proportionate share of any fees and expenses payable directly by the closed-end fund and, therefore, the Fund would incur higher expenses, which may be duplicative. Closed-end funds may utilize more leverage than other types of investment companies. They can utilize leverage by issuing preferred stocks or debt securities to raise additional capital which can, in turn, be used to buy more securities and leverage its portfolio.

Financial Services Concentration Risk. The Fund may be susceptible to adverse economic or regulatory occurrences affecting the financial services industry. Financial services companies are subject to extensive government regulation and, as a result, their profitability may be affected by new regulations or regulatory interpretations. Unstable interest rates can have a disproportionate effect on the financial services industry, and financial services companies whose securities the Fund may purchase may themselves have concentrated portfolios, which makes them vulnerable to economic conditions that affect that industry. Financial services companies have also been affected by increased competition, which could adversely affect the profitability or viability of such companies.

Management Risk. The Fund is actively managed and may not meet its investment objective based on the Adviser's or Sub-Adviser's success or failure to implement investment strategies for the Fund. It is possible the investment techniques and risk analyses employed on behalf of the Fund will not produce the desired results.

Large-Capitalization Companies Risk. Large-capitalization companies may trail the returns of the overall stock market. Large-capitalization stocks tend to go through cycles of doing better – or worse – than the stock market in general. These periods have, in the past, lasted for as long as several years.

Small- and Mid-Capitalization Company Risk. Investing in securities of small- and mid-capitalization companies involves greater risk than customarily is associated with investing in larger, more established companies. These companies' securities may be more volatile and less liquid than those of more established companies. Often small- and mid-capitalization companies and the industries in which they focus are still evolving and, as a result, they may be more sensitive to changing market conditions.

Non-Diversification Risk. The Fund is non-diversified, meaning that it is permitted to invest a larger percentage of its assets in fewer issuers than diversified funds. Thus, the Fund may be more susceptible to adverse developments affecting any single issuer held in its portfolio and may be more susceptible to greater losses because of these

developments.

An investment in the Fund involves risk, including possible loss of principal. Exchange-traded funds (ETFs) trade like stocks, are subject to investment risk, fluctuate in market value and may trade at prices above or below the ETF's net asset value (NAV), and are not individually redeemable directly with the ETF. Brokerage commissions and ETF expenses will reduce returns. ETFs are subject to specific risks, depending on the nature of the underlying strategy of the Fund, which should be considered carefully when making investment decisions. **For a complete description of the Fund's principal investment risks, please refer to the prospectus.**

Diversification and asset allocation strategies do not ensure a profit and cannot protect against losses in a declining market.

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