

Pathstone Welcomes New Investment from Kelso & Company, Alongside Continued Commitment from Existing Investor, Lovell Minnick Partners

Additional capital solidifies Pathstone's position as an industry leader and further empowers the firm's culture of growth and innovation

Pathstone
10 Sterling Blvd, Suite 402
Englewood, NJ 07631
Tel: (888) 750-PATH (7284)
www.Pathstone.com

PRESS RELEASE

Englewood, New Jersey, March 6, 2023 – Pathstone, “The Family Office,” today announced a new strategic equity investment from Kelso & Company (“Kelso”), a leading private equity firm focused on partnering with middle market companies. Kelso will join Lovell Minnick Partners (“LMP”), who has stood alongside Pathstone since 2019 and will add to its capital commitment in this next chapter of growth.

In recent years, Pathstone has enjoyed a remarkable period of expansion, growing to more than 350 employees – over 180 of whom are shareholders – serving families and individuals, family offices, and foundations and endowments representing more than \$80 billion in assets across 17 offices.

“As Pathstone’s differentiated position as “The Family Office” continues to resonate across our industry and propels our exciting trajectory, we have found in Kelso another investment partner who aligns with our values as a consistent champion of founder-led firms with employee ownership,” said Matt Fleissig, CEO of Pathstone. “Their partnership will provide capital to further support our culture of growth and innovation, as well as resources and expertise to enable us to accelerate our strategic initiatives and deliver upon the multi-generational promise we make to our clients and employees alike.”

“Our success over the years has placed us in a position to be the destination of choice for employees, families, and firms who have done great things but realize they want and need more support and better advice,” added Kelly Maregni, President of Pathstone. “With this new capital and partnership, we will continue to build a best-in-class firm delivering industry-leading service while remaining true to our values of Innovation, Caring, Proactivity, Humility, and Passion.”

Kelso’s partnership approach is centered around providing capital necessary for investment in people, process, technology, and other value-added outcomes that drive business success, all while existing management controls and manages the day-to-day business.

“Pathstone is an outstanding company with a differentiated value proposition and excellent management team,” said Steve Dutton, Partner at Kelso. “With a shared vision for the future, we

look forward to partnering with LMP and supporting Pathstone's leadership during this next important phase of expansion."

LMP, who first invested in Pathstone in 2019 and has been a crucial and impactful partner in Pathstone's exciting growth, will be not only continuing its investment in the business but will be deploying additional capital signaling their continued excitement for Pathstone's business model and position as an industry leader.

"We are thrilled to continue our investment and relationship with the Pathstone team," said Brad Armstrong, Partner at LMP and a Pathstone Board of Directors member. "We believe there is an industry tailwind favoring those who have made the necessary investments in their team, technology, and resources, and we're eager to support Pathstone as it looks to accelerate its growth trajectory and M&A strategy."

Kelso's and LMP's respective investments are expected to close during the second quarter of 2023 and are subject to customary closing conditions. Ardea Partners LP served as the exclusive financial advisor, and Alston & Bird LLP served as the legal advisor to Pathstone. Kirkland & Ellis LLP and Republic Capital Group advised LMP. William Blair & Co. provided financial advice, and Debevoise & Plimpton LLP served as the legal advisor to Kelso.

About Pathstone

Pathstone is an independently operated, partner-owned advisory firm offering comprehensive family office services and customized investment advice for families, family offices, and foundations and endowments. With decades of experience as trusted advisors, we employ an advocacy-focused model that empowers our clients to define and achieve their unique long-term goals and support their legacy. For more information, please visit www.pathstone.com.

About LMP

Lovell Minnick Partners ("LMP") invests in growth-oriented companies. The firm partners with founders and leadership teams to accelerate value creation through organic growth and strategic acquisitions, positioning their businesses for long-term, sustainable success. LMP leverages its deep sector experience and broad network of strategic advisors to identify and execute multiple strategic levers to drive transformational growth.

Since LMP's inception in 1999, the firm has raised approximately \$4.3 billion of committed capital, invested in over 50 companies, and completed over 175 add-on acquisitions. LMP targets growth-oriented, middle-market companies in the financial services, financial technology, and business services sectors.

To learn more about LMP's partnership approach, sector expertise, investment criteria and experienced team, please visit www.LMPartners.com.

About Kelso & Company

Kelso is one of the oldest and most established firms specializing in private equity investing. Since 1980, Kelso has invested approximately \$19 billion of equity capital in over 135 transactions. Kelso was founded by the inventor of the Employee Stock Ownership Plan (ESOP), and as a result, the principles of partnership and alignment of interest serve as the foundation of the firm's investment philosophy. Kelso benefits from a successful investment track record, deep sector expertise, a long-tenured investing team, and a reputation as a preferred partner to management teams and corporates. Kelso has significant experience investing in financial services, having deployed approximately \$4 billion of equity capital in the sector. For more information, please visit kelso.com.

Media Contacts

Pathstone
Patrick Jordan
Pathstonepr@mgroupsc.com

LMP
Ben Howard
Bhoward@prosek.com

Kelso & Company
Hannah Arnold
harnold@lakpr.com