LPL Financial to Acquire Atria Wealth Solutions

February 13, 2024

Notice to Investors: Safe Harbor Statement

Certain of the statements included in this presentation, such as those regarding the completion of the acquisition of Atria Wealth Solutions, Inc. (“Atria”) by LPL Financial Holdings Inc. (together with its subsidiaries, including LPL Financial LLC, “LPL”) and the expected onboarding of assets and advisors associated therewith; the transition of Atria’s business to LPL’s platform; the expected costs and benefits of the transaction, including estimated onboarding and integration costs and estimated run-rate EBITDA accretion; financing and capital management plans, including share repurchase activity, and their effect on LPL’s leverage; and the synergies LPL expects to realize as a result of such transaction, constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Words such as “expects,” “believes,” “anticipates,” “plans,” “assumes,” “estimates,” “projects,” “intends,” “should,” “will,” “shall” or variations of such words are generally part of forward-looking statements. Forward-looking statements are made based on current expectations and beliefs concerning future developments and their potential effects upon Atria, LPL or both. In particular, no assurance can be provided that the assets reported as serviced by financial advisors affiliated with Atria (“Atria Advisors”) will translate into assets serviced by LPL, that Atria Advisors will transition registration to LPL, that institutions served by Atria or Atria Advisors (“Atria Institutions”) will join LPL or that the benefits that are expected to accrue to Atria, LPL and their respective advisors and stockholders as a result of the transaction described herein will materialize. These forward-looking statements are not a guarantee of future performance and involve risks and uncertainties, including economic, legislative, regulatory, competitive and other factors, and there are certain important factors that could cause actual results or the timing of events to differ, possibly materially, from expectations or estimates expressed or implied in such forward-looking statements. Important factors that could cause or contribute to such differences include: the failure of the parties to satisfy the closing conditions applicable to the acquisition in a timely manner or at all, including obtaining the required regulatory approvals; disruptions to the parties’ businesses as a result of the announcement and pendency of the transaction; difficulties or delays in recruiting Atria Advisors or Atria Institutions of LPL, in transitioning Atria Advisors, onboarding clients and businesses or transitioning their assets from Atria’s current third-party custodian to LPL; the inability of LPL to sustain revenue and earnings growth or to fully realize revenue or expense synergies or the other expected benefits of the transaction, which depend in part on LPL’s success in onboarding assets currently served by Atria Advisors; disruptions to Atria’s or LPL’s businesses due to transaction-related uncertainty or other factors making it more difficult to maintain relationships with their respective financial advisors and their clients, employees, other business partners or governmental entities; the inability of LPL or Atria to implement onboarding plans and other consequences associated with acquisitions; the choice by clients of Atria Advisors not to open brokerage and/or advisory accounts at LPL; unforeseen liabilities arising from the acquisition of Atria, changes in general economic and financial market conditions, including retail investor sentiment; fluctuations in the value of assets under custody; and the effects of competition in the financial services industry, including competitors’ success in recruiting Atria Advisors. Certain additional important factors that could cause actual results or the timing of events to differ, possibly materially, from expectations or estimates expressed or implied in such forward-looking statements can be found in the “Risk Factors” and “Special Note Regarding Forward Looking Statements” sections included in LPL’s most recent Annual Report on Form 10-K and in subsequent filings with the Securities and Exchange Commission. Except as required by law, LPL specifically disclaims any obligation to update any forward-looking statements as a result of developments occurring after the date of this presentation, and you should not rely on those statements as representing LPL’s views as of any date subsequent to the date of this presentation.

Notice to Investors: Non-GAAP Financial Measures

Management believes that presenting certain non-GAAP financial measures by excluding or including certain items can be helpful to investors and analysts who may wish to use this information to analyze LPL's current performance, prospects and valuation. Management uses this non-GAAP information internally to evaluate operating performance and in formulating the budget for future periods. Management believes that the non-GAAP financial measures and metrics discussed herein are appropriate for evaluating the performance of LPL. Specific non-GAAP financial measures have been marked with an asterisk (*) within this presentation. Reconciliations and calculations of such measures can be found in the appendix of this presentation.

EBITDA is defined as net income plus interest expense on borrowings, provision for income taxes, depreciation and amortization, and amortization of other intangibles. LPL presents EBITDA because management believes that it can be a useful financial metric in understanding LPL's earnings from operations. EBITDA is not a measure of LPL's financial performance under GAAP and should not be considered as an alternative to net income or any other performance measure derived in accordance with GAAP. For a reconciliation of net income to EBITDA, please see the appendix of this presentation.

Run-rate EBITDA is defined as net income plus interest expense on borrowings, provision for income taxes, depreciation and amortization, and amortization of other intangibles. LPL presents run-rate EBITDA because management believes that it can be a useful financial metric in understanding LPL's earnings from operations. Run-rate EBITDA is not a measure of LPL's financial performance under GAAP and should not be considered as an alternative to net income or any other performance measure derived in accordance with GAAP, or as an alternative to cash flows from operating activities as a measure of profitability or liquidity. In addition, LPL's run-rate EBITDA can differ significantly from EBITDA calculated by other companies, depending on long-term strategic decisions regarding capital structure, the tax jurisdictions in which companies operate and capital investments. Although run-rate EBITDA is presented on a forward-looking basis, LPL does not provide net income, the closest GAAP measure, on a forward-looking basis because it contains certain components, such as taxes, over which LPL cannot exercise control. Accordingly, a reconciliation of LPL's net income to run-rate EBITDA on a forward-looking basis also cannot be made available without unreasonable effort.

Credit Agreement EBITDA is defined in, and calculated by management in accordance with, the Company's amended and restated credit agreement ("Credit Agreement") as "Consolidated EBITDA," which is consolidated net income (as defined in the Credit Agreement) plus interest expense on borrowings, provision for income taxes, depreciation and amortization, and amortization of other intangibles, and is further adjusted to exclude certain non-cash charges and other adjustments, and to include future expected cost savings, operating expense reductions or other synergies from certain transactions. The Company presents Credit Agreement EBITDA because management believes that it can be a useful financial metric in understanding the Company's debt capacity and covenant compliance under its Credit Agreement. Credit Agreement EBITDA is not a measure of the Company's financial performance under GAAP and should not be considered as an alternative to net income or any other performance measure derived in accordance with GAAP. For a reconciliation of net income to Credit Agreement EBITDA, please see the appendix of this presentation.

Transaction Summary

Transaction Overview	• LPL to acquire 100% of the equity of Atria Wealth Solutions • Signed on February 12 and anticipate closing in the second half of 2024, subject to regulatory approvals and other customary closing conditions • LPL expects to onboard Atria advisors and client assets onto its platform in mid-2025

Business Overview	• Atria has a network of seven broker-dealers serving independent financial advisors and financial advisors at enterprises in the U.S.
	    • Advisor channel: Cadaret Grant; Grove Point; NEXT Financial Group; SCF Securities; Western International Securities
	    • Enterprise channel: CUSO Financial Services; Sorrento Pacific
	• Atria has ~2,400 advisors and ~150 banks and credit unions, serving ~$100B of client assets†
	• Asset mix is ~20% advisory and ~80% brokerage, with client cash sweep balances of ~$2.5B†

Strategic Rationale	• Provides Atria's advisors and their clients with access to LPL's differentiated capabilities, technology and service • Increases LPL's scale and capacity to invest in capabilities, technology, and service to help existing advisors serve their clients and differentiate in the marketplace
Capital Structure	• LPL anticipates financing this transaction through a combination of cash and debt • To maintain a strong and flexible capital position, we plan to pause share repurchases, resulting in pro-forma leverage at closing near the midpoint of management's target leverage range of 1.5x to 2.5x • Following closing of the transaction, we will evaluate restarting share repurchases, consistent with our existing capital allocation framework
Purchase Price	• Transaction structured as an equity purchase with an upfront price of ~$805M • Potential earn-outs of ~$0M to ~$230M are based on retention ranging from 80% to 100%
Shareholder Value Creation	• Estimated run-rate EBITDA accretion of ~$140M+‡ when fully ramped • Estimated onboarding and integration costs of ~$300M to ~$350M§

† As of 12/31/2023.

‡ Estimated run-rate EBITDA* accretion of ~$140M based on Atria Advisors' assets as of 12/31/23 and ~80% retention; increases with higher levels of asset retention; and is burdened by amortization from transition assistance loans. Following close of the transaction, acquired base-line EBITDA is expected to be ~$65M.

§ Estimated onboarding and integration costs are based on retention ranging from 80% to 100%.

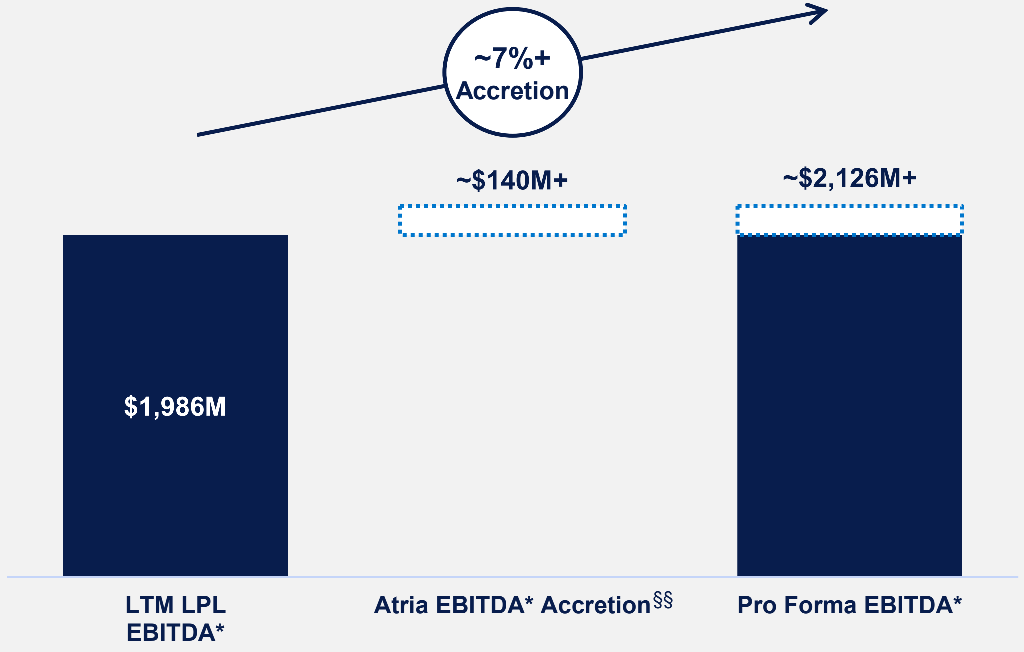
Acquisition of Atria strengthens our leading position to create shareholder value

Overview

- **~2,400** Atria advisors, serving **~$100B** in client assets†
- Atria advisors and client assets expected to transition in mid-2025
- Asset mix is **~20%** advisory and **~80%** brokerage, with client cash sweep balances of **~$2.5B**

- Estimated onboarding and integration costs of **~$300M to ~$350M‡**
- Estimated run-rate EBITDA* accretion of **~$140M+§** when fully ramped

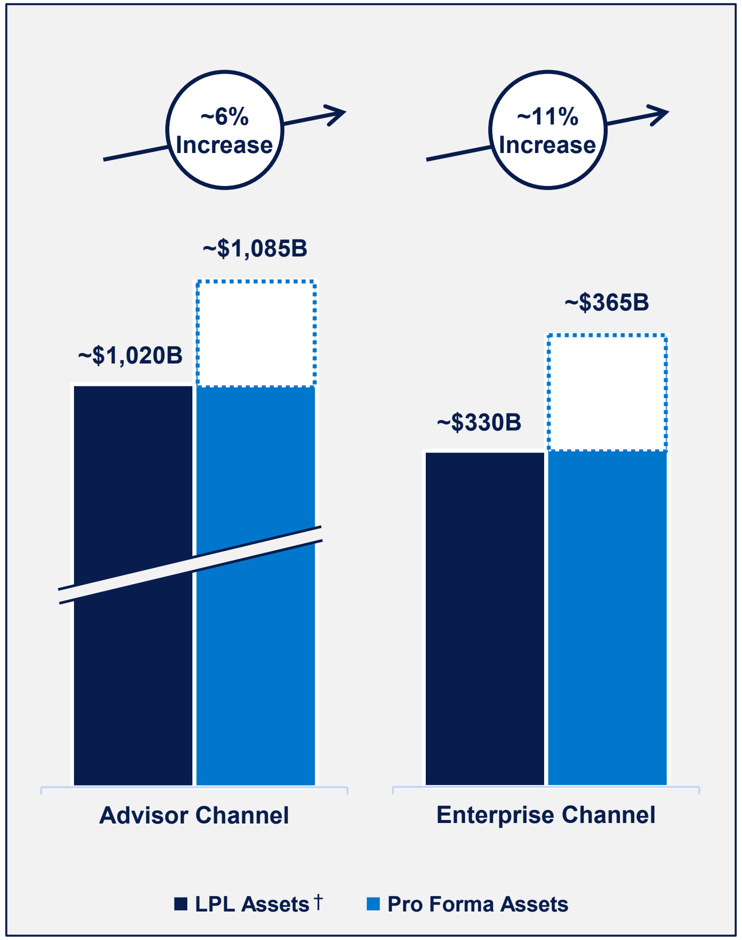
Acquisition of Atria drives meaningful EBITDA accretion

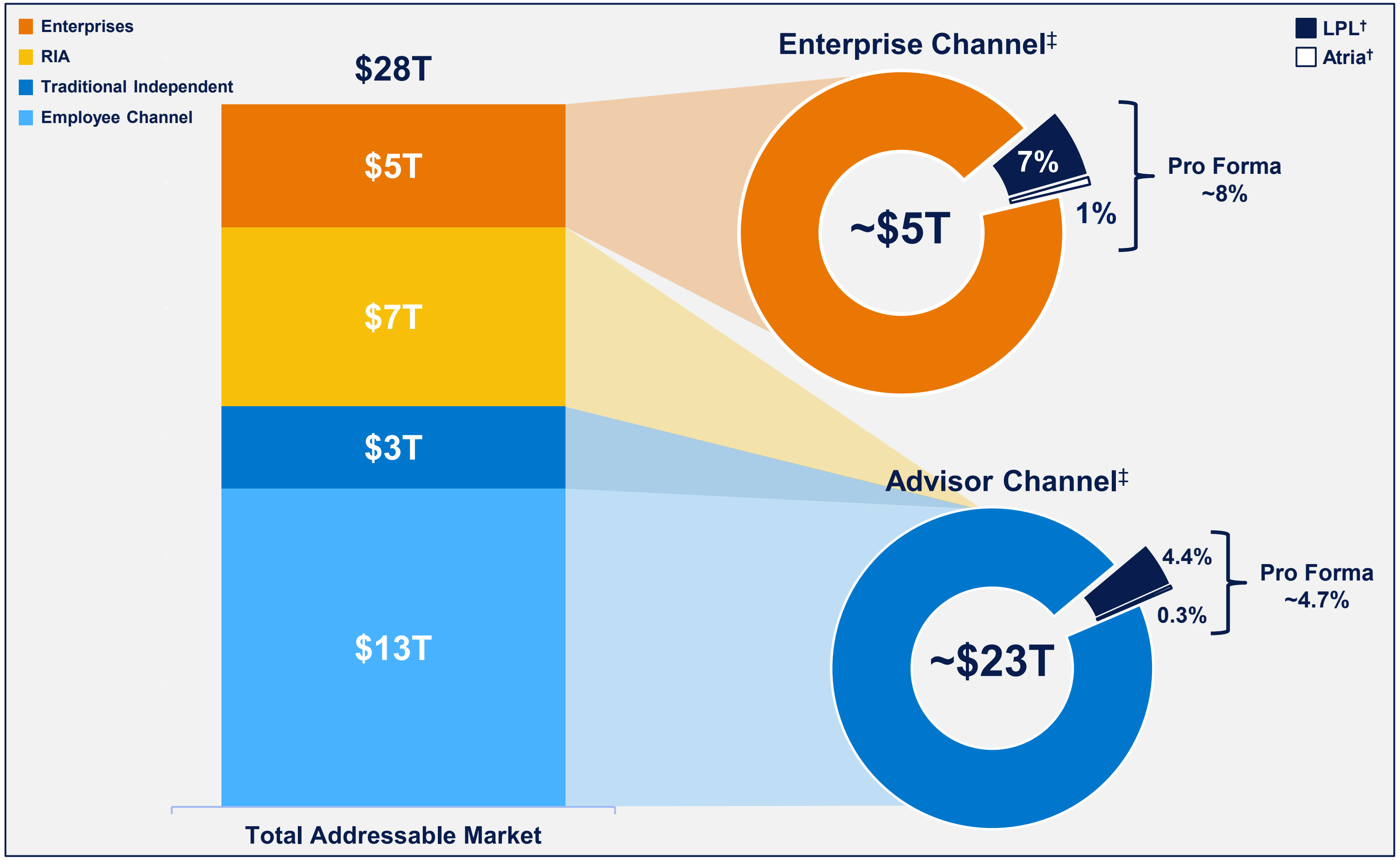


† As of 12/31/2023.
‡ Estimated onboarding and integration costs are based on retention ranging from 80% to 100%.
§ Estimated run-rate EBITDA* accretion of ~$140M based on Atria Advisors' assets as of 12/31/23 and ~80% retention; increases with higher levels of asset retention; and is burdened by amortization from transition assistance loans. Following close of the transaction, acquired base-line EBITDA is expected to be ~$65M.
§§ LPL's LTM EBITDA* includes results for the twelve months ending 12/31/23 and is a non-GAAP measure. A reconciliation of net income to LTM EBITDA appears in the appendix of this presentation.

Atria extends our leading position across the advisor and enterprise channels

Acquisition of Atria enhances our scale across the advisor and enterprise channels‡





† As of 12/31/2023.
‡ Estimated market sizing based on 2023 Cerulli reports. See endnote (1) for additional detail.

Atria's advisors joining LPL benefit from enhanced platform and capabilities, simplified onboarding, and competitive economics

Enhanced Platform & Capabilities

- Broader set of capabilities and technology offered through LPL's vertically integrated platform
- Access to our Services Group portfolio including our Liquidity & Succession capability

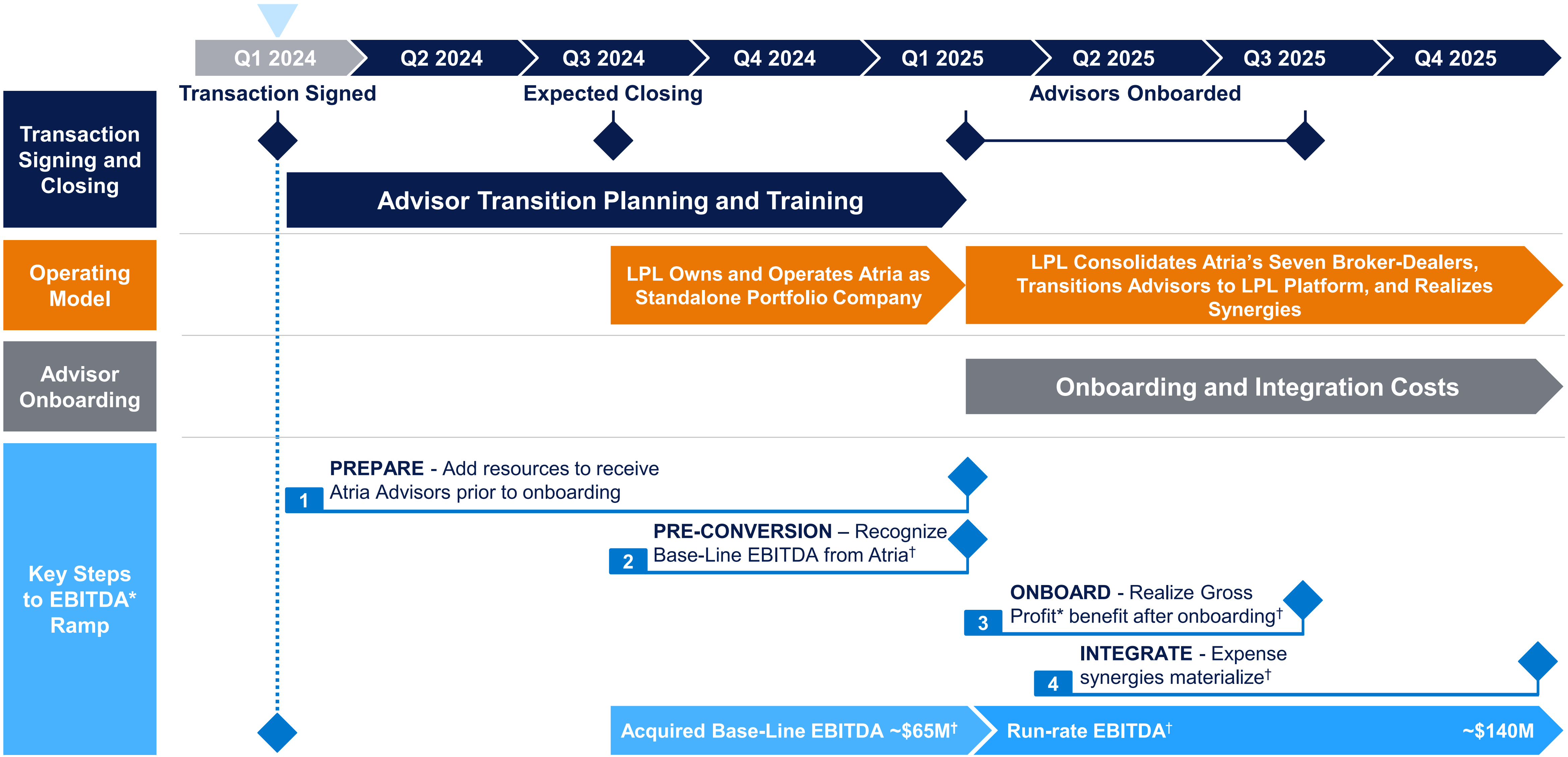
Simplified Onboarding Process

- Limited repapering, specialized transition teams, and personalized outreach and onboarding guidance
- Atria advisors and enterprises will have flexibility in how they affiliate and partner with LPL

Competitive Economics

- Competitive and simplified payout grid
- Competitive transition assistance to support advisors financially through onboarding

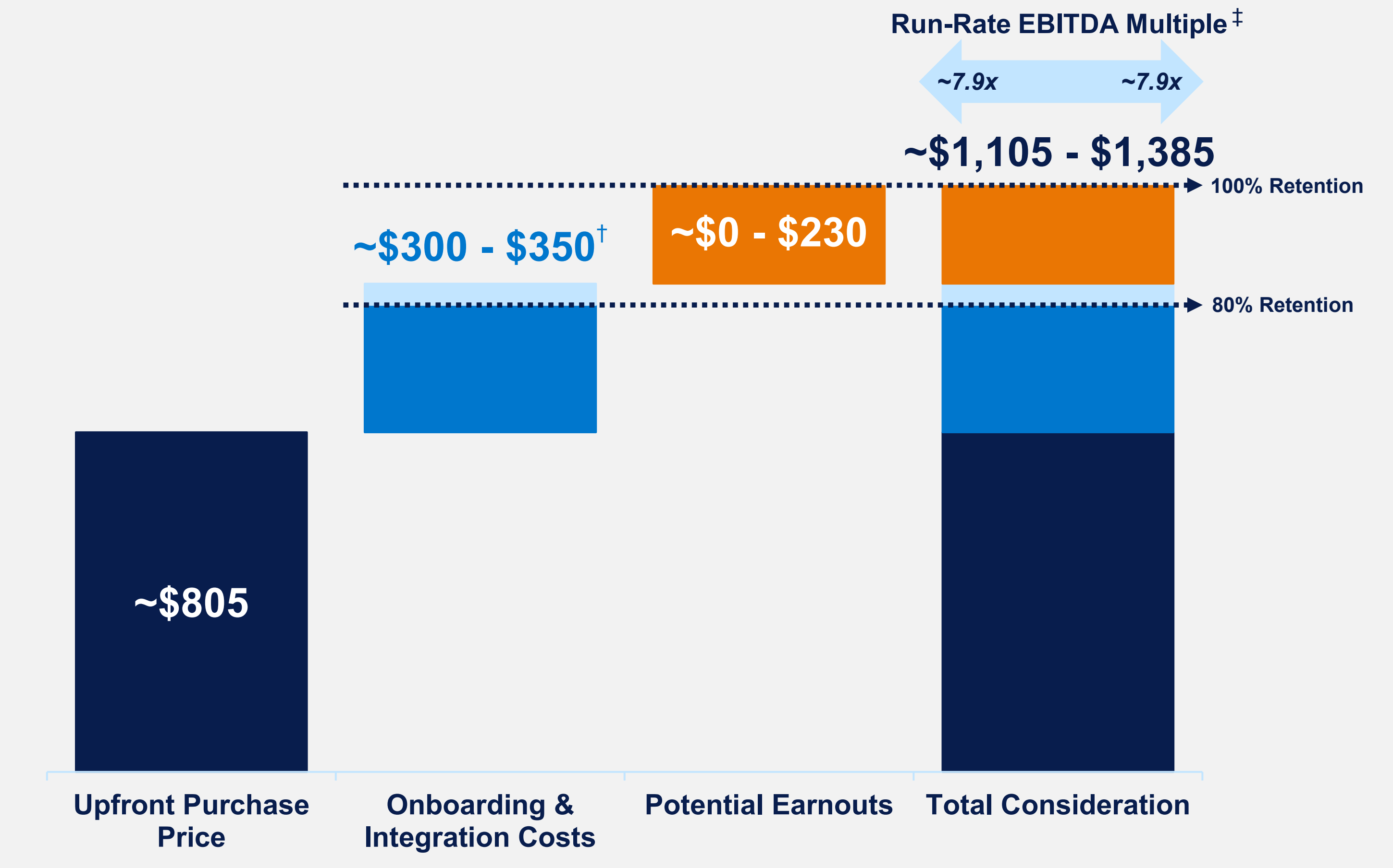
We estimate reaching an annual EBITDA* benefit of ~$140M when fully ramped



† Upon close of the transaction, acquired base-line EBITDA is expected to be ~$65M. Following completion of onboarding and integration of Atria, revenue and expense synergies are expected to result in run-rate EBITDA of ~$140M.

Total Consideration and Leverage Overview

Total Purchase Price ($M)



Pro Forma Leverage Ratio(2)

† Estimated onboarding and integration costs are based on retention ranging from 80% to 100%.

‡ Estimated run-rate EBITDA* accretion of ~$140M based on Atria Advisors' assets as of 12/31/2023 and ~80% retention; increases with higher levels of asset retention; and is burdened by amortization from transition assistance loans.

APPENDIX

Reconciliation

Net Income to EBITDA* and Credit Agreement EBITDA*

EBITDA* and Credit Agreement EBITDA* are non-GAAP financial measures. Please see a description of EBITDA* and Credit Agreement EBITDA* under “Non-GAAP Financial Measures” on page 3 of this presentation for additional information.

Below are reconciliations of the Company’s net income to EBITDA* and Credit Agreement EBITDA* for the periods presented herein:

$ in millions	**2023**
Net income	**$1,066**
Interest expense on borrowings	187
Provision for income taxes	379
Depreciation and amortization	247
Amortization of other intangibles	107
EBITDA	**$1,986**
Credit Agreement adjustments	209
Credit Agreement EBITDA	**$2,195**
Total debt	3,757
Total corporate cash	184
Credit Agreement Net Debt	**$3,574**
Leverage Ratio	**1.63x**

Note: Totals may not foot due to rounding.

Endnotes

(1) Estimated market sizing based on 2023 Cerulli reports, unless otherwise noted. Below are reconciliations of each market:

Traditional Market	RIA Market	Employee Channel	Enterprise Channel
Independent B/D	Hybrid RIA	National & Regional B/D	Insurance B/D
	Independent RIA	Wirehouse	Bank Trust
		(-) Adj. to avoid double-counting Boutique B/D	Product Manufacturers*
			Boutique B/D*
			Retail bank B/D
			(-) Adj. to Retail bank B/D: Chase & Wells Fargo

* Estimated market sizing based on LPL estimates. Product Manufacturers defined as fund companies with an adjacent traditional wealth management business serving individuals. Boutique B/D defined as National & Regional B/Ds with less than $50B AUM, which we view as an Enterprise market opportunity

(2) The company calculates its leverage ratio as total debt less total corporate cash, divided by Credit Agreement EBITDA for the trailing twelve months.