

Q1/22 Results

April 29, 2022



Forward looking statements

This presentation contains forward-looking statements that are based on our management's beliefs and assumptions and on information currently available to our management. Although we believe that the expectations reflected in these forward-looking statements are reasonable, these statements relate to future events or our future financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "continue" or the negative of these terms or other comparable terminology. These statements are only predictions. You should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which are, in some cases, beyond our control and which could materially affect results. Factors that may cause actual results to differ materially from current expectations include, among other things, the risks described below. If one or more of these or other risks or uncertainties occur, or if our underlying assumptions prove to be incorrect, actual events or results may vary significantly from those implied or projected by the forward-looking statements. No forward-looking statement is a guarantee of future performance. You should read this press release completely and with the understanding that our actual future results may be materially different from any future results expressed or implied by these forward-looking statements.

In particular, forward-looking statements in this press release may include statements about: the ultimate duration of the COVID-19 pandemic, or the war in Ukraine, and its short-term and long-term impact on our business and the global economy; anticipated trends, conditions and investor sentiment in the global markets and ETPs; anticipated levels of inflows into and outflows out of our ETPs; our ability to deliver favorable rates of return to investors; competition in our business; whether we will experience future growth; our ability to develop new products and services; our ability to maintain current vendors or find new vendors to provide services to us at favorable costs; our ability to successfully implement our digital assets strategy, including WisdomTree Prime, and achieve its objectives; our ability to successfully operate and expand our business in non-U.S. markets; and the effect of laws and regulations that apply to our business.

Our business is subject to many risks and uncertainties, including without limitation:

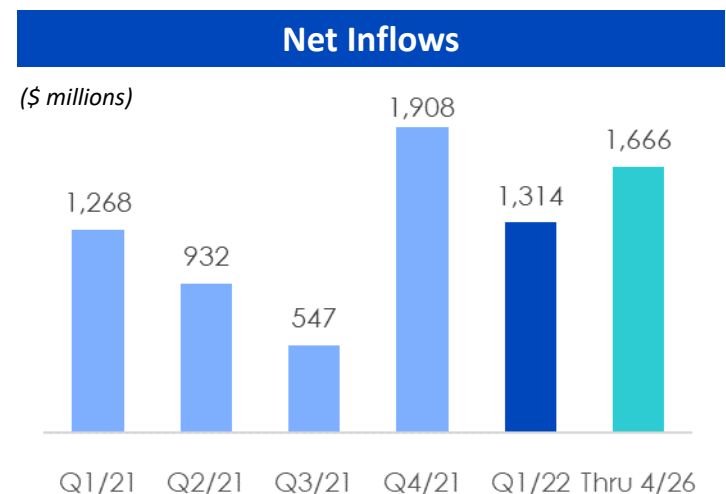
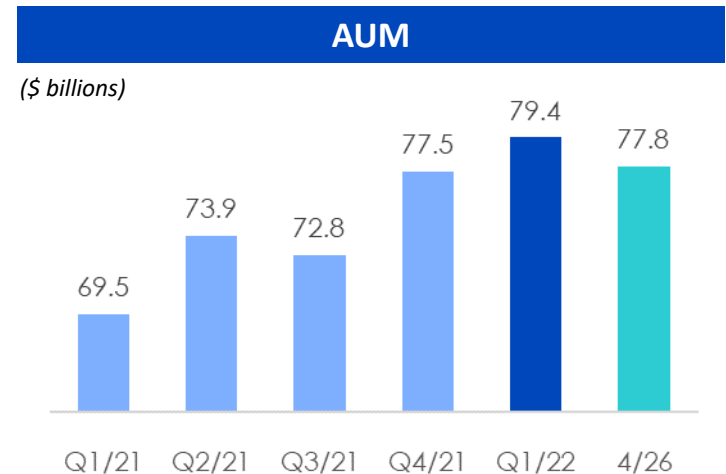
- adverse market developments arising from the COVID-19 pandemic could negatively impact our assets under management, resulting in a decline in our revenues and other potential operational challenges;
- declining prices of securities, gold and other precious metals and other commodities can adversely affect our business by reducing the market value of the assets we manage or causing WisdomTree ETP investors to sell their fund shares and trigger redemptions;
- fluctuations in the amount and mix of our AUM, whether caused by disruptions in the financial markets or otherwise including but not limited to a pandemic event such as COVID-19, or the war in Ukraine, may negatively impact revenues and operating margins, and may impede our ability to refinance our debt upon maturity or increase the cost of borrowing upon a refinancing;
- competitive pressures could reduce revenues and profit margins;
- we derive a substantial portion of our revenues from a limited number of products, and as a result, our operating results are particularly exposed to investor sentiment toward investing in the products' strategies and our ability to maintain the AUM of these products, as well as the performance of these products and market-specific and political and economic risk;
- a significant portion of our AUM is held in products with exposure to U.S. and international developed markets and we therefore have exposure to domestic and foreign market conditions and are subject to currency exchange rate risks;
- withdrawals or broad changes in investments in our ETPs by investors with significant positions may negatively impact revenues and operating margins;
- over the last few years, we have expanded our business internationally. This expansion subjects us to increased operational, regulatory, financial and other risks;
- many of our ETPs have a limited track record, and poor investment performance could cause our revenues to decline;
- we depend on third parties to provide many critical services to operate our business and our ETPs. The failure of key vendors to adequately provide such services could materially affect our operating business and harm WisdomTree ETP investors; and
- actions of activist stockholders, such as ETF Capital Limited and Lion Point Capital, LP, against us have been costly and may be disruptive and cause uncertainty about the strategic direction of our business.

Other factors, such as general economic conditions, including currency exchange rate fluctuations, also may have an effect on the results of our operations. For a more complete description of the risks noted above and other risks that could cause our actual results to differ from our current expectations, please see the section entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2021.

The forward-looking statements in this presentation represent our views as of the date of this presentation. We anticipate that subsequent events and developments may cause our views to change. However, while we may elect to update these forward-looking statements at some point in the future, we have no current intention of doing so except to the extent required by applicable law. Therefore, these forward-looking statements do not represent our views as of any date other than the date of this presentation.

Q1/22 Highlights

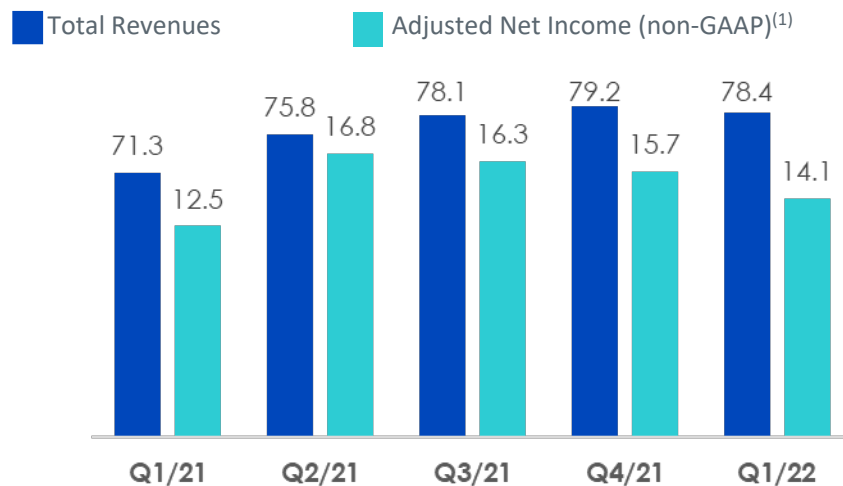
- + AUM of \$79.4b (2nd consecutive record), up 2.5% from net inflows and positive market movement
- + Net inflows of \$1.3b for the quarter:
 - Fixed income: +\$1.2b
 - U.S. equity: +\$779m
 - Commodity & Currency: -\$1.1b of outflows (gold and oil)
- + Annualized organic growth rate of 7% through Q1
- + Other achievements:
 - 6 straight quarters of net inflows globally
 - U.S. inflows for 20 of the last 21 months (\$2.3b in the quarter)
 - UCITS inflows of \$587m, an 18-month inflow streak
- + Momentum continues into Q2:
 - AUM: \$77.8b
 - Inflows: \$1.7b
 - YTD annualized organic growth rate of 12%



Revenues and Earnings Results

Revenue, Income, Operating Margin, EPS

(\$ millions)

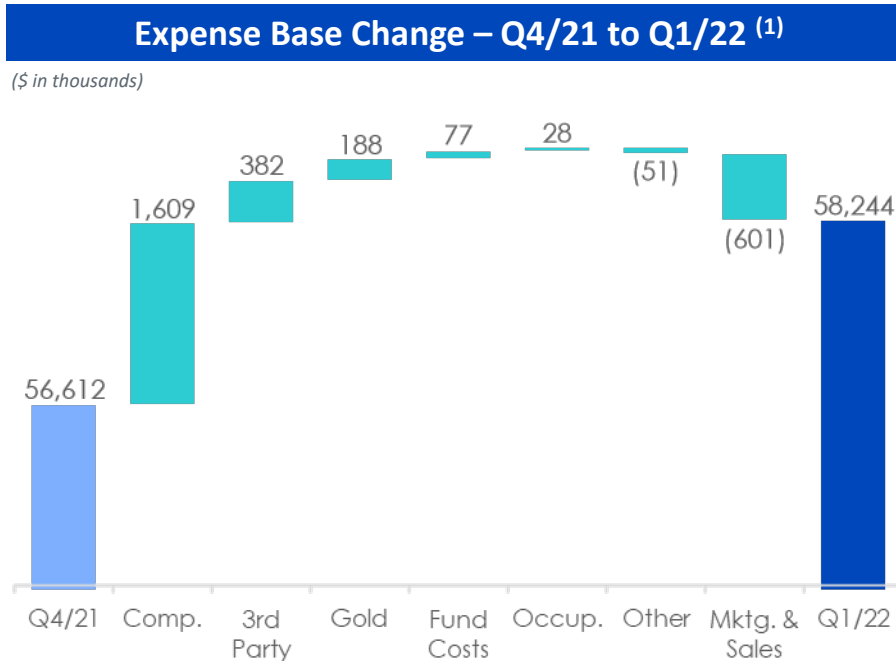


Adjusted operating margin (non-GAAP) ⁽¹⁾ :	26.1%	31.3%	31.0%	28.5%	25.7%
Adjusted EPS (non-GAAP) ⁽¹⁾ :	\$0.08	\$0.10	\$0.10	\$0.10	\$0.09
Net income/ (loss):	\$15.1	\$17.6	\$5.8	\$11.2	(\$10.3)
EPS:	\$0.09	\$0.11	\$0.04	\$0.07	(\$0.08)

Highlights/Unusual Items

- + Revenues decreased 1.0% due to two fewer revenue days, partly offset by higher average AUM
- + Seasonally higher payroll taxes in connection with payment of year-end bonuses
- + \$17.0m after tax, non-cash loss associated with revaluation of deferred consideration (gold payment) and \$5.2m after tax, other net non-operating losses
- + \$2.4m of non-recurring expenses in response to an activist campaign by ETFs Capital Limited and Lion Point Capital, LP

Seasonal Expense Lift, but Well-Controlled Discretionary Spending



Discretionary spending includes marketing, sales, professional fees, occupancy & equipment, depreciation & amortization, other

- + Seasonally higher payroll taxes in connection with payment of year-end bonuses
- + Higher third-party distribution fees from European platforms
- + Discretionary spending of \$11.3m is well-controlled and 5% lower than prior quarter

2022 Expense Guidance

Expense Item	2022 Guidance	Q1 2022 Actual
Compensation	\$92m-\$102m	\$24.8m
Discretionary Spending ⁽¹⁾	\$49m-\$57m	\$11.3m
Gross Margin	80%-81%	80.2%
Contractual Gold Payments	\$18m-\$19m	\$4.5m
Third-Party Distribution	\$9.5m	\$2.2m
Adjusted Tax Rate	21%-22%	20.4%

Discretionary spending includes marketing, sales, professional fees, occupancy & equipment, depreciation & amortization, other

- + Compensation anticipated to trend toward high-end of guidance range if strong organic growth persists
- + Discretionary spending guidance is unchanged and presumes pandemic dissipates and spending migrates toward pre-pandemic levels. Increase also influenced by forecasted Digital Assets spend.
- + Digital Assets spend of \$9m to \$14m included in guidance (compensation & discretionary), depending upon timing of WisdomTree Prime™ rollout and additional products and features to be launched.
- + Contractual gold payments expense guidance increased from \$17m due to current gold prices
- + Other expense guidance unchanged:
 - Gross margin
 - Third-party distribution
 - Adjusted tax rate



(1) 2022 guidance and Q1 2022 actuals exclude non-recurring expenses in response to an activist campaign by ETFs Capital Limited and Lion Point Capital, LP

Capital Management

- + **Fundamental Commitment to Maintaining our Dividend**
- + **Debt Management**
 - \$175m of convertible notes scheduled to mature in June 2023
 - Anticipate partial paydown and refinancing
 - Magnitude of reduction dependent on capital needs and investment opportunities
- + **Stock Buyback**
 - Liquidity to consider opportunistically
 - Repurchases of 13m shares (\$68m) over the last two years
 - Further buybacks potentially in connection with convertible note refinancing (balanced with optimizing debt and investing strategically in growth)

Past Investments are Paying Off Today

Data & Technology

- + Hired Dave Yates as Chief Information Officer
- + Overhauled and streamlined CRM system
- + Formed strategic partnerships with wealth platforms
- + Built robust analytics and surveillance systems

RESULT:

- + More effective client service and outreach
- + Improved tech stack that enable seamless remote first transition

Advisor Solutions

- + Developed best-in-class Digital Portfolio Developer (DPD) tools
- + Launched the Model Adoption Center (MAC) to help onboard advisors & clients into model portfolios
- + New outsourced model portfolio construction & trading for RIAs and IBDs

RESULT:

- + Enhanced WisdomTree's utility to advisor clients
- + Managed Model franchise is a key driver of organic growth going forward

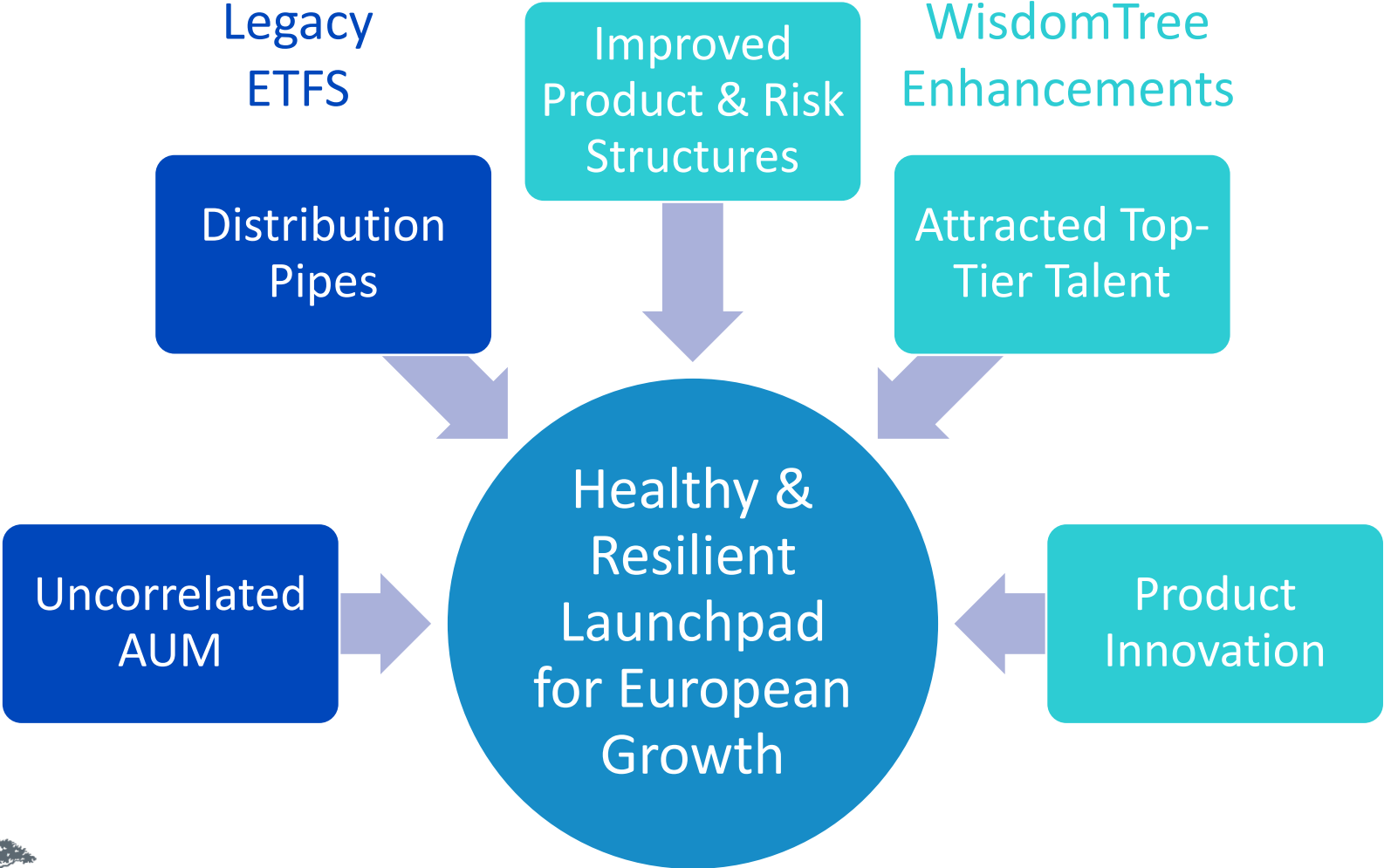
European Platform

- + Acquired & integrated two European asset management platforms
- + Boost deal brought talent
- + ETFs brought diversified AUM & distribution pipes
- + Post-deals, WisdomTree injected innovation and life into the combined platform

RESULT:

- + Uncorrelated assets aided Q1 AUM growth
- + Allowed launch of UCITS that have grown to over \$4b today

Enhancements to European Platform Set the Table for Today's Success



WisdomTree's Growth Algorithm

1

Ongoing Inflow Momentum as
AUM is Levered to Attractive
Investment Themes

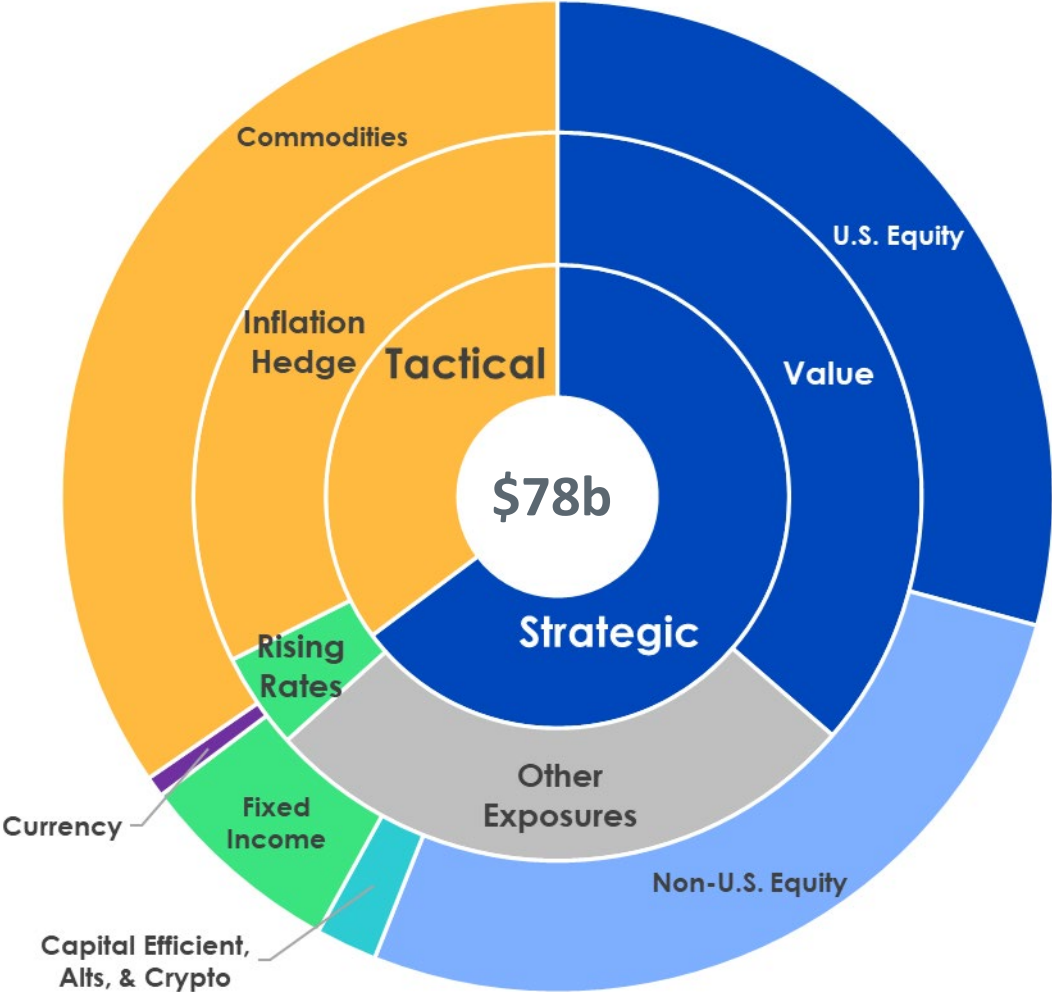
2

Add 'Stickier' Inflows from
Expanding & Deepening
Managed Model Relationships

3

Early Mover into Digital Assets
Charts a Course for Accelerated
Long-Term Growth

WisdomTree's AUM is Balanced & Levered to Current Investment Themes



WisdomTree's Growth Algorithm

1

Ongoing Inflow Momentum as
AUM is Levered to Attractive
Investment Themes

2

Add 'Stickier' Inflows from
Expanding & Deepening
Managed Model Relationships

3

Early Mover into Digital Assets
Charts a Course for Accelerated
Long-Term Growth

Expanding Footprint in Managed Models is Additive to Organic Growth

WisdomTree's Managed Models Franchise

Greater
Share of
Advisor
Wallets

'Stickier'
Inflows &
AUM

'Stackable' on
top of
WisdomTree's
Current Inflows

Expanding managed model
provider partners & deepening
current partner relationships

Offering New
Growth Oriented
Advisor Services

Supports & Accelerates WisdomTree's Organic Growth

WisdomTree's Growth Algorithm

1

Ongoing Inflow Momentum as
AUM is Levered to Attractive
Investment Themes

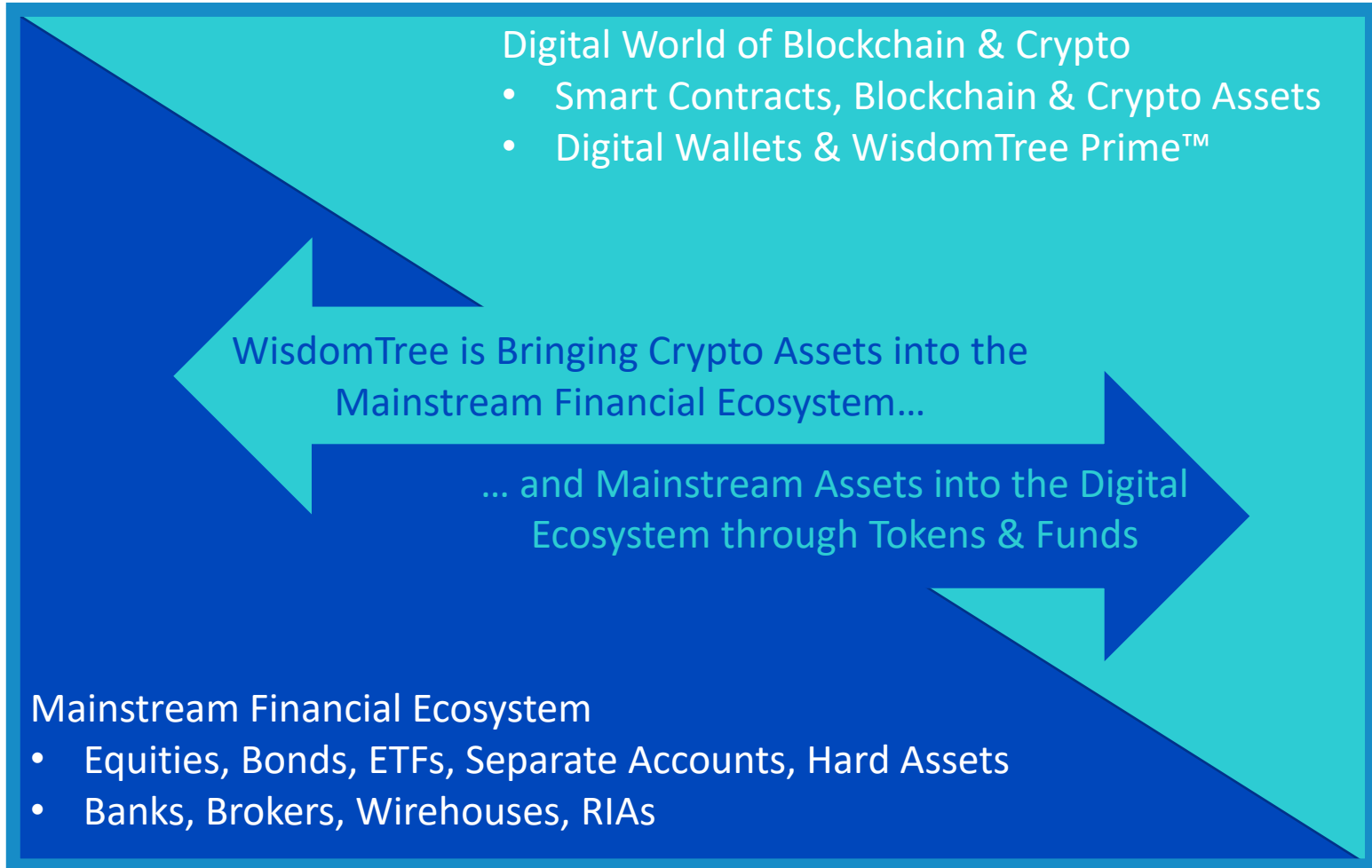
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Add 'Stickier' Inflows from
Expanding & Deepening
Managed Model Relationships

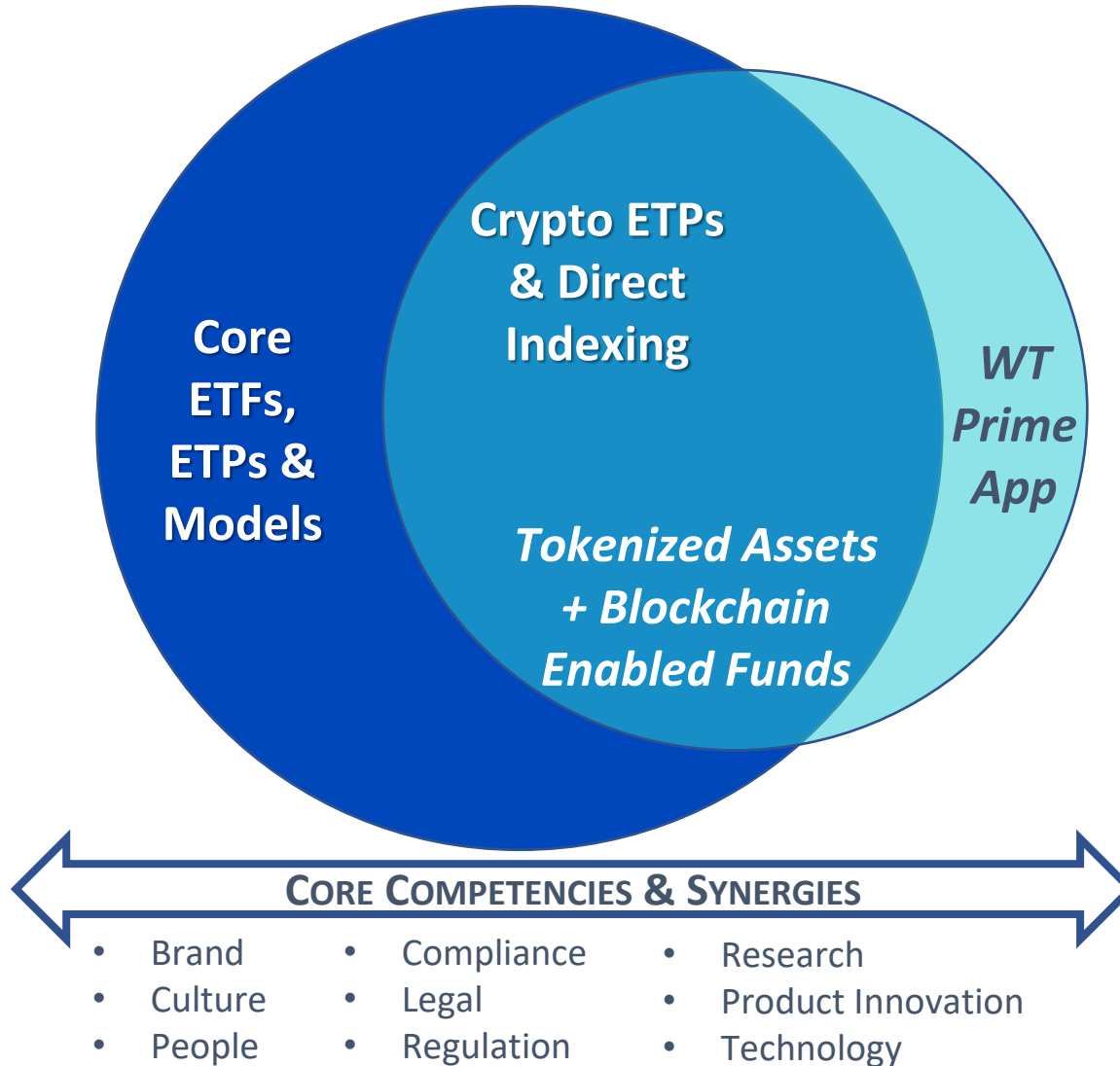
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Early Mover into Digital Assets
Charts a Course for Accelerated
Long-Term Growth

WisdomTree's Digital Assets Strategy Simplified

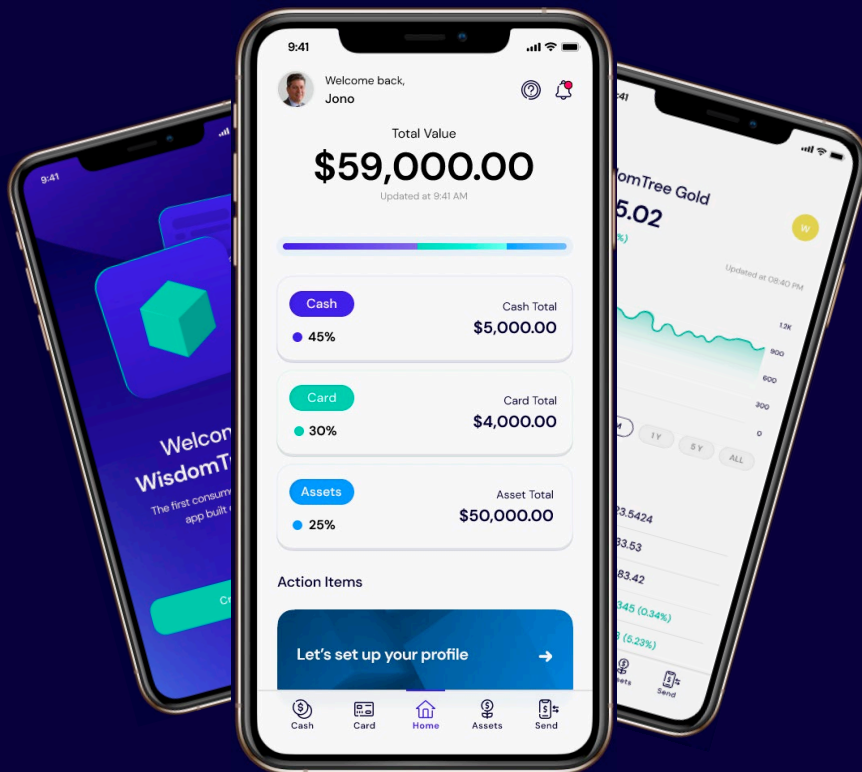


Early Mover into Digital Assets is an Extension of our Core Capabilities



Introducing WisdomTree Prime.

The new digital wallet, built on blockchain, that lets you **spend, save, transfer, send, and invest** digital assets like bitcoin, U.S. dollar tokens, Gold tokens, and more.



Do more with *one* digital wallet.

- Save
- Spend
- Invest
- Pay back your Buddy
- Buy a Latte
- Send Dollar or Gold tokens to your Mom and Dad

WisdomTree is a Multifaceted Growth Story



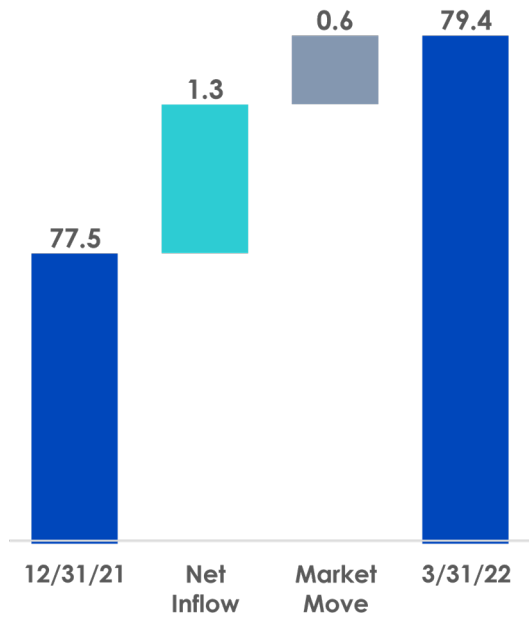
Q&A

Appendix

AUM and Net Inflows

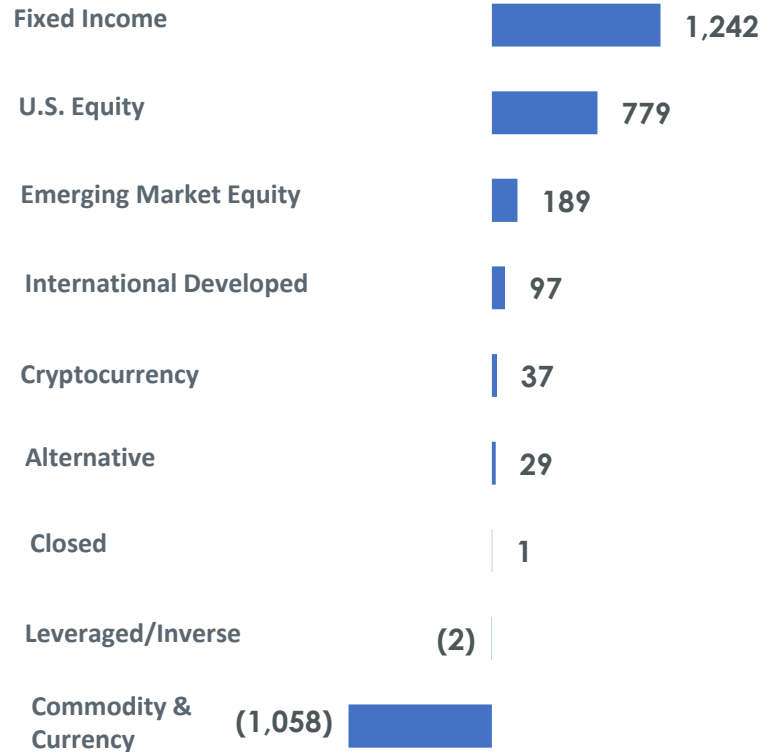
Quarterly ETF AUM Change

(\$ billions)



Q1/22 Net Flows by Category

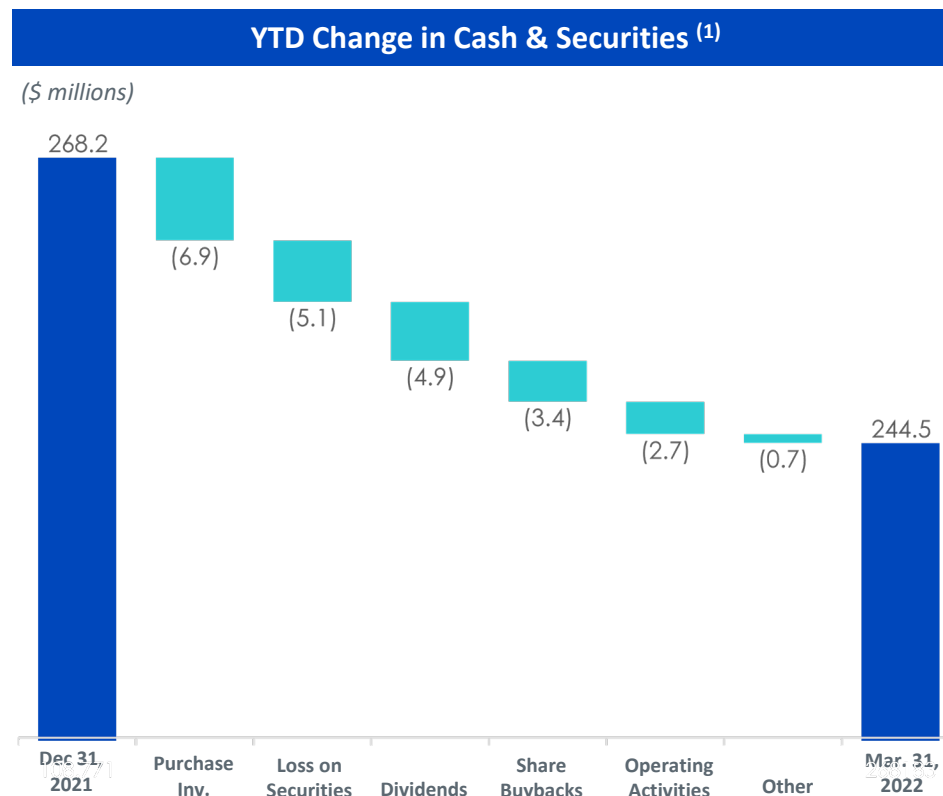
(\$ millions)



Balance Sheet

Balance Sheet		
(\$ millions)	Mar. 31, 2022	Dec. 31, 2021
Assets		
Cash and securities ⁽¹⁾	\$244.5	\$268.2
Investments	20.9	14.2
Accounts receivable	35.2	32.1
Deferred tax asset, net	3.8	8.9
Fixed assets, net	0.6	0.6
Goodwill and intangibles	687.1	687.1
Other assets	8.9	26.8
Total assets	\$1,001.0	\$1,037.9
Liabilities		
Fund management and administration	\$23.8	\$20.7
Compensation and benefits	9.0	32.8
Accounts payable and other liabilities	16.6	9.3
Convertible notes	319.3	318.6
Deferred consideration (gold payments)	245.2	228.0
Lease Liabilities	0.4	0.3
Other non-current liabilities	0.7	26.2
Total liabilities	615.0	635.9
Preferred stock	132.6	132.6
Stockholders' equity	253.4	269.4
Total liabilities and stockholders' equity	\$1,001.0	\$1,037.9

(1) Includes securities owned and securities held to maturity



Convertible Notes - EPS

Incremental shares issuable when conversion spread is positive are included in diluted EPS computation. Q1 2022 computations shown below:

	<u>Issued 2020 \$175M Notes</u>	<u>Issued 2021 \$150M Notes</u>
<u>Conversion Spread</u>		
WETF Avg Price in Qtr	\$5.71	\$5.71
<u>Conversion Price</u>	<u>\$5.92</u>	<u>\$11.04</u>
Conversion spread:	\$0.00	\$0.00
<u>Potential Shares</u>		
Conversion spread:	\$0.00	\$0.00
<u>Underlying shares (1):</u>	<u>29,560,811</u>	<u>13,586,957</u>
Subtotal - Dilutive \$:	-	-
<u>WETF Avg Price in Qtr</u>	<u>\$5.71</u>	<u>\$5.71</u>
Dilutive Shares - Current Qtr	-	-

(1) Represents principal divided by conversion price

Consolidated Financial Results

	2021				2022
	Q1	Q2	Q3	Q4	Q1
Revenues					
Advisory fees	\$ 70,042	\$ 74,169	\$ 76,400	\$ 77,441	\$ 76,517
Other income	1,214	1,606	1,712	1,734	1,851
Total revenues	71,256	75,775	78,112	79,175	78,368
Expenses					
Compensation and benefits	22,627	20,331	22,027	23,178	24,787
Fund management and administration	13,947	14,367	15,181	15,417	15,494
Marketing and advertising	3,006	3,594	2,925	4,565	4,023
Sales and business development	2,145	2,159	2,935	2,668	2,609
Contractual gold payments	4,270	4,314	4,250	4,262	4,450
Professional and consulting fees	2,013	1,921	1,583	2,099	4,459
Occupancy, communications and equipment	1,475	1,266	1,163	725	753
Depreciation and amortization	252	256	185	45	47
Third-party distribution fees	1,343	2,130	1,873	1,830	2,212
Other	1,571	1,752	1,787	1,823	1,845
Total expenses	52,649	52,090	53,909	56,612	60,679
Operating Income					
	18,607	23,685	24,203	22,563	17,689
Interest Expense	(2,296)	(2,567)	(3,729)	(3,740)	(3,732)
Gain/(loss) on revaluation of deferred consideration	2,832	497	1,737	(3,048)	(17,018)
Interest Income	231	225	689	864	794
Impairments	(303)	--	(15,853)	--	--
Debt extinguishment	--	--	--	--	--
Other gains/(losses)	(5,893)	49	(714)	(1,368)	(24,707)
Income/(loss) before taxes	13,178	21,889	6,333	15,271	(26,974)
Income tax (benefit)/expense	(1,969)	4,259	500	4,084	(16,713)
Net Income/(loss)	\$ 15,147	\$ 17,630	\$ 5,833	\$ 11,187	\$ (10,261)
As adjusted (non-GAAP)					
Total operating expenses	\$ 52,649	\$ 52,090	\$ 53,909	\$ 56,612	\$ 58,244
Operating income	\$ 18,607	\$ 23,685	\$ 24,203	\$ 22,563	\$ 20,124
Income before income taxes	\$ 15,583	\$ 21,253	\$ 20,991	\$ 19,968	\$ 17,674
Income tax expense	\$ 3,079	\$ 4,458	\$ 4,674	\$ 4,232	\$ 3,888
Net income	\$ 12,504	\$ 16,795	\$ 16,317	\$ 15,736	\$ 13,786
Earnings per share - diluted	\$ 0.08	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.09



Non-GAAP financial measurements

In an effort to provide additional information regarding our results as determined by GAAP, we also disclose certain non-GAAP information which we believe provides useful and meaningful information. Our management reviews these non-GAAP financial measurements when evaluating our financial performance and results of operations; therefore, we believe it is useful to provide information with respect to these non-GAAP measurements so as to share this perspective of management. Non-GAAP measurements do not have any standardized meaning, do not replace nor are superior to GAAP financial measurements and are unlikely to be comparable to similar measures presented by other companies. These non-GAAP financial measurements should be considered in the context with our GAAP results. The non-GAAP financial measurements contained in this release include:

- *Adjusted operating income, operating expenses, income before income taxes, income tax expense, net income and diluted earnings per share.* We disclose adjusted operating income, operating expenses, income before income taxes, income tax expense, net income and diluted earnings per share as non-GAAP financial measurements in order to report our results exclusive of items that are non-recurring or not core to our operating business. We believe presenting these non-GAAP financial measurements provides investors with a consistent way to analyze our performance. These non-GAAP financial measurements exclude the following:
 - *Unrealized gains or losses on the revaluation of deferred consideration:* Deferred consideration is an obligation we assumed in connection with the ETFs acquisition that is carried at fair value. This item represents the present value of an obligation to pay fixed ounces of gold into perpetuity and is measured using forward-looking gold prices. Changes in the forward-looking price of gold and changes in the discount rate used to compute the present value of the annual payment obligations may have a material impact on the carrying value of the deferred consideration and our reported financial results. We exclude this item when calculating our non-GAAP financial measurements as it is not core to our operating business. The item is not adjusted for income taxes as the obligation was assumed by a wholly-owned subsidiary of ours that is based in Jersey, a jurisdiction where we are subject to a zero percent tax rate.
 - *Gains or losses on securities owned:* We account for our securities owned as trading securities which requires these instruments to be measured at fair value with gains and losses reported in net income. In the third quarter of 2021, we began excluding these items when calculating our non-GAAP financial measurements as these securities have become a more meaningful percentage of total assets and the gains and losses introduce volatility in earnings and are not core to our operating business.
 - *Tax windfalls and shortfalls upon vesting and exercise of stock-based compensation awards:* GAAP requires the recognition of tax windfalls and shortfalls within income tax expense. These items arise upon the vesting and exercise of stock-based compensation awards and the magnitude is directly correlated to the number of awards vesting/exercised as well as the difference between the price of our stock on the date the award was granted and the date the award vested or was exercised. We exclude these items when calculating our non-GAAP financial measurements as they introduce volatility in earnings and are not core to our operating business.
 - *Other items:* Unrealized gains and losses recognized on our investments, changes in the deferred tax asset valuation allowance on securities owned, expenses incurred in response to an activist campaign, impairment charges and the remeasurement of contingent consideration payable to us from the sale of our former Canadian ETF business.
- *Adjusted effective income tax rate.* We disclose our adjusted effective income tax rate as a non-GAAP financial measurement in order to report our effective income tax rate exclusive of items that are non-recurring or not core to our operating business. We believe reporting our adjusted effective income tax rate provides investors with a consistent way to analyze our income taxes. Our adjusted effective income tax rate is calculated by dividing adjusted income tax expense by adjusted income before income taxes. See above for information regarding the items that are excluded.
- *Gross margin and gross margin percentage.* We disclose our gross margin and gross margin percentage as non-GAAP financial measurements because we believe they provide investors with a consistent way to analyze the amount we retain after paying third-party service providers to operate our ETPs. These measures also assist us in analyzing the profitability of our products. We define gross margin as total operating revenues less fund management and administration expenses. Gross margin percentage is calculated as gross margin divided by total operating revenues.

Non-GAAP reconciliation to GAAP results

(\$ in thousands) Unaudited	Three Months Ended				
	Mar. 31	Dec. 31	Sept. 30	Jun. 30	Mar. 31
	2022	2021	2021	2021	2021
Adjusted net income and diluted earnings per share:					
Net (loss)/income, as reported	\$ (10,261)	\$ 11,187	\$ 5,833	\$ 17,630	\$ 15,147
Deduct/Add back: Loss/(gain) on revaluation of deferred consideration	17,018	3,048	(1,737)	(497)	(2,832)
Add back: Increase in deferred tax asset valuation allowance on securities owned	2,010	--	--	--	--
Add back: Losses on securities owned, net of income taxes	3,893	1,501	1,006	--	--
Add back: Expenses incurred in response to the activist campaign, net of income taxes	1,844	--	--	--	--
Deduct/Add back: Tax (windfalls)/shortfalls upon vesting and	(565)	--	--	(233)	123
Add back/Deduct: Unrealized loss/(gain) recognized on our investments, net of income taxes	124	--	--	(105)	(179)
Add back: Impairments, net of income taxes (where applicable)	--	--	12,002	--	245
Add back: Remeasurement of contingent consideration - sale of former Canadian ETF business	--	--	(787)	--	--
Adjusted net income	\$ 14,063	\$ 15,736	\$ 16,317	\$ 16,795	\$ 12,504
Weighted average common share - diluted	158,335	159,826	159,213	164,855	161,831
Adjusted earnings per share - diluted	\$0.09	\$0.10	\$0.10	\$0.10	\$0.08

(\$ in thousands) Unaudited	Three Months Ended				
	Mar. 31	Dec. 31	Sept. 30	Jun. 30	Mar. 31
	2022	2021	2021	2021	2021
Gross Margin and Gross Margin Percentage					
Operating Revenues	\$ 78,368	\$ 79,175	\$ 78,112	\$ 75,775	\$ 71,256
Deduct: Fund management and administration	(15,494)	(15,417)	(15,181)	(14,367)	(13,947)
Gross margin	\$ 62,874	\$ 63,758	\$ 62,931	\$ 61,408	\$ 57,309
Gross margin percentage	80.2%	80.5%	80.6%	81.0%	80.4%

(\$ in thousands) Unaudited	Three Months Ended				
	Mar. 31	Dec. 31	Sept. 30	Jun. 30	Mar. 31
	2022	2021	2021	2021	2021
Adjusted Operating Income and Operating Income Margin					
Operating Revenues	\$ 78,368	\$ 79,175	\$ 78,112	\$ 75,775	\$ 71,256
Operating income	\$ 17,689	\$ 22,563	\$ 24,203	\$ 23,685	\$ 18,607
Add back: Expenses incurred in response to the activist campaign	2,435	--	--	--	--
Adjusted operating income	\$ 20,124	\$ 22,563	\$ 24,203	\$ 23,685	\$ 18,607
Adjusted operating income margin	25.7%	28.5%	31.0%	31.3%	26.1%

(\$ in thousands) Unaudited	Three Months Ended				
	Mar. 31	Dec. 31	Sept. 30	Jun. 30	Mar. 31
	2022	2021	2021	2021	2021
Adjusted Total Operating Expenses					
Total operating expenses	\$ 60,679	\$ 56,612	\$ 53,909	\$ 52,090	\$ 52,649
Deduct: Expenses incurred in response to the activist campaign	(2,435)	--	--	--	--
Adjusted operating expenses	\$ 58,244	\$ 56,612	\$ 53,909	\$ 52,090	\$ 52,649

(\$ in thousands) Unaudited	Three Months Ended				
	Mar. 31	Dec. 31	Sept. 30	Jun. 30	Mar. 31
	2022	2021	2021	2021	2021
Adjusted Effective Income Tax Rate					
(Loss)/income before income taxes	\$ (26,974)	\$ 15,271	\$ 6,333	\$ 21,889	\$ 13,178
Deduct/Add back: Loss/(gain) on revaluation of deferred consideration	17,018	3,048	(1,737)	(497)	(2,832)
Add back: Loss recognized upon reduction of tax-related indemnification asset	19,890	--	--	--	5,171
Add back: Losses on securities owned, before income taxes	5,142	1,649	1,329	--	--
Add back: Expenses incurred in response to the activist campaign	2,435	--	--	--	--
Deduct: Unrealized (loss)/gain recognized on investments	163	--	--	(139)	(237)
Add back: Impairments, before income tax	--	--	15,853	--	303
Add back: Remeasurement of contingent consideration - sale of former Canadian ETF business	--	--	(787)	--	--
Adjusted income before income taxes	\$ 17,674	\$ 19,968	\$ 20,991	\$ 21,253	\$ 15,583
Income tax (benefit)/expense	\$ (16,713)	\$ 4,084	\$ 500	\$ 4,259	\$ (1,969)
Add back: Tax benefit arising from reduction of a tax-related indemnification asset	19,890	--	--	--	5,171
Deduct: Increase in deferred tax asset valuation allowance on securities owned	(2,010)	--	--	--	--
Add back: Tax benefit arising from losses on securities owned	1,249	148	323	--	--
Add back: Tax benefit arising from expenses incurred in response to the activist campaign	591	--	--	--	--
Add back/(deduct): tax benefit/(expense) on unrealized losses and gains on investments	39	--	--	(34)	(58)
Add back: Tax benefit arising from impairments	--	--	3,851	--	58
Add back/(deduct): Tax windfalls/(shortfalls) upon vesting and exercise of stock-based compensation awards	565	--	--	233	(123)
Adjusted income tax expense	\$ 3,611	\$ 4,232	\$ 4,674	\$ 4,458	\$ 3,079
Adjusted effective income tax rate	20.4%	21.2%	22.3%	21.0%	19.8%



Reconciliation of US GAAP to Non-GAAP results

Three Months ended March 31, 2022

	US GAAP	Loss on Deferred Consideration	Reduction of Tax Indemn.	Deferred Tax Val. Allowance	Loss on Sec. Owned	Activist Campaign Exp.	Loss on Investments	Tax Windfalls	Non-GAAP
Revenues									
Advisory fees	\$ 76,517	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76,517
Other income	1,851	-	-	-	-	-	-	-	1,851
Total revenues	<u>78,368</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>78,368</u>
Expenses									
Compensation and benefits	24,787	-	-	-	-	-	-	-	24,787
Fund mgmt. & admin.	15,494	-	-	-	-	-	-	-	15,494
Marketing and advertising	4,023	-	-	-	-	-	-	-	4,023
Sales and business development	2,609	-	-	-	-	-	-	-	2,609
Contractual gold payments	4,450	-	-	-	-	-	-	-	4,450
Professional and consulting fees	4,459	-	-	-	-	(2,435)	-	-	2,024
Occ., commun. and equip.	753	-	-	-	-	-	-	-	753
Depr. and amort.	47	-	-	-	-	-	-	-	47
Third-party distribution fees	2,212	-	-	-	-	-	-	-	2,212
Other	1,845	-	-	-	-	-	-	-	1,845
Total expenses	<u>60,679</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,435)</u>	<u>-</u>	<u>-</u>	<u>58,244</u>
Operating Income	17,689	-	-	-	-	2,435	-	-	20,124
Interest Expense	(3,732)	-	-	-	-	-	-	-	(3,732)
(Loss)/gain on of def. consideration	(17,018)	17,018	-	-	-	-	-	-	-
Interest Income	794	-	-	-	-	-	-	-	794
Other gains/(losses)	(24,707)	-	19,890	-	5,142	-	163	-	488
(Loss)/income before taxes	<u>(26,974)</u>	<u>17,018</u>	<u>19,890</u>	<u>-</u>	<u>5,142</u>	<u>2,435</u>	<u>163</u>	<u>-</u>	<u>17,674</u>
Income tax (benefit)/expense	(16,713)	-	19,890	(2,010)	1,249	591	39	565	3,611
Net (loss)/income	<u>\$ (10,261)</u>	<u>\$ 17,018</u>	<u>\$ -</u>	<u>\$ 2,010</u>	<u>\$ 3,893</u>	<u>\$ 1,844</u>	<u>\$ 124</u>	<u>\$ (565)</u>	<u>\$ 14,063</u>



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