

Q3/22 Results

October 28, 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 strategy relating to digital assets and blockchain-enabled financial services, 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 against us have been costly and may be disruptive and cause uncertainty about the strategic direction of our business.

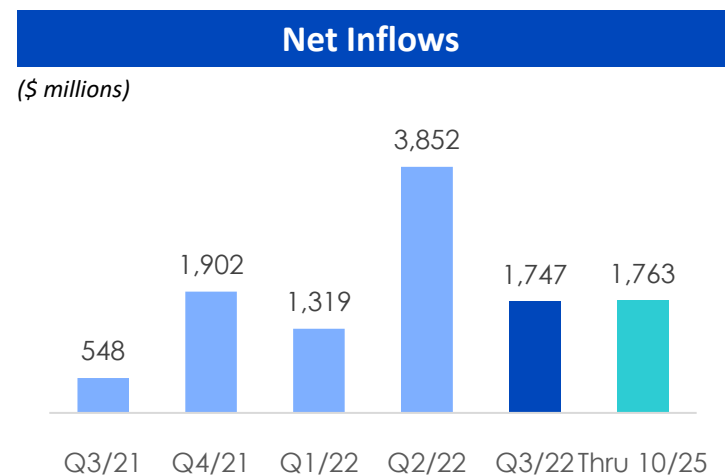
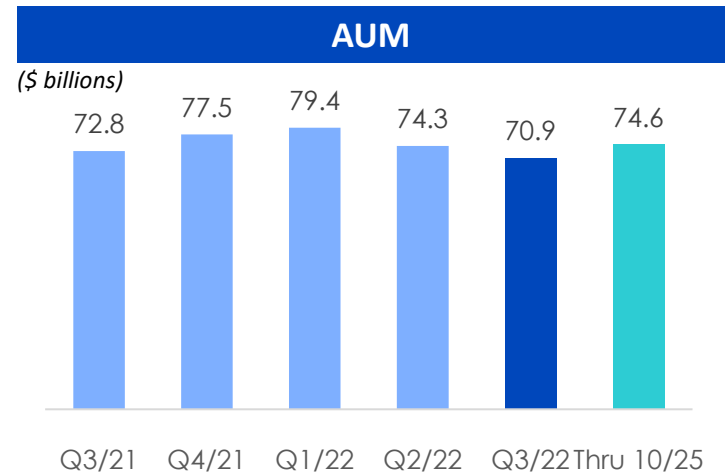
Other factors, such as general economic conditions, including currency exchange rate fluctuations, also may have an effect on the results of our operations. For a more complete description of the risks noted above and other risks that could cause our actual results to differ from our current expectations, see "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2021, as amended, and our Quarterly Report on Form 10-Q for the quarter ended June 30, 2022.

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.



Q3/22 Highlights

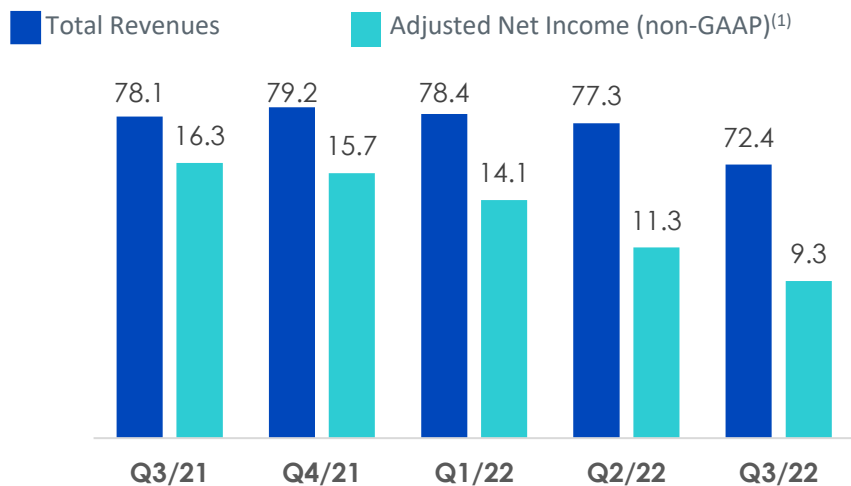
- + Net inflows of \$1.7b for the quarter primarily driven by inflows into fixed income and U.S. equity offset by outflows from commodities:
 - 8 straight quarters of net inflows globally
 - U.S. inflows for 26 of the last 27 months (\$3.8b in the quarter)
- + YTD annualized organic growth rate of 14%
 - Fixed Income 275%
 - U.S. Equity 13%
 - Commodities (19%)
- + AUM of \$70.9b, down 4.6% from negative market movement, partly offset by net inflows
- + Updated statistics (October):
 - AUM: \$74.6b, up 5% from September 30th
 - Inflows: \$1.8b
- + Cost control measures remain in effect



Revenues and Earnings Results

Revenue, Income, Operating Margin, EPS

(\$ millions)



Adjusted operating margin (non-GAAP) ⁽¹⁾ :	31.0%	28.5%	25.7%	23.1%	20.5%
Adjusted EPS (non-GAAP) ⁽¹⁾ :	\$0.10	\$0.10	\$0.09	\$0.07	\$0.06
Net income/ (loss):	\$5.8	\$11.2	(\$10.3)	\$8.5	\$81.2
EPS:	\$0.04	\$0.07	(\$0.08)	\$0.05	\$0.50

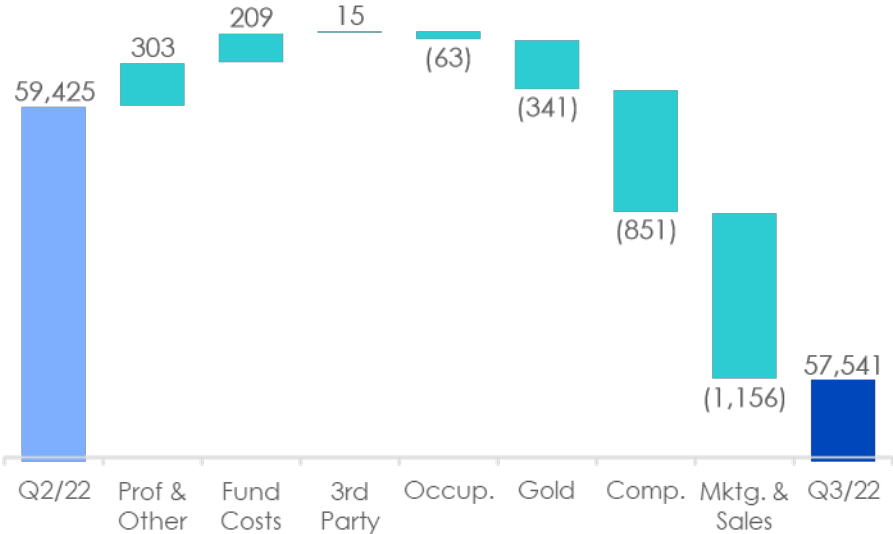
Highlights/Unusual Items

- + Revenues decreased 6.3% due to impact of negative market movement on our AUM and a lower average advisory fee
- + \$77.9m after tax, non-cash gain associated with revaluation of deferred consideration (gold payment) and \$6.0m after tax, other net non-operating losses

Expense Base - Rollforward

Expense Base Change – Q2/22 to Q3/22⁽¹⁾

(\$ in thousands)



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

- + Lower expenses driven primarily from lower incentive compensation accruals, lower marketing and sales-related expenses
- + Discretionary spending of \$11.6m (\$35.4m YTD)



(1) Q2/22 excludes non-recurring expenses of \$2,024 in response to an activist campaign; no such expenses were accrued in Q3/22

2022 Expense Guidance

Expense Item	Updated Guidance	Prior Guidance
Compensation	\$96m-\$99m	unchanged
Discretionary Spending ⁽¹⁾	\$50m-\$51m	\$51m-\$53m
Gross Margin (full year)	78%-79%	79%
Contractual Gold Payments	\$17m	unchanged
Third-Party Distribution	\$8.0m	\$8.5m
Adjusted Tax Rate	22%	21%-22%

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

- + Compensation and discretionary spending guidance previously updated in prior quarter to tighten and reduce the high-end of ranges as cost control measures were implemented
- + Discretionary spending reduction as we continue to manage expenses in the wake of the current market environment
- + Gross margin guidance now ranges from 78%-79% for the year at current AUM and flow levels
- + Lower third-party distribution costs given impact of current market conditions (lower AUM on platforms)
- + Tax rate update to consider adjustments identified when finalizing our 2021 tax returns

WisdomTree's Growth Algorithm

Ongoing Inflow Momentum as AUM is Levered to Attractive Investment Themes

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

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

Tap into Scale Benefits and Improving Margins as the Market Normalizes

Net Inflows are Strong and Diversified

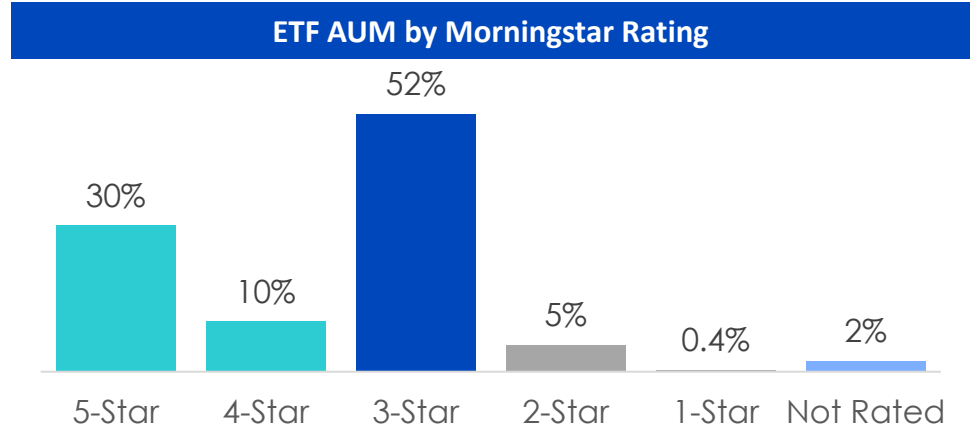
- + Best in class ~14% annualized pace of net inflows
- + \$8.5 billion of YTD net inflows, including 6 of 8 major product categories
 - U.S. Equity products inflowing at a 13% pace
 - Nearly \$10b in Fixed Income inflows

	Net Flows (\$m)		Annualized Flow Rate	
	Q3	YTD	Q3	YTD
<i>U.S. Equity</i>	\$1,239	\$2,497	23.3%	13.0%
<i>International Dev. Mkt Equity</i>	(\$115)	\$32	(4.6%)	0.3%
<i>Emerging Market Equity</i>	\$114	(\$20)	5.4%	(0.2%)
<i>Fixed Income</i>	\$2,628	\$9,621	113.4%	274.5%
<i>Commodity & Currency</i>	(\$2,179)	(\$3,817)	(36.6%)	(19.3%)
<i>Alternatives</i>	\$16	\$76	20.7%	36.1%
<i>Cryptocurrency</i>	\$0	\$41	1.2%	14.3%
<i>Leveraged & Inverse</i>	\$45	\$114	10.9%	8.0%
Total Net Flows	\$1,747	\$8,544	9.3%	13.7%

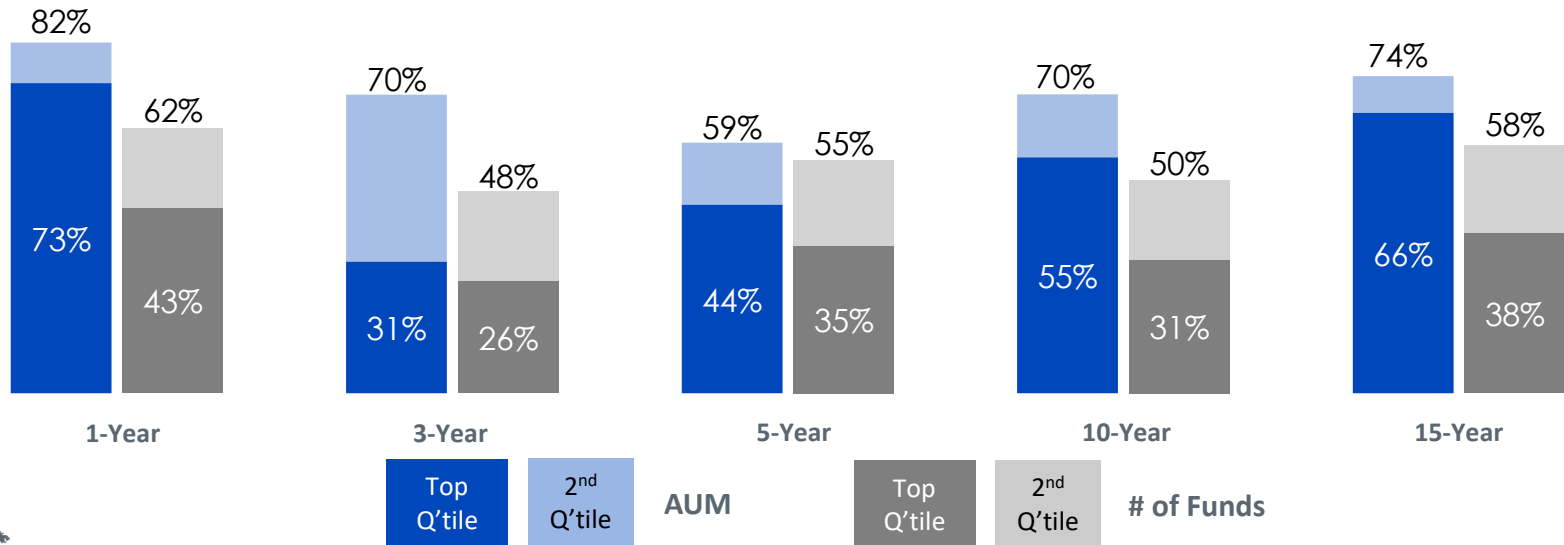
Source: www.ir.wisdomtree.com, data as of 10/22/22

WisdomTree's Product Lineup has Strong Performance

- + 40% of ETF AUM has a 4- or 5-star rating from Morningstar
- + Less than 6% of ETF AUM is 1- or 2-star rated
- + Bulk of AUM in 1st & 2nd performance quartiles vs. peers
- Particular strength in the very short and very long-terms



ETF Performance Quartiles versus ETF and Mutual Fund Peers



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

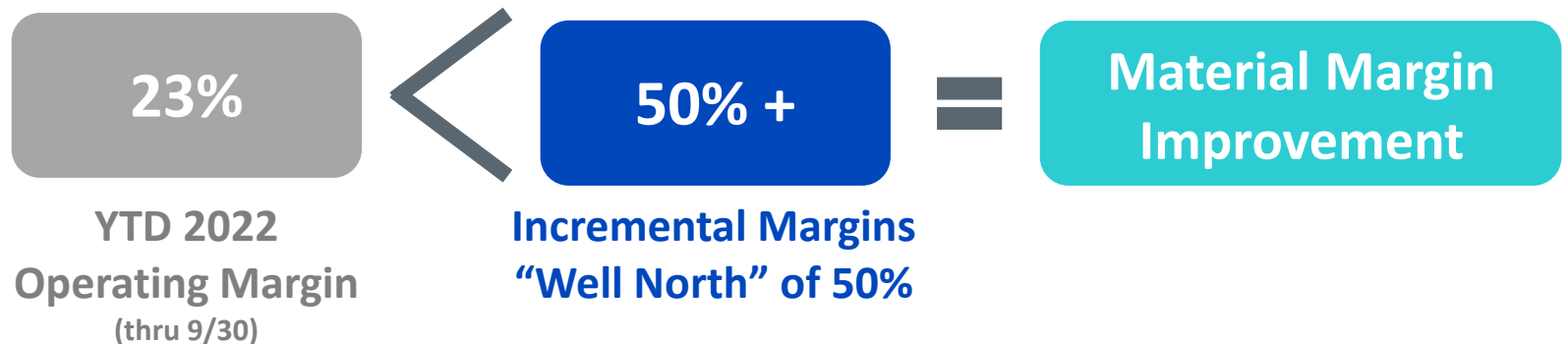
Supports & Accelerates
WisdomTree's Organic Growth

Through the Cycle, Organic Growth Accelerates Scale & Expands Op Margins

Illustrative Annual AUM & Revenue Growth Algorithm over the Long-Run



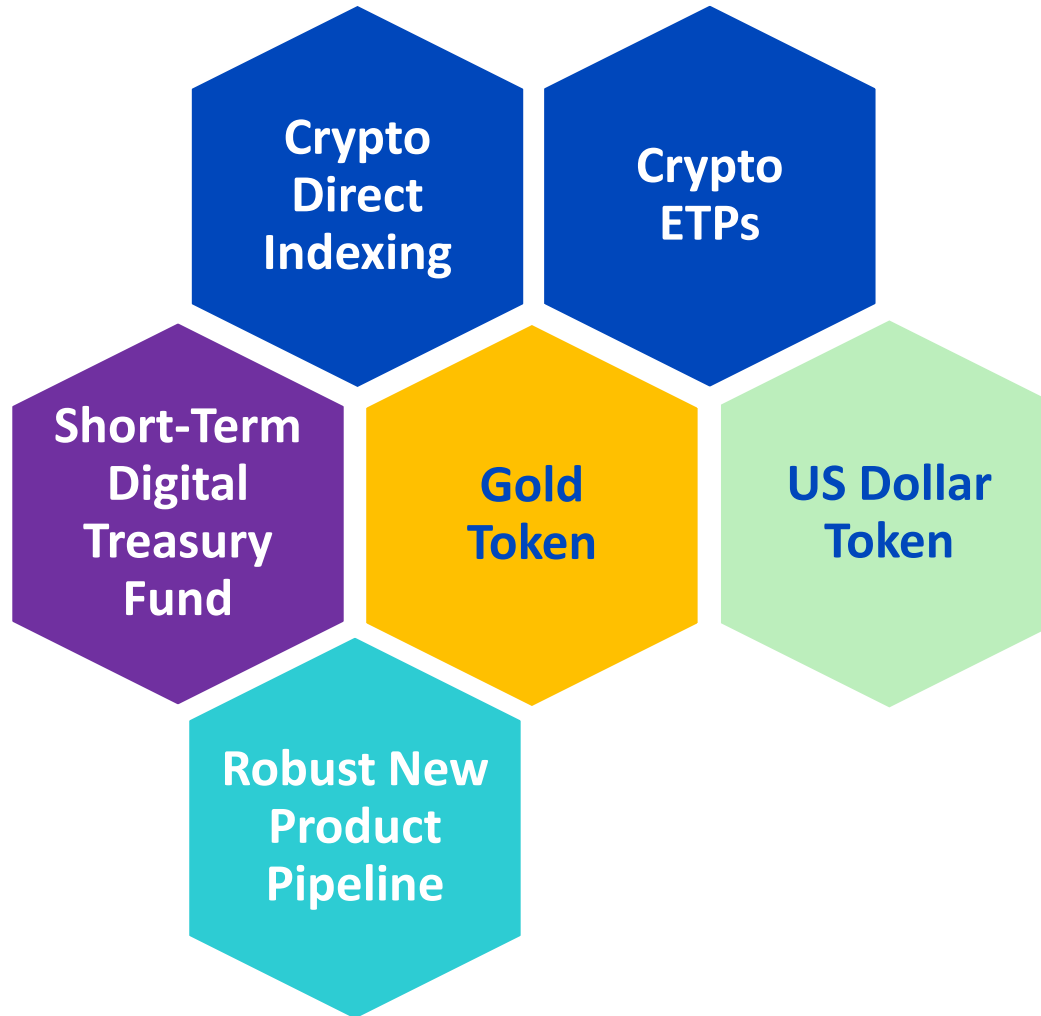
Illustrative Margin Outlook from Scaling AUM & Revenue



WisdomTree's Digital Assets Strategy Simplified

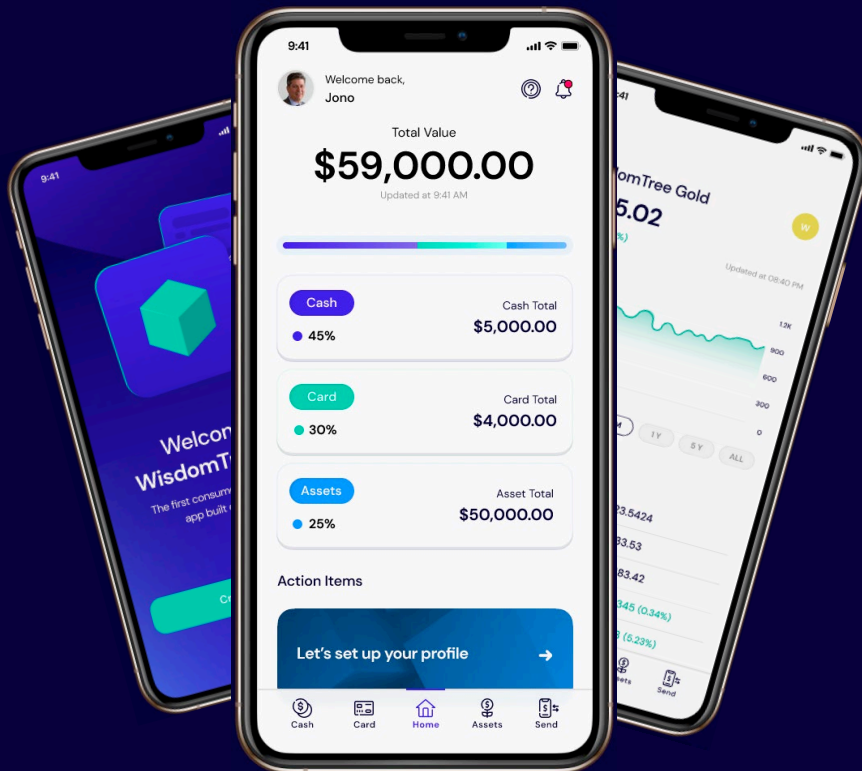


Building Holistic Suite of Blockchain-Enabled Products & Solutions



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



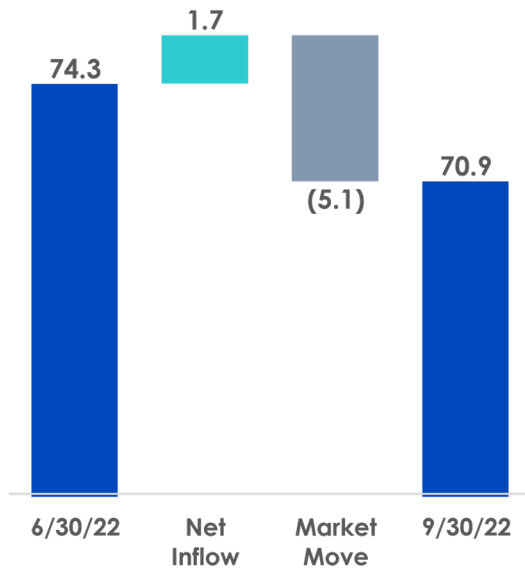
Q&A

Appendix

AUM and Net Inflows

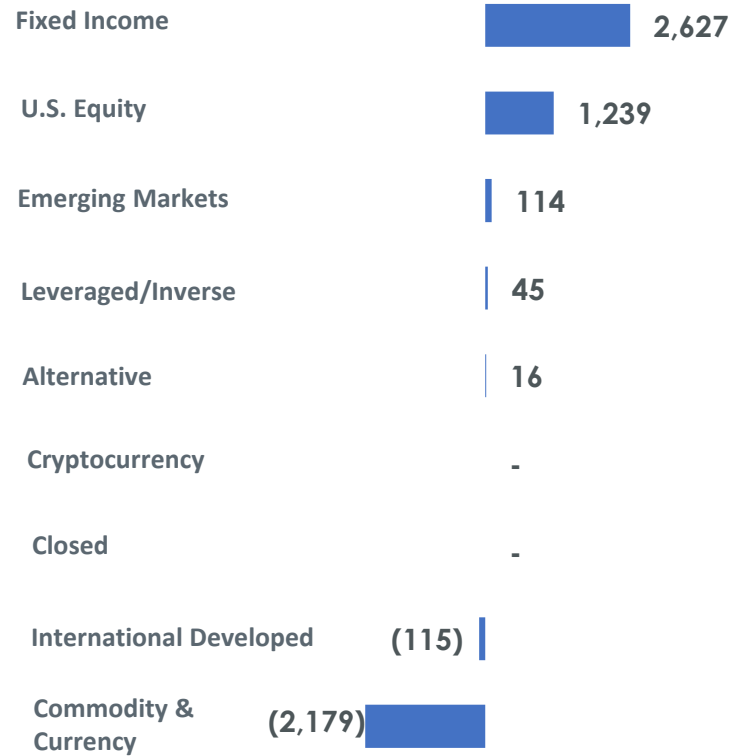
Quarterly ETF AUM Change

(\$ billions)



Q3/22 Net Flows by Category

(\$ millions)



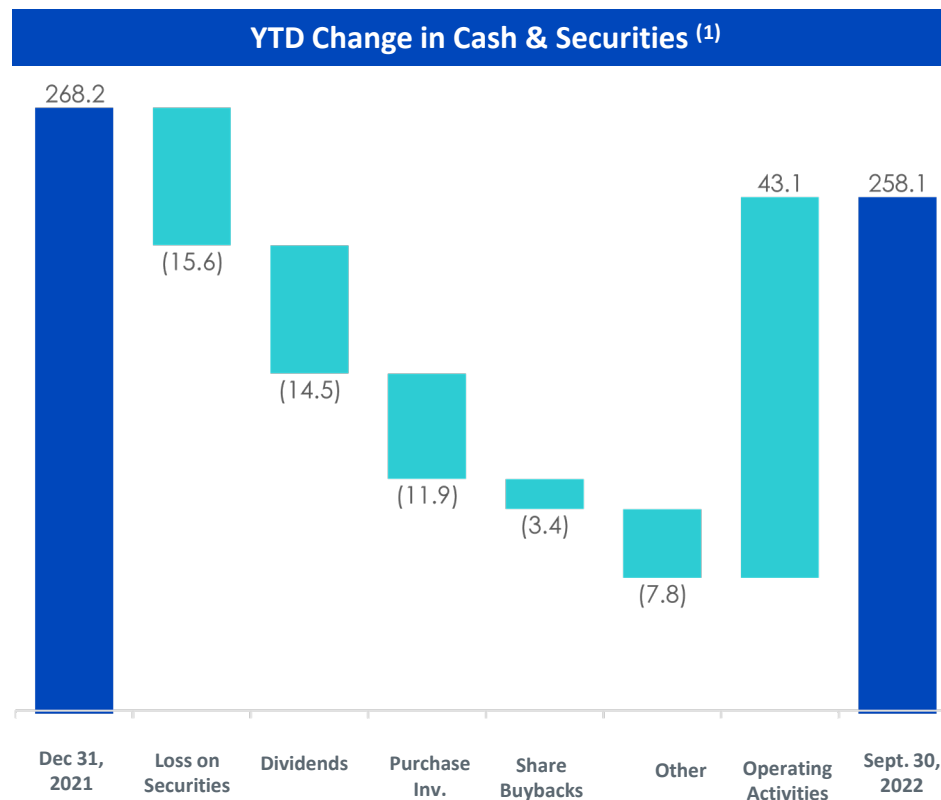
Balance Sheet

Balance Sheet		
(\$ millions)	Sept. 30, 2022	Dec. 31, 2021
Assets		
Cash and securities ⁽¹⁾	\$258.1	\$268.2
Investments	26.3	14.2
Accounts receivable	25.3	32.1
Deferred tax asset, net	6.9	8.9
Fixed assets, net	0.6	0.6
Goodwill and intangibles	689.1	687.1
Other assets	10.1	26.8
Total assets	\$1,016.4	\$1,037.9
Liabilities		
Fund management and administration	\$21.4	\$20.7
Compensation and benefits	26.5	32.8
Accounts payable and other liabilities	13.1	9.3
Convertible notes	320.6	318.6
Deferred consideration (gold payments)	164.8	228.0
Lease Liabilities	1.7	0.3
Other non-current liabilities	3.3	26.2
Total liabilities	551.4	635.9
Preferred stock	132.6	132.6
Stockholders' equity	332.4	269.4
Total liabilities and stockholders' equity	\$1,016.4	\$1,037.9

(1) Includes securities owned and securities held to maturity



(\$ millions)



Convertible Notes - EPS

Incremental shares issuable when conversion spread is positive are included in diluted EPS computation. Q3 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	\$5.11	\$5.11
— <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>\$5.11</u>	<u>\$5.11</u>
Dilutive Shares - Current Qtr	<u>-</u>	<u>-</u>

(1) Represents principal divided by conversion price

Consolidated Financial Results

	2021				2022		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Revenues							
Advisory fees	\$ 70,042	\$ 74,169	\$ 76,400	\$ 77,441	\$ 76,517	\$ 75,586	\$ 70,616
Other income	1,214	1,606	1,712	1,734	1,851	1,667	1,798
Total revenues	71,256	75,775	78,112	79,175	78,368	77,253	72,414
Expenses							
Compensation and benefits	22,627	20,331	22,027	23,178	24,787	24,565	23,714
Fund management and administration	13,947	14,367	15,181	15,417	15,494	16,076	16,285
Marketing and advertising	3,006	3,594	2,925	4,565	4,023	3,894	3,145
Sales and business development	2,145	2,159	2,935	2,668	2,609	3,131	2,724
Contractual gold payments	4,270	4,314	4,250	4,262	4,450	4,446	4,105
Professional and consulting fees	2,013	1,921	1,583	2,099	4,459	4,308	2,367
Occ., communications and equipment	1,475	1,266	1,163	725	753	1,049	986
Depreciation and amortization	252	256	185	45	47	53	58
Third-party distribution fees	1,343	2,130	1,873	1,830	2,212	1,818	1,833
Other	1,571	1,752	1,787	1,823	1,845	2,109	2,324
Total expenses	52,649	52,090	53,909	56,612	60,679	61,449	57,541
Operating Income	18,607	23,685	24,203	22,563	17,689	15,804	14,873
Interest Expense	(2,296)	(2,567)	(3,729)	(3,740)	(3,732)	(3,733)	(3,734)
Gain/(loss) on deferred consideration	2,832	497	1,737	(3,048)	(17,018)	2,311	77,895
Interest Income	231	225	689	864	794	770	811
Impairments	(303)	--	(15,853)	--	--	--	--
Other gains/(losses)	(5,893)	49	(714)	(1,368)	(24,707)	(4,474)	(5,289)
Income/(loss) before taxes	13,178	21,889	6,333	15,271	(26,974)	10,678	84,556
Income tax (benefit)/expense	(1,969)	4,259	500	4,084	(16,713)	2,673	3,327
Net Income/(loss)	\$ 15,147	\$ 17,630	\$ 5,833	\$ 11,187	\$ (10,261)	\$ 8,005	\$ 81,229
As adjusted (non-GAAP)							
Total operating expenses	\$ 52,649	\$ 52,090	\$ 53,909	\$ 56,612	\$ 58,244	\$ 59,425	\$ 57,541
Operating income	\$ 18,607	\$ 23,685	\$ 24,203	\$ 22,563	\$ 20,124	\$ 17,828	\$ 14,873
Income before income taxes	\$ 15,583	\$ 21,253	\$ 20,991	\$ 19,968	\$ 17,674	\$ 14,498	\$ 12,645
Income tax expense	\$ 3,079	\$ 4,458	\$ 4,674	\$ 4,232	\$ 3,888	\$ 3,241	\$ 3,323
Net income	\$ 12,504	\$ 16,795	\$ 16,317	\$ 15,736	\$ 14,063	\$ 11,257	\$ 9,322
Earnings per share - diluted	\$ 0.08	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.09	\$ 0.07	\$ 0.06

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				
	Sept. 30 2022	Jun. 30 2022	Mar. 31 2022	Dec. 31 2021	Sept. 30 2021
Adjusted net income and diluted earnings per share:					
Net income/(loss), as reported	\$ 81,229	\$ 8,005	\$ (10,261)	\$ 11,187	\$ 5,833
Deduct/Add back: (Gain)/loss on revaluation of deferred consideration	(77,895)	(2,311)	17,018	3,048	(1,737)
Add back: Losses on securities owned, net of income taxes	4,778	3,165	3,893	1,501	1,006
Add back: Increase in deferred tax asset valuation allowance on securities owned	1,454	901	2,010	--	--
Deduct/Add back: Unrealized (gain)/loss recognized on our investments, net of income taxes	(248)	(55)	124	--	--
Add back/Deduct: Tax shortfalls/(windfalls) upon vesting and	4	20	(565)	--	--
Add back: Expenses incurred in response to the activist campaign, net of income taxes	--	1,532	1,844	--	--
Add back: Impairments, net of income taxes (where applicable)	--	--	--	--	12,002
Add back: Remeasurement of contingent consideration - sale of former Canadian ETF business	--	--	--	--	(787)
Adjusted net income	\$ 9,322	\$ 11,257	\$ 14,063	\$ 15,736	\$ 16,317
Weighted average common share - diluted	158,953	158,976	158,335	159,826	159,213
Adjusted earnings per share - diluted	\$ 0.06	\$ 0.07	\$ 0.09	\$ 0.10	\$ 0.10

(\$ in thousands) Unaudited	Three Months Ended				
	Sept. 30 2022	Jun. 30 2022	Mar. 31 2022	Dec. 31 2021	Sept. 30 2021
Gross Margin and Gross Margin Percentage					
Operating Revenues	\$ 72,414	\$ 77,253	\$ 78,368	\$ 79,175	\$ 78,112
Deduct: Fund management and administration	(16,285)	(16,076)	(15,494)	(15,417)	(15,181)
Gross margin	\$ 56,129	\$ 61,177	\$ 62,874	\$ 63,758	\$ 62,931
Gross margin percentage	77.5%	79.2%	80.2%	80.5%	80.6%

(\$ in thousands) Unaudited	Three Months Ended				
	Sept. 30 2022	Jun. 30 2022	Mar. 31 2022	Dec. 31 2021	Sept. 30 2021
Adjusted Operating Income and Operating Income Margin					
Operating Revenues	\$ 72,414	\$ 77,253	\$ 78,368	\$ 79,175	\$ 78,112
Operating income	\$ 14,873	\$ 15,804	\$ 17,689	\$ 22,563	\$ 24,203
Add back: Expenses incurred in response to the activist campaign	-	2,024	2,435	--	--
Adjusted operating income	\$ 14,873	\$ 17,828	\$ 20,124	\$ 22,563	\$ 24,203
Adjusted operating income margin	20.5%	23.1%	25.7%	28.5%	31.0%

(\$ in thousands) Unaudited	Three Months Ended				
	Sept. 30 2022	Jun. 30 2022	Mar. 31 2022	Dec. 31 2021	Sept. 30 2021
Adjusted Total Operating Expenses					
Total operating expenses	\$ 57,541	\$ 61,449	\$ 60,679	\$ 56,612	\$ 53,909
Deduct: Expenses incurred in response to the activist campaign	-	(2,024)	(2,435)	--	--
Adjusted operating expenses	\$ 57,541	\$ 59,425	\$ 58,244	\$ 56,612	\$ 53,909

(\$ in thousands) Unaudited	Three Months Ended				
	Sept. 30 2022	Jun. 30 2022	Mar. 31 2022	Dec. 31 2021	Sept. 30 2021
Adjusted Effective Income Tax Rate					
Income/(loss) before income taxes	\$ 84,556	\$ 10,678	\$ (26,974)	\$ 15,271	\$ 6,333
Deduct/Add back: (Gain)/loss on revaluation of deferred consideration	(77,895)	(2,311)	17,018	3,048	(1,737)
Add back: Losses on securities owned	6,311	4,180	5,142	1,649	1,329
Add back: Expenses incurred in response to the activist campaign	--	2,024	2,435	--	--
Deduct/ Add back: Unrealized (gain)/loss recognized on investments	(327)	(73)	163	--	--
Add back: Loss recognized upon reduction of tax-related indemnification asset	--	--	19,890	--	--
Add back: Impairments	--	--	--	--	15,853
Add back: Remeasurement of contingent consideration - sale of former Canadian ETF business	--	--	--	--	(787)
Adjusted income before income taxes	\$ 12,645	\$ 14,498	\$ 17,674	\$ 19,968	\$ 20,991
Income tax expense/(benefit)	\$ 3,327	\$ 2,673	\$ (16,713)	\$ 4,084	\$ 500
Add back: Tax benefit arising from losses on securities owned	1,533	1,015	1,249	148	323
Deduct: Increase in deferred tax asset valuation allowance on securities owned	(1,454)	(901)	(2,010)	--	--
Add back: Tax benefit arising from expenses incurred in response to the activist campaign	--	492	591	--	--
Deduct/Add back: tax (expense)/benefit on unrealized losses and gains on investments	(79)	(18)	39	--	--
Deduct/Add back: Tax (shortfalls)/windfalls upon vesting and exercise of stock-based compensation awards	(4)	(20)	565	--	--
Add back: Tax benefit arising from impairments	--	--	--	--	3,851
Add back: Tax benefit arising from reduction of a tax-related indemnification asset	--	--	19,890	--	--
Adjusted income tax expense	\$ 3,323	\$ 3,241	\$ 3,611	\$ 4,232	\$ 4,674
Adjusted effective income tax rate	26.3%	22.4%	20.4%	21.2%	22.3%



Reconciliation of US GAAP to Non-GAAP results

Three Months ended September 30, 2022

	US GAAP	Gain on Deferred Consideration	Loss on Sec. Owned	Deferred Tax Val. Allowance	Gain on Investments	Tax Shortfalls	Non-GAAP
Revenues							
Advisory fees	\$ 70,616	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,616
Other income	1,798	-	-	-	-	-	1,798
Total revenues	<u>72,414</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,414</u>
Expenses							
Compensation and benefits	23,714	-	-	-	-	-	23,714
Fund mgmt. & admin.	16,285	-	-	-	-	-	16,285
Marketing and advertising	3,145	-	-	-	-	-	3,145
Sales and business development	2,724	-	-	-	-	-	2,724
Contractual gold payments	4,105	-	-	-	-	-	4,105
Professional and consulting fees	2,367	-	-	-	-	-	2,367
Occ., commun. and equip.	986	-	-	-	-	-	986
Depr. and amort.	58	-	-	-	-	-	58
Third-party distribution fees	1,833	-	-	-	-	-	1,833
Other	2,324	-	-	-	-	-	2,324
Total expenses	<u>57,541</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,541</u>
Operating Income	14,873	-	-	-	-	-	14,873
Interest Expense	(3,734)	-	-	-	-	-	(3,734)
Gain/(loss) on of def. consideration	77,895	(77,895)	-	-	-	-	--
Interest Income	811	-	-	-	-	-	811
Other gains/(losses)	(5,289)	-	6,311	-	(327)	-	695
Income before taxes	84,556	(77,895)	6,311	-	(327)	-	12,645
Income tax expense	3,327	-	1,533	(1,454)	(79)	(4)	3,323
Net income	<u>\$ 81,229</u>	<u>\$ (77,895)</u>	<u>\$ 4,778</u>	<u>\$ 1,454</u>	<u>\$ (248)</u>	<u>\$ 4</u>	<u>\$ 9,322</u>



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