

2021 Second Quarter Supplemental Financial Data



GCM GROSVENOR

Note: This supplemental financial data should be read in conjunction with GCM Grosvenor's 2021 Second Quarter Results Earnings Presentation.

GAAP Statements of Income by Quarter (unaudited)

| \$000, except per share amounts and where otherwise noted | 1Q'19 | 2Q'19 | 3Q'19 | 4Q'19 | 1Q'20 | 2Q'20 | 3Q'20 | 4Q'20 (restated) | 1Q'21 | 2Q'21 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------------------|-----------|-----------|
| Revenues | | | | | | | | | | |
| Management fees | \$ 81,401 | \$ 79,470 | \$ 82,837 | \$ 81,008 | \$ 77,701 | \$ 75,136 | \$ 78,269 | \$ 79,639 | \$ 82,625 | \$ 85,594 |
| Incentive fees | 22,703 | 9,774 | 33,342 | 18,346 | 3,233 | 13,041 | 21,774 | 73,602 | 18,214 | 32,227 |
| Other operating income | 1,538 | 1,650 | 2,383 | 1,942 | 1,683 | 1,953 | 1,703 | 2,247 | 2,380 | 1,882 |
| Total operating revenues | 105,642 | 90,894 | 118,562 | 101,296 | 82,617 | 90,130 | 101,746 | 155,488 | 103,219 | 119,703 |
| Expenses | | | | | | | | | | |
| Employee compensation and benefits | 58,864 | 53,309 | 62,311 | 68,483 | 55,477 | 55,667 | 75,315 | 202,006 | 83,353 | 75,834 |
| General, administrative and other | 21,789 | 22,207 | 20,641 | 23,821 | 24,596 | 16,242 | 17,263 | 26,530 | 24,532 | 21,651 |
| Total operating expenses | 80,653 | 75,516 | 82,952 | 92,304 | 80,073 | 71,909 | 92,578 | 228,536 | 107,885 | 97,485 |
| Operating income (loss) | 24,989 | 15,378 | 35,610 | 8,992 | 2,544 | 18,221 | 9,168 | (73,048) | (4,666) | 22,218 |
| Investment income (loss) | (286) | 3,394 | 2,962 | 1,451 | 3,373 | (9,575) | 7,902 | 9,042 | 13,048 | 13,459 |
| Interest expense | (6,000) | (6,786) | (6,281) | (6,613) | (5,867) | (5,841) | (5,807) | (5,931) | (4,491) | (4,563) |
| Other income (expense) | (1,659) | (3,276) | (2,680) | 3,121 | (9,733) | (1,350) | 446 | 1,075 | 1,317 | (261) |
| Change in fair value of warrant liabilities | — | — | — | — | — | — | — | (13,315) | 14,057 | (6,738) |
| Net other income (expense) | (7,945) | (6,668) | (5,999) | (2,041) | (12,227) | (16,766) | 2,541 | (9,129) | 23,931 | 1,897 |
| Income (loss) before income taxes | 17,044 | 8,710 | 29,611 | 6,951 | (9,683) | 1,455 | 11,709 | (82,177) | 19,265 | 24,115 |
| Provision (benefit) for income taxes | 661 | 455 | 527 | 675 | 643 | 526 | 541 | 2,796 | (663) | 2,204 |
| Net income (loss) | 16,383 | 8,255 | 29,084 | 6,276 | (10,326) | 929 | 11,168 | (84,973) | 19,928 | 21,911 |
| Less: Net income attributable to redeemable noncontrolling interest | — | — | — | — | 2,093 | 185 | 3,322 | 8,469 | 8,089 | 11,738 |
| Less: Net income (loss) attributable to noncontrolling interests in subsidiaries | 3,178 | 3,920 | 5,194 | 929 | 2,536 | (5,183) | 6,520 | 7,744 | 8,589 | 11,708 |
| Less: Net income (loss) attributable to noncontrolling interests in GCMH | 13,205 | 4,335 | 23,890 | 5,347 | (14,955) | 5,927 | 1,326 | (105,235) | 703 | (2,191) |
| Net income (loss) attributable to GCM Grosvenor Inc. | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 4,049 | \$ 2,547 | \$ 656 |
| Earnings (loss) per share of Class A common stock ⁽¹⁾: | | | | | | | | | | |
| Basic | — | — | — | — | — | — | — | 0.10 | 0.06 | 0.01 |
| Diluted | — | — | — | — | — | — | — | (0.58) | (0.05) | (0.02) |
| Weighted average shares of Class A common stock outstanding (000) ⁽¹⁾: | | | | | | | | | | |
| Basic | — | — | — | — | — | — | — | 39,985 | 42,084 | 44,563 |
| Diluted | — | — | — | — | — | — | — | 184,220 | 188,872 | 188,799 |

1. There were no shares of Class A common stock outstanding prior to November 17, 2020, therefore no earnings (loss) per share information has been presented for any period prior to that date

GAAP Statements of Income by Year (audited)

| \$000, except per share amounts and where otherwise noted | 2019 | 2020 (restated) |
|--|-----------------|-----------------|
| Revenues | | |
| Management fees | \$ 324,716 | \$ 310,745 |
| Incentive fees | 84,165 | 111,650 |
| Other operating income | 7,513 | 7,586 |
| Total operating revenues | 416,394 | 429,981 |
| Expenses | | |
| Employee compensation and benefits | 242,967 | 388,465 |
| General, administrative and other | 88,458 | 84,631 |
| Total operating expenses | 331,425 | 473,096 |
| Operating income (loss) | 84,969 | (43,115) |
| Investment income | 7,521 | 10,742 |
| Interest expense | (25,680) | (23,446) |
| Other income (expense) | (4,494) | (9,562) |
| Change in fair value of warrant liabilities | — | (13,315) |
| Net other income (expense) | (22,653) | (35,581) |
| Income (loss) before income taxes | 62,316 | (78,696) |
| Provision (benefit) for income taxes | 2,318 | 4,506 |
| Net income (loss) | 59,998 | (83,202) |
| Less: Net income attributable to redeemable noncontrolling interest | — | 14,069 |
| Less: Net income attributable to noncontrolling interests in subsidiaries | 13,221 | 11,617 |
| Less: Net income (loss) attributable to noncontrolling interests in GCMH | 46,777 | (112,937) |
| Net income attributable to GCM Grosvenor Inc. | \$ — | \$ 4,049 |
| Earnings (loss) per share of Class A common stock ⁽¹⁾: | | |
| Basic | — \$ | 0.10 |
| Diluted | — \$ | (0.58) |
| Weighted average shares of Class A common stock outstanding (000) ⁽¹⁾: | | |
| Basic | — | 39,985 |
| Diluted | — | 184,220 |

1. Represents earnings per share of Class A common stock and weighted-average shares of Class A common stock outstanding for the period from November 17, 2020 through December 31, 2020, the period following the Transaction

Summary of Non-GAAP Financial Measures by Quarter¹

| \$000, except per share amount and where otherwise noted | 1Q'19 | 2Q'19 | 3Q'19 | 4Q'19 | 1Q'20 | 2Q'20 | 3Q'20 | 4Q'20 (restated) | 1Q'21 | 2Q'21 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|---------------------|------------------|------------------|
| Adjusted EBITDA | | | | | | | | | | |
| Revenues | | | | | | | | | | |
| Private markets strategies | \$ 35,940 | \$ 36,966 | \$ 40,122 | \$ 37,957 | \$ 36,464 | \$ 36,548 | \$ 38,588 | \$ 38,390 | \$ 40,373 | \$ 42,360 |
| Absolute return strategies | 43,999 | 41,603 | 41,410 | 40,011 | 39,263 | 36,761 | 37,517 | 38,808 | 39,892 | 40,680 |
| Management fees, net ⁽²⁾ | 79,939 | 78,569 | 81,532 | 77,968 | 75,727 | 73,309 | 76,105 | 77,198 | 80,265 | 83,040 |
| Administrative fees and other operating income | 1,538 | 1,650 | 2,383 | 1,942 | 1,683 | 1,953 | 1,703 | 2,247 | 2,380 | 1,882 |
| Fee-Related Revenue | 81,477 | 80,219 | 83,915 | 79,910 | 77,410 | 75,262 | 77,808 | 79,445 | 82,645 | 84,922 |
| Less: | | | | | | | | | | |
| Cash-based employee compensation and benefits, net ⁽³⁾ | (42,053) | (39,442) | (39,835) | (43,882) | (42,022) | (38,332) | (39,373) | (38,467) | (41,192) | (40,255) |
| General, administrative and other, net ⁽⁴⁾ | (18,357) | (19,335) | (17,101) | (17,422) | (17,827) | (11,822) | (12,811) | (14,202) | (16,260) | (17,211) |
| Fee-Related Earnings | \$ 21,067 | \$ 21,442 | \$ 26,979 | \$ 18,606 | \$ 17,561 | \$ 25,108 | \$ 25,624 | \$ 26,776 | \$ 25,193 | \$ 27,456 |
| Incentive fees: | | | | | | | | | | |
| Performance fees | \$ 63 | \$ 20 | \$ 3,923 | \$ 10,407 | \$ 605 | \$ 132 | \$ 884 | \$ 51,105 | \$ 6,113 | \$ 2,891 |
| Carried interest | 22,640 | 9,754 | 29,419 | 7,939 | 2,628 | 12,909 | 20,890 | 22,497 | 12,101 | 29,336 |
| Incentive fee related compensation and NCI: | | | | | | | | | | |
| Cash-based incentive fee related compensation | — | — | — | — | — | — | — | (11,454) | (1,833) | (868) |
| Carried interest compensation, net ⁽⁵⁾ | (12,006) | (5,051) | (16,185) | (6,318) | (1,201) | (7,819) | (12,155) | (13,795) | (7,503) | (17,967) |
| Carried interest attributable to noncontrolling interest | (4,861) | (1,922) | (3,484) | (1,077) | (1,333) | (4,773) | (2,219) | (7,764) | (4,430) | (10,561) |
| Interest income | 190 | 376 | 214 | 284 | 296 | 52 | 19 | 10 | 7 | 4 |
| Other (income) expense | (23) | (58) | (89) | 28 | 118 | 15 | 50 | (36) | 51 | 13 |
| Depreciation | 655 | 603 | 616 | 670 | 696 | 536 | 540 | 542 | 473 | 407 |
| Adjusted EBITDA | \$ 27,725 | \$ 25,164 | \$ 41,393 | \$ 30,539 | \$ 19,370 | \$ 26,160 | \$ 33,633 | \$ 67,881 | \$ 30,172 | \$ 30,711 |
| Adjusted Net Income Per Share | | | | | | | | | | |
| Adjusted EBITDA | \$ 27,725 | \$ 25,164 | \$ 41,393 | \$ 30,539 | \$ 19,370 | \$ 26,160 | \$ 33,633 | \$ 67,881 | \$ 30,172 | \$ 30,711 |
| Depreciation | (655) | (603) | (616) | (670) | (696) | (536) | (540) | (542) | (473) | (407) |
| Interest expense | (6,000) | (6,786) | (6,281) | (6,613) | (5,867) | (5,841) | (5,807) | (5,931) | (4,491) | (4,563) |
| Adjusted Pre-Tax Income | 21,070 | 17,775 | 34,496 | 23,256 | 12,807 | 19,783 | 27,286 | 61,408 | 25,208 | 25,741 |
| Adjusted income taxes ⁽⁶⁾ | (5,268) | (4,445) | (8,625) | (5,811) | (3,202) | (4,946) | (6,822) | (15,351) | (6,302) | (6,435) |
| Adjusted Net Income | \$ 15,802 | \$ 13,330 | \$ 25,871 | \$ 17,445 | \$ 9,605 | \$ 14,837 | \$ 20,464 | \$ 46,057 | \$ 18,906 | \$ 19,306 |
| Adjusted shares outstanding (000) ⁽⁷⁾ | | | | | | | | | | |
| | 185,117 | 185,117 | 185,117 | 185,117 | 185,117 | 185,117 | 185,117 | 185,117 | 188,872 | 189,372 |
| Adjusted Net Income Per Share | \$ 0.09 | \$ 0.07 | \$ 0.14 | \$ 0.09 | \$ 0.05 | \$ 0.08 | \$ 0.11 | \$ 0.25 | \$ 0.10 | \$ 0.10 |

1. Adjusted EBITDA and Adjusted Net Income per Share are Non-GAAP financial measures. See Reconciliation of Non-GAAP Measures to GAAP slides for the reconciliations of our non-GAAP financial measures to the most comparable GAAP metric
2-7. See Non-GAAP Financial Measure - Notes for definitions of these metrics

Summary of Non-GAAP Financial Measures by Year¹

| \$000, except per share amount and where otherwise noted | 2019 | 2020 (restated) |
|---|-------------------|-------------------|
| Adjusted EBITDA | | |
| Revenues | | |
| Private markets strategies | \$ 150,985 | \$ 149,990 |
| Absolute return strategies | 167,023 | 152,349 |
| Management fees, net ⁽²⁾ | 318,008 | 302,339 |
| Administrative fees and other operating income | 7,513 | 7,586 |
| Fee-Related Revenue | 325,521 | 309,925 |
| Less: | | |
| Cash-based employee compensation and benefits, net ⁽³⁾ | (165,212) | (158,194) |
| General, administrative and other, net ⁽⁴⁾ | (72,215) | (56,662) |
| Fee-Related Earnings | \$ 88,094 | \$ 95,069 |
| Incentive fees: | | |
| Performance fees | \$ 14,413 | \$ 52,726 |
| Carried interest | 69,752 | 58,924 |
| Incentive fee related compensation and NCI: | | |
| Cash-based incentive fee related compensation | — | (11,454) |
| Carried interest compensation, net ⁽⁵⁾ | (39,560) | (34,970) |
| Carried interest attributable to noncontrolling interest | (11,344) | (16,089) |
| Interest income | 1,064 | 377 |
| Other (income) expense | (142) | 147 |
| Depreciation | 2,544 | 2,314 |
| Adjusted EBITDA | \$ 124,821 | \$ 147,044 |
| Adjusted Net Income Per Share | | |
| Adjusted EBITDA | \$ 124,821 | \$ 147,044 |
| Depreciation | (2,544) | (2,314) |
| Interest expense | (25,680) | (23,446) |
| Adjusted Pre-Tax Income | 96,597 | 121,284 |
| Adjusted income taxes ⁽⁶⁾ | (24,149) | (30,321) |
| Adjusted Net Income | \$ 72,448 | \$ 90,963 |
| Adjusted shares outstanding (000) ⁽⁷⁾ | 185,117 | 185,117 |
| Adjusted Net Income Per Share | \$ 0.39 | \$ 0.49 |

1. Adjusted EBITDA and Adjusted Net Income per Share are Non-GAAP financial measures. See Reconciliation of Non-GAAP Measures to GAAP slides for the reconciliations of our non-GAAP financial measures to the most comparable GAAP metric
2-7. See Non-GAAP Financial Measure - Notes for definitions of these metrics

Components of GAAP Expenses by Quarter

| \$000 | 1Q'19 | 2Q'19 | 3Q'19 | 4Q'19 | 1Q'20 | 2Q'20 | 3Q'20 | 4Q'20 | 1Q'21 | 2Q'21 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|------------------|------------------|
| Components of GAAP Employee Compensation and Benefits | | | | | | | | | | |
| Cash-based employee compensation and benefits, net ⁽³⁾ | \$ 42,053 | \$ 39,442 | \$ 39,835 | \$ 43,882 | \$ 42,022 | \$ 38,332 | \$ 39,373 | \$ 38,467 | \$ 41,192 | \$ 40,255 |
| Cash-based incentive fee related compensation | — | — | — | — | — | — | — | 11,454 | 1,833 | 868 |
| Carried interest compensation, net ⁽⁵⁾ | 12,006 | 5,051 | 16,185 | 6,318 | 1,201 | 7,819 | 12,155 | 13,795 | 7,503 | 17,967 |
| Partnership interest-based compensation | 3,809 | 4,906 | 4,365 | 17,153 | 7,920 | 8,856 | 21,605 | 133,977 | 4,903 | 10,026 |
| Equity-based compensation | — | — | — | — | — | — | — | — | 27,036 | 5,604 |
| Severance | 1,095 | 2,347 | 979 | 229 | 2,280 | 8 | 760 | 4,588 | 588 | 802 |
| Other non-cash compensation | 708 | 1,048 | 1,129 | 1,145 | 1,065 | 1,160 | 1,135 | 1,204 | 941 | 683 |
| Non-cash carried interest compensation | (807) | 515 | (182) | (244) | 989 | (508) | 287 | (1,479) | (643) | (371) |
| GAAP employee compensation and benefits | \$ 58,864 | \$ 53,309 | \$ 62,311 | \$ 68,483 | \$ 55,477 | \$ 55,667 | \$ 75,315 | \$ 202,006 | \$ 83,353 | \$ 75,834 |

Reconciliation of Non-GAAP Measures to GAAP by Quarter

| \$000 | 1Q'19 | 2Q'19 | 3Q'19 | 4Q'19 | 1Q'20 | 2Q'20 | 3Q'20 | 4Q'20 | 1Q'21 | 2Q'21 |
|--|-----------------|-----------------|------------------|------------------|---------------|---------------|-----------------|------------------|-----------------|-----------------|
| Net Incentive Fees Attributable to GCM Grosvenor | | | | | | | | | | |
| Incentive fees | | | | | | | | | | |
| Performance fees | \$ 63 | \$ 20 | \$ 3,923 | \$ 10,407 | \$ 605 | \$ 132 | \$ 884 | \$ 51,105 | \$ 6,113 | \$ 2,891 |
| Carried interest | 22,640 | 9,754 | 29,419 | 7,939 | 2,628 | 12,909 | 20,890 | 22,497 | 12,101 | 29,336 |
| Less incentive fees contractually owed to others: | | | | | | | | | | |
| Cash carried interest compensation | (11,199) | (5,566) | (16,003) | (6,074) | (2,190) | (7,311) | (12,442) | (12,316) | (6,860) | (17,596) |
| Non-cash carried interest compensation | (807) | 515 | (182) | (244) | 989 | (508) | 287 | (1,479) | (643) | (371) |
| Carried interest attributable to redeemable noncontrolling interest holder | — | — | — | — | (865) | (2,804) | 369 | (4,451) | (1,905) | (6,154) |
| Carried interest attributable to other noncontrolling interest holders, net | (4,861) | (1,922) | (3,484) | (1,077) | (468) | (1,969) | (2,588) | (3,313) | (2,525) | (4,407) |
| Net incentive fees attributable to GCM Grosvenor, prior to incentive fee compensation | 5,836 | 2,801 | 13,673 | 10,951 | 699 | 449 | 7,400 | 52,043 | 6,281 | 3,699 |
| Less: Cash-based incentive fee related compensation | — | — | — | — | — | — | — | (11,454) | (1,833) | (868) |
| Net incentive fees attributable to GCM Grosvenor | \$ 5,836 | \$ 2,801 | \$ 13,673 | \$ 10,951 | \$ 699 | \$ 449 | \$ 7,400 | \$ 40,589 | \$ 4,448 | \$ 2,831 |

Reconciliation of Non-GAAP Measures to GAAP by Quarter (continued)

| \$000 | 1Q'19 | 2Q'19 | 3Q'19 | 4Q'19 | 1Q'20 | 2Q'20 | 3Q'20 | 4Q'20 (restated) | 1Q'21 | 2Q'21 | | | | | | | | | | |
|---|-------|---------------|---------------|---------------|---------------|---------------|---------------|---------------------|---------------|---------------|---------------|---------------|----|---------------|----|---------------|----|---------------|----|---------------|
| Adjusted Pre-Tax Income & Adjusted Net Income | | | | | | | | | | | | | | | | | | | | |
| Net income attributable to GCM Grosvenor Inc. | \$ | — | \$ | — | \$ | — | \$ | — | \$ | 4,049 | \$ | 2,547 | \$ | 656 | | | | | | |
| Plus: | | | | | | | | | | | | | | | | | | | | |
| Net income (loss) attributable to noncontrolling interests in GCMH | | 13,205 | 4,335 | 23,890 | 5,347 | (14,955) | 5,927 | 1,326 | (105,235) | 703 | (2,191) | | | | | | | | | |
| Provision (benefit) for income taxes | | 661 | 455 | 527 | 675 | 643 | 526 | 541 | 2,796 | (663) | 2,204 | | | | | | | | | |
| Change in fair value of derivatives | | 1,820 | 3,600 | 2,805 | (2,808) | 8,634 | 1,417 | (378) | (1,101) | (1,934) | — | | | | | | | | | |
| Change in fair value of warrants | | — | — | — | — | — | — | — | 13,315 | (14,057) | 6,738 | | | | | | | | | |
| Amortization expense | | 1,953 | 1,954 | 1,953 | 1,934 | 1,876 | 1,876 | 1,876 | 1,876 | 583 | 583 | | | | | | | | | |
| Severance | | 1,095 | 2,347 | 979 | 229 | 2,280 | 8 | 760 | 4,588 | 588 | 802 | | | | | | | | | |
| Transaction expenses ⁽¹⁾ | | — | — | — | 770 | 3,355 | 145 | 274 | 7,829 | 5,300 | 1,183 | | | | | | | | | |
| Loss on extinguishment of debt | | — | — | — | — | 1,032 | 482 | — | — | 675 | — | | | | | | | | | |
| Changes in tax receivable agreement liability and other | | 66 | 24 | 283 | 532 | — | 4 | 366 | 10 | 8 | 274 | | | | | | | | | |
| Partnership interest-based compensation | | 3,809 | 4,906 | 4,365 | 17,153 | 7,920 | 8,856 | 21,605 | 133,977 | 4,903 | 10,026 | | | | | | | | | |
| Equity-based compensation | | — | — | — | — | — | — | — | — | 27,036 | 5,604 | | | | | | | | | |
| Other non-cash compensation | | 708 | 1,048 | 1,129 | 1,145 | 1,065 | 1,160 | 1,135 | 1,204 | 941 | 683 | | | | | | | | | |
| Less: | | | | | | | | | | | | | | | | | | | | |
| Investment income, net of noncontrolling interests | | (1,440) | (1,409) | (1,253) | (1,477) | (32) | (110) | (506) | (421) | (779) | (450) | | | | | | | | | |
| Non-cash carried interest compensation | | (807) | 515 | (182) | (244) | 989 | (508) | 287 | (1,479) | (643) | (371) | | | | | | | | | |
| Adjusted pre-tax income | | 21,070 | 17,775 | 34,496 | 23,256 | 12,807 | 19,783 | 27,286 | 61,408 | 25,208 | 25,741 | | | | | | | | | |
| Less: | | | | | | | | | | | | | | | | | | | | |
| Adjusted income taxes ⁽²⁾ | | (5,268) | (4,445) | (8,625) | (5,811) | (3,202) | (4,946) | (6,822) | (15,351) | (6,302) | (6,435) | | | | | | | | | |
| Adjusted net income | \$ | 15,802 | \$ | 13,330 | \$ | 25,871 | \$ | 17,445 | \$ | 9,605 | \$ | 14,837 | \$ | 20,464 | \$ | 46,057 | \$ | 18,906 | \$ | 19,306 |
| Adjusted EBITDA | | | | | | | | | | | | | | | | | | | | |
| Adjusted net income | \$ | 15,802 | \$ | 13,330 | \$ | 25,871 | \$ | 17,445 | \$ | 9,605 | \$ | 14,837 | \$ | 20,464 | \$ | 46,057 | \$ | 18,906 | \$ | 19,306 |
| Plus: | | | | | | | | | | | | | | | | | | | | |
| Adjusted income taxes ⁽²⁾ | | 5,268 | 4,445 | 8,625 | 5,811 | 3,202 | 4,946 | 6,822 | 15,351 | 6,302 | 6,435 | | | | | | | | | |
| Depreciation expense | | 655 | 603 | 616 | 670 | 696 | 536 | 540 | 542 | 473 | 407 | | | | | | | | | |
| Interest expense | | 6,000 | 6,786 | 6,281 | 6,613 | 5,867 | 5,841 | 5,807 | 5,931 | 4,491 | 4,563 | | | | | | | | | |
| Adjusted EBITDA | \$ | 27,725 | \$ | 25,164 | \$ | 41,393 | \$ | 30,539 | \$ | 19,370 | \$ | 26,160 | \$ | 33,633 | \$ | 67,881 | \$ | 30,172 | \$ | 30,711 |
| Fee-Related Earnings | | | | | | | | | | | | | | | | | | | | |
| Adjusted EBITDA | \$ | 27,725 | \$ | 25,164 | \$ | 41,393 | \$ | 30,539 | \$ | 19,370 | \$ | 26,160 | \$ | 33,633 | \$ | 67,881 | \$ | 30,172 | \$ | 30,711 |
| Less: | | | | | | | | | | | | | | | | | | | | |
| Incentive fees | | (22,703) | (9,774) | (33,342) | (18,346) | (3,233) | (13,041) | (21,774) | (73,602) | (18,214) | (32,227) | | | | | | | | | |
| Depreciation expense | | (655) | (603) | (616) | (670) | (696) | (536) | (540) | (542) | (473) | (407) | | | | | | | | | |
| Other non-operating income (expense) | | (167) | (318) | (125) | (312) | (414) | (67) | (69) | 26 | (58) | (17) | | | | | | | | | |
| Plus: | | | | | | | | | | | | | | | | | | | | |
| Incentive fee related compensation | | 12,006 | 5,051 | 16,185 | 6,318 | 1,201 | 7,819 | 12,155 | 25,249 | 9,336 | 18,835 | | | | | | | | | |
| Carried interest attributable to redeemable noncontrolling interest holder | | — | — | — | — | 865 | 2,804 | (369) | 4,451 | 1,905 | 6,154 | | | | | | | | | |
| Carried interest attributable to other noncontrolling interest holders, net | | 4,861 | 1,922 | 3,484 | 1,077 | 468 | 1,969 | 2,588 | 3,313 | 2,525 | 4,407 | | | | | | | | | |
| Fee-related earnings | \$ | 21,067 | \$ | 21,442 | \$ | 26,979 | \$ | 18,606 | \$ | 17,561 | \$ | 25,108 | \$ | 25,624 | \$ | 26,776 | \$ | 25,193 | \$ | 27,456 |

- Represents expenses incurred in each of 2019 and 2020 related to the Mosaic transaction, 2020 expenses relate the public offering Transaction, and 2021 expenses related to a debt offering, other contemplated corporate transactions, and other public company readiness expenses
- Represents corporate income taxes at a blended statutory rate of 25.0% applied to adjusted pre-tax income for all periods presented. The 25.0% is based on a federal statutory rate of 21.0% and a combined state, local and foreign rate net of federal benefits of 4.0%. As we were not subject to U.S. federal and state income taxes prior to the Transaction, the blended statutory rate of 25.0% has been applied to all periods presented for comparability purposes

Components of GAAP Expenses by Year

| \$000 | 2019 | 2020 |
|---|-------------------|-------------------|
| Components of GAAP Employee Compensation and Benefits | | |
| Cash-based employee compensation and benefits, net ⁽³⁾ | \$ 165,212 | \$ 158,194 |
| Cash-based incentive fee related compensation | — | 11,454 |
| Carried interest compensation, net ⁽⁵⁾ | 39,560 | 34,970 |
| Partnership interest-based compensation | 30,233 | 172,358 |
| Severance | 4,650 | 7,636 |
| Other non-cash compensation | 4,030 | 4,564 |
| Non-cash carried interest compensation | (718) | (711) |
| GAAP employee compensation and benefits | \$ 242,967 | \$ 388,465 |

Reconciliation of Non-GAAP Measures to GAAP by Year

| \$000 | 2019 | 2020 |
|--|------------------|------------------|
| Net Incentive Fees Attributable to GCM Grosvenor | | |
| Incentive fees | | |
| Performance fees | \$ 14,413 | \$ 52,726 |
| Carried interest | 69,752 | 58,924 |
| Less incentive fees contractually owed to others: | | |
| Cash carried interest compensation | (38,842) | (34,259) |
| Non-cash carried interest compensation | (718) | (711) |
| Carried interest attributable to redeemable noncontrolling interest holder | — | (7,751) |
| Carried interest attributable to other noncontrolling interest holders, net | (11,344) | (8,338) |
| Net incentive fees attributable to GCM Grosvenor, prior to incentive fee compensation | 33,261 | 60,591 |
| Less: Cash-based incentive fee related compensation | — | (11,454) |
| Net incentive fees attributable to GCM Grosvenor | \$ 33,261 | \$ 49,137 |

Reconciliation of Non-GAAP Measures to GAAP by Year (continued)

| \$000 | 2019 | 2020 (restated) |
|---|-------------------|-------------------|
| Adjusted Pre-Tax Income & Adjusted Net Income | | |
| Net income attributable to GCM Grosvenor Inc. | \$ — | \$ 4,049 |
| Plus: | | |
| Net income (loss) attributable to noncontrolling interests in GCMH | 46,777 | (112,937) |
| Provision for income taxes | 2,318 | 4,506 |
| Change in fair value of derivatives | 5,417 | 8,572 |
| Change in fair value of warrants | — | 13,315 |
| Amortization expense | 7,794 | 7,504 |
| Severance | 4,650 | 7,636 |
| Transaction expenses ⁽¹⁾ | 770 | 11,603 |
| Loss on extinguishment of debt | — | 1,514 |
| Changes in tax receivable agreement liability and other | 905 | 380 |
| Partnership interest-based compensation | 30,233 | 172,358 |
| Other non-cash compensation | 4,030 | 4,564 |
| Less: | | |
| Investment income, net of noncontrolling interests | (5,579) | (1,069) |
| Non-cash carried interest compensation | (718) | (711) |
| Adjusted pre-tax income | 96,597 | 121,284 |
| Less: | | |
| Adjusted income taxes ⁽²⁾ | (24,149) | (30,321) |
| Adjusted net income | \$ 72,448 | \$ 90,963 |
| Adjusted EBITDA | | |
| Adjusted net income | \$ 72,448 | \$ 90,963 |
| Plus: | | |
| Adjusted income taxes ⁽²⁾ | 24,149 | 30,321 |
| Depreciation expense | 2,544 | 2,314 |
| Interest expense | 25,680 | 23,446 |
| Adjusted EBITDA | \$ 124,821 | \$ 147,044 |
| Fee-Related Earnings | | |
| Adjusted EBITDA | \$ 124,821 | \$ 147,044 |
| Less: | | |
| Incentive fees | (84,165) | (111,650) |
| Depreciation expense | (2,544) | (2,314) |
| Other non-operating income (expense) | (922) | (524) |
| Plus: | | |
| Incentive fee related compensation | 39,560 | 46,424 |
| Carried interest attributable to redeemable noncontrolling interest holder | — | 7,751 |
| Carried interest attributable to other noncontrolling interest holders, net | 11,344 | 8,338 |
| Fee-related earnings | \$ 88,094 | \$ 95,069 |

1. Represents expenses incurred in each of 2019 and 2020 related to the Mosaic Transaction, and 2020 expenses related to the public offering Transaction.

2. Represents corporate income taxes at a blended statutory rate of 25.0% applied to adjusted pre-tax income for all periods presented. The 25.0% is based on a federal statutory rate of 21.0% and a combined state, local and foreign rate net of federal benefits of 4.0%. As we were not subject to U.S. federal and state income taxes prior to the Transaction, the blended statutory rate of 25.0% has been applied to all periods presented for comparability purposes.

FPAUM and AUM by Quarter - 2020

| \$mm | Private Markets Strategies FPAUM | Absolute Return Strategies FPAUM | Total FPAUM | Contracted Not Yet FPAUM | Total AUM |
|--|-------------------------------------|-------------------------------------|-------------|-----------------------------|-----------|
| Quarter Ended March 31, 2020 | | | | | |
| Beginning of Period (January 1, 2020) | \$ 26,477 | \$ 23,556 | \$ 50,033 | \$ 5,153 | \$ 57,746 |
| Contributions from CNYFPAUM | 560 | 87 | 647 | | |
| Contributions from New Capital Raised | 248 | 679 | 927 | | |
| Withdrawals | — | (1,118) | (1,118) | | |
| Distributions | (776) | (3) | (779) | | |
| Change in Market Value | (305) | (1,575) | (1,880) | | |
| Foreign Exchange, Other | (4) | (57) | (61) | | |
| End of Period Balance (March 31, 2020) | \$ 26,200 | \$ 21,569 | \$ 47,769 | \$ 5,395 | \$ 55,779 |
| Quarter Ended June 30, 2020 | | | | | |
| Beginning of Period (April 1, 2020) | \$ 26,200 | \$ 21,569 | \$ 47,769 | \$ 5,395 | \$ 55,779 |
| Contributions from CNYFPAUM | 454 | 124 | 578 | | |
| Contributions from New Capital Raised | 439 | 172 | 611 | | |
| Withdrawals | — | (732) | (732) | | |
| Distributions | (286) | (60) | (346) | | |
| Change in Market Value | 126 | 1,436 | 1,562 | | |
| Foreign Exchange, Other | 150 | 5 | 155 | | |
| End of Period Balance (June 30, 2020) | \$ 27,083 | \$ 22,514 | \$ 49,597 | \$ 5,584 | \$ 56,890 |
| Quarter Ended September 30, 2020 | | | | | |
| Beginning of Period (July 1, 2020) | \$ 27,083 | \$ 22,514 | \$ 49,597 | \$ 5,584 | \$ 56,890 |
| Contributions from CNYFPAUM | 347 | 7 | 354 | | |
| Contributions from New Capital Raised | 223 | 130 | 353 | | |
| Withdrawals | — | (957) | (957) | | |
| Distributions | (450) | (52) | (502) | | |
| Change in Market Value | 55 | 1,198 | 1,253 | | |
| Foreign Exchange, Other | (164) | (44) | (208) | | |
| End of Period Balance (September 30, 2020) | \$ 27,094 | \$ 22,796 | \$ 49,890 | \$ 6,639 | \$ 58,551 |
| Quarter Ended December 31, 2020 | | | | | |
| Beginning of Period (October 1, 2020) | \$ 27,094 | \$ 22,796 | \$ 49,890 | \$ 6,639 | \$ 58,551 |
| Contributions from CNYFPAUM | 666 | 90 | 756 | | |
| Contributions from New Capital Raised | 626 | 325 | 951 | | |
| Withdrawals | — | (583) | (583) | | |
| Distributions | (469) | (147) | (616) | | |
| Change in Market Value | 79 | 1,673 | 1,752 | | |
| Foreign Exchange, Other | (157) | (24) | (181) | | |
| End of Period Balance (December 31, 2020) | \$ 27,839 | \$ 24,130 | \$ 51,969 | \$ 7,057 | \$ 61,943 |

FPAUM and AUM by Quarter - 2021

| \$mm | Private Markets Strategies FPAUM | Absolute Return Strategies FPAUM | Total FPAUM | Contracted Not Yet FPAUM | Total AUM |
|--|-------------------------------------|-------------------------------------|-------------|-----------------------------|-----------|
| Quarter Ended March 31, 2021 | | | | | |
| Beginning of Period (January 1, 2021) | \$ 27,839 | \$ 24,130 | \$ 51,969 | \$ 7,057 | \$ 61,943 |
| Contributions from CNYFPAUM | 1,163 | 92 | 1,255 | | |
| Contributions from New Capital Raised | 572 | 567 | 1,139 | | |
| Withdrawals | — | (450) | (450) | | |
| Distributions | (907) | (4) | (911) | | |
| Change in Market Value | 223 | 123 | 346 | | |
| Foreign Exchange, Other | (1) | 15 | 14 | | |
| End of Period Balance (March 31, 2021) | \$ 28,889 | \$ 24,473 | \$ 53,362 | \$ 7,454 | \$ 64,862 |
| Quarter Ended June 30, 2021 | | | | | |
| Beginning of Period (April 1, 2021) | \$ 28,889 | \$ 24,473 | \$ 53,362 | \$ 7,454 | \$ 64,862 |
| Contributions from CNYFPAUM | 715 | 12 | 727 | | |
| Contributions from New Capital Raised | 807 | 558 | 1,365 | | |
| Withdrawals | — | (748) | (748) | | |
| Distributions | (740) | (103) | (843) | | |
| Change in Market Value | 50 | 739 | 789 | | |
| Foreign Exchange, Other | 391 | (43) | 348 | | |
| End of Period Balance (June 30, 2021) | \$ 30,112 | \$ 24,888 | \$ 55,000 | \$ 7,027 | \$ 66,900 |

FPAUM and AUM by Year - 2020

| \$mm | Private Markets Strategies FPAUM | Absolute Return Strategies FPAUM | Total FPAUM | Contracted Not Yet FPAUM | Total AUM |
|---|-------------------------------------|-------------------------------------|-------------|-----------------------------|-----------|
| Year Ended December 31, 2020 | | | | | |
| Beginning of Period (January 1, 2020) | \$ 26,477 | \$ 23,556 | \$ 50,033 | \$ 5,153 | \$ 57,746 |
| Contributions from CNYFPAUM | 2,027 | 308 | 2,335 | | |
| Contributions from New Capital Raised | 1,536 | 1,317 | 2,853 | | |
| Withdrawals | — | (3,386) | (3,386) | | |
| Distributions | (2,022) | (256) | (2,278) | | |
| Change in Market Value | (2) | 2,721 | 2,719 | | |
| Foreign Exchange, Other | (177) | (130) | (307) | | |
| End of Period Balance (December 31, 2020) | \$ 27,839 | \$ 24,130 | \$ 51,969 | \$ 7,057 | \$ 61,943 |

Non-GAAP Financial Measures - Notes

2. Excludes fund reimbursement revenue for the following periods:

| \$000 | 1Q'19 | 2Q'19 | 3Q'19 | 4Q'19 | Three Months Ended | | | | Year Ended | | | |
|----------------------------|-------|-------|-------|-------|--------------------|-------|-------|-------|------------|-------|-------|-------|
| | | | | | 1Q'20 | 2Q'20 | 3Q'20 | 4Q'20 | 2019 | 2020 | | |
| Fund reimbursement revenue | 1,462 | 900 | 1,305 | 3,041 | 1,974 | 1,827 | 2,164 | 2,441 | 2,360 | 2,554 | 6,708 | 8,406 |

3. Excludes severance expense for the following periods:

| \$000 | 1Q'19 | 2Q'19 | 3Q'19 | 4Q'19 | Three Months Ended | | | | Year Ended | | | |
|-----------|-------|-------|-------|-------|--------------------|-------|-------|-------|------------|------|-------|-------|
| | | | | | 1Q'20 | 2Q'20 | 3Q'20 | 4Q'20 | 2019 | 2020 | | |
| Severance | 1,095 | 2,347 | 979 | 229 | 2,280 | 8 | 760 | 4,588 | 588 | 802 | 4,650 | 7,636 |

4. General, administrative and other, net is comprised of the following:

| \$000 | 1Q'19 | 2Q'19 | 3Q'19 | 4Q'19 | Three Months Ended | | | | Year Ended | | | |
|---|-----------------|-----------------|-----------------|-----------------|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | | | | 1Q'20 | 2Q'20 | 3Q'20 | 4Q'20 | 2019 | 2020 | | |
| General, administrative and other | (21,789) | (22,207) | (20,641) | (23,821) | (24,596) | (16,242) | (17,263) | (26,530) | (24,532) | (21,651) | (88,458) | (84,631) |
| Plus: | | | | | | | | | | | | |
| Corporate transaction related costs | — | — | — | 770 | 3,355 | 145 | 274 | 7,829 | 5,300 | 1,183 | 770 | 11,603 |
| Fund reimbursement revenue | 1,462 | 900 | 1,305 | 3,041 | 1,974 | 1,827 | 2,164 | 2,441 | 2,360 | 2,554 | 6,708 | 8,406 |
| Amortization of intangibles | 1,953 | 1,954 | 1,953 | 1,934 | 1,876 | 1,876 | 1,876 | 1,876 | 583 | 583 | 7,794 | 7,504 |
| Non-core items | 17 | 18 | 282 | 654 | (436) | 572 | 138 | 182 | 29 | 120 | 971 | 456 |
| Total general, administrative and other, net | (18,357) | (19,335) | (17,101) | (17,422) | (17,827) | (11,822) | (12,811) | (14,202) | (16,260) | (17,211) | (72,215) | (56,662) |

5. Excludes the impact of non-cash carried interest expense for the following periods:

| \$000 | 1Q'19 | 2Q'19 | 3Q'19 | 4Q'19 | Three Months Ended | | | | Year Ended | | | |
|--|-------|-------|-------|-------|--------------------|-------|-------|-------|------------|------|-----|-----|
| | | | | | 1Q'20 | 2Q'20 | 3Q'20 | 4Q'20 | 2019 | 2020 | | |
| Non-cash carried interest compensation | 807 | (515) | 182 | 244 | (989) | 508 | (287) | 1,479 | 643 | 371 | 718 | 711 |

6. Represents corporate income taxes at a blended statutory rate of 25.0% applied to adjusted pre-tax income for all periods presented. The 25.0% is based on a federal statutory rate of 21.0% and a combined state, local and foreign rate net of federal benefits of 4.0%. As we were not subject to U.S. federal and state income taxes prior to the Transaction, the blended statutory rate of 25.0% has been applied to all periods presented for comparability purposes.

7. As Class A common stock did not exist prior to the Transaction, the computation of Adjusted Net Income per Share assumes the same number of adjusted shares outstanding as of December 31, 2020 for all periods prior to the Transaction.

Certain Definitions and Use of Non-GAAP Financials and Key Performance Indicators

The non-GAAP financial measures contained in this presentation are not GAAP measures of GCM Grosvenor Inc.'s financial performance or liquidity and should not be considered as alternatives to net income (loss) as a measure of financial performance or cash flows from operations as measures of liquidity, or any other performance measure derived in accordance with GAAP. A reconciliation of such non-GAAP measures to their most directly comparable GAAP measure is included elsewhere in this presentation. You are encouraged to evaluate each adjustment to non-GAAP financial measures and the reasons management considers it appropriate for supplemental analysis. Our presentation of these measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. In addition, these measures may not be comparable to similarly titled measures used by other companies in our industry or across different industries.

Adjusted net income is a non-GAAP measure that we present on a pre-tax and after-tax basis to evaluate our profitability. **Adjusted pre-tax income** represents net income attributable to GCM Grosvenor Inc. including (a) net income attributable to GCMH, excluding (b) provision (benefit) for income taxes, (c) changes in fair value of derivatives and warrants, (d) amortization expense, (e) partnership interest-based and non-cash compensation, (f) equity-based compensation, (g) unrealized investment income, (h) changes in tax receivable agreement liability and (i) certain other items that we believe are not indicative of our core performance, including charges related to corporate transactions and employee severance. We believe adjusted pre-tax net income is useful to investors because it provides additional insight into the operating profitability of our business. **Adjusted net income** represents adjusted pre-tax income minus adjusted income taxes, which represent corporate income taxes at a blended effective tax rate of 21% and an estimated combined state, local and foreign income tax rate net of federal benefits of 4%. As we were not subject to U.S. federal and state income taxes prior to November 17, 2020, the blended statutory tax rate of 25% has been applied to all periods presented for comparability purposes.

Adjusted EBITDA is a non-GAAP measure which represents adjusted net income excluding (a) adjusted income taxes, (b) depreciation and amortization expense and (c) interest expense on our outstanding debt. We believe Adjusted EBITDA is useful to investors because it enables them to better evaluate the performance of our core business across reporting periods.

Adjusted net income per share is a non-GAAP measure that is calculated by dividing adjusted net income by adjusted shares outstanding. Adjusted shares outstanding assumes the hypothetical full exchange of limited partnership interests in GCMH into Class A common stock of GCM Grosvenor Inc., the full exercise of outstanding warrants for Class A common stock of GCM Grosvenor Inc. and the full vesting of outstanding equity-based compensation.

Fee-related revenue ("FRR") is a non-GAAP measure used to highlight revenues from recurring management fees and administrative fees. FRR represents total operating revenues less (a) incentive fees and (b) fund reimbursement revenue.

Fee-related earnings ("FRE") is a non-GAAP measure used to highlight earnings from recurring management fees and administrative fees. FRE represents Adjusted EBITDA further adjusted to exclude (a) incentive fees and related compensation and (b) other non-operating income, and to include depreciation expense. We believe FRE is useful to investors because it provides additional insights into the management fee driven operating profitability of our business.

New Capital Raised is new limited partner commitments where fees are charged immediately at the initial commitment date.

Net incentive fees attributable to GCM Grosvenor is a non-GAAP measure used to highlight fees earned from incentive fees that are attributable to GCM Grosvenor. Net incentive fees represent incentive fees excluding (a) incentive fees contractually owed to others and (b) cash-based incentive fee related compensation.

Certain Definitions and Use of Non-GAAP Financials and Key Performance Indicators (continued)

Fee-Paying Assets Under Management (“FPAUM” or “Fee-Paying AUM”) is a key performance indicator we use to measure the assets from which we earn management fees. Our FPAUM comprises the assets in our customized separate accounts and specialized funds from which we derive management fees. We classify customized separate account revenue as management fees if the client is charged an asset-based fee, which includes the vast majority of our discretionary AUM accounts. The FPAUM for our private market strategies typically represents committed, invested or scheduled capital during the investment period and invested capital following the expiration or termination of the investment period. Substantially all of our private markets strategies funds earn fees based on commitments or net invested capital, which are not affected by market appreciation or depreciation. Our FPAUM for our absolute return strategy is based on net asset value.

Our calculations of FPAUM may differ from the calculations of other asset managers, and as a result, this measure may not be comparable to similar measures presented by other asset managers. Our definition of FPAUM is not based on any definition that is set forth in the agreements governing the customized separate accounts or specialized funds that we manage.

Contracted, not yet fee-paying AUM (“CNYFPAUM”) represents limited partner commitments during or prior to the initial commitment or investment period where fees are expected to be charged in the future based on invested capital (capital committed to underlying investments) or on a scheduled ramp-in of total commitments.

Assets Under Management (“AUM”) reflects the sum of (a) FPAUM, (b) CNYFPAUM and (c) other mark-to-market, insider capital and non-fee-paying assets under management.

GCM Grosvenor refers to the combined accounts of (a) Grosvenor Capital Management Holdings, LLLP (“LLLP” or “GCMH”), an Delaware limited liability limited partnership, and its consolidated subsidiaries and (b) GCM, L.L.C., a Delaware limited liability company.

Transaction refers to the business combination announced August 3, 2020 and completed on November 17, 2020 through which CFAC merged with and into GCM Grosvenor Inc., ceasing the separate corporate existence of CFAC with GCM Grosvenor Inc. becoming the surviving corporation. Following the business combination, the financial statements of GCM Grosvenor Inc. will represent a continuation of the financial statements of GCM Grosvenor with the transaction being treated as the equivalent of GCM Grosvenor issuing stock for the net assets of GCM Grosvenor, Inc., accompanied by a recapitalization.

GCM Grosvenor Inc. was incorporated in Delaware as a wholly owned subsidiary of Grosvenor Capital Management Holdings, LLLP, formed for the purpose of completing the Transaction. Pursuant to the Transaction, Grosvenor Capital Management Holdings, LLLP cancelled its shares in GCM Grosvenor Inc. no longer making GCM Grosvenor Inc. a wholly owned subsidiary of Grosvenor Capital Management Holdings, LLLP.