

GCM Grosvenor Investor Presentation

June 2022

GCM GROSVENOR



50+ Years of Alternative Asset Management Investing

1971

First year of
Investing

74%

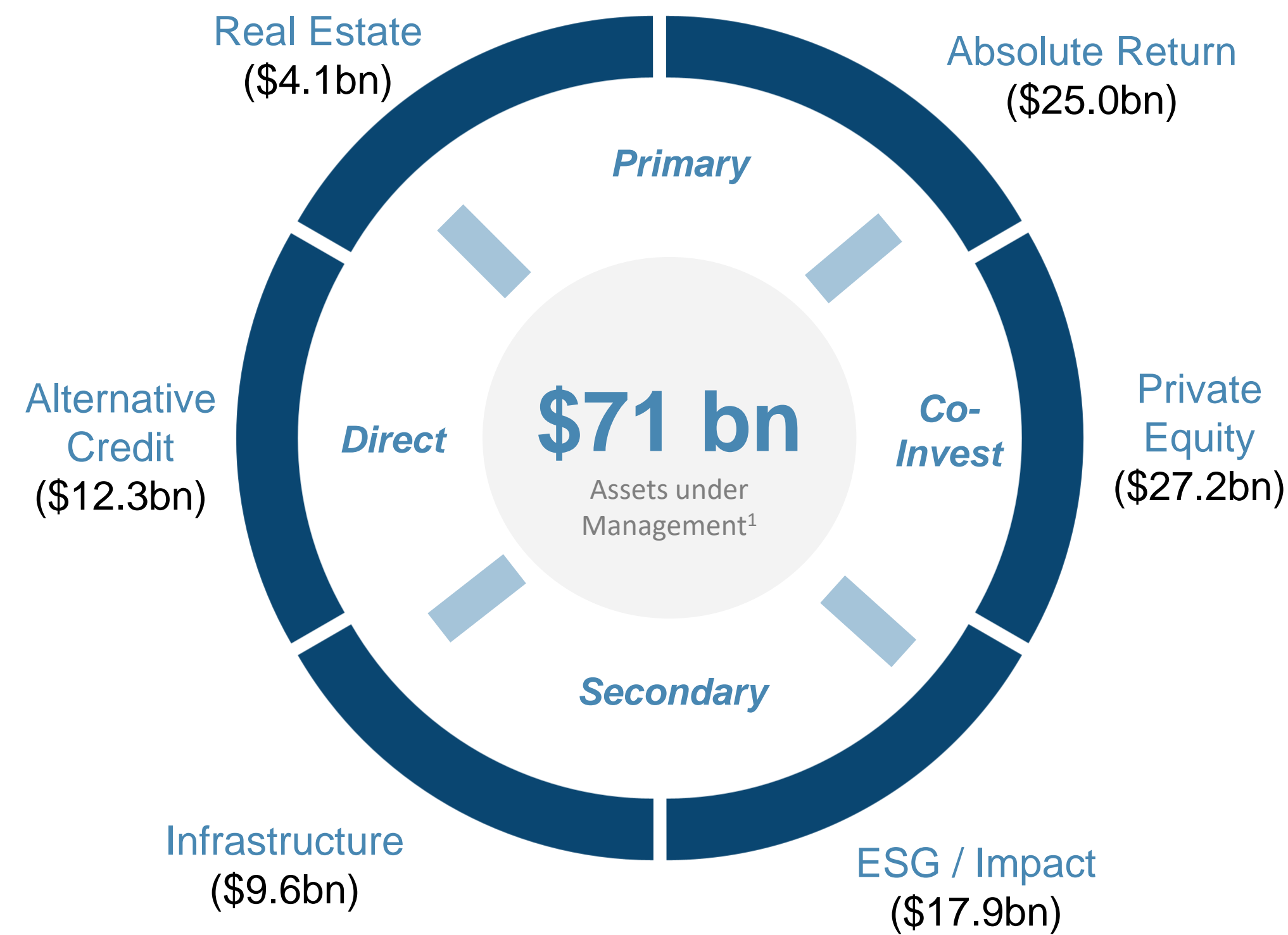
of AUM in customized separate accounts

~520

Employees

~170

Investment
professionals



1. See Notes towards the end of the document.

Our Alternative Investments Platform is Highly Flexible

One Platform That Spans the Alternatives Investing Universe

5,600+

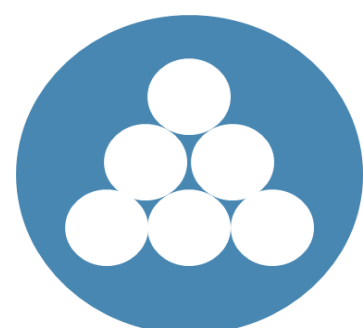
tracked managers across
the platform

650+

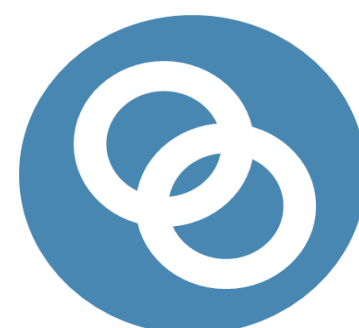
manager relationships



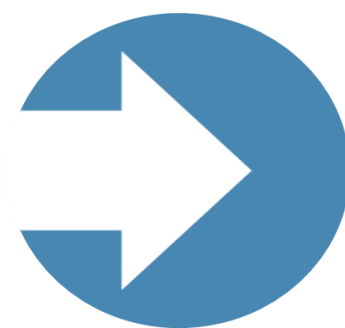
Multiple Implementation Options



Primary Investments



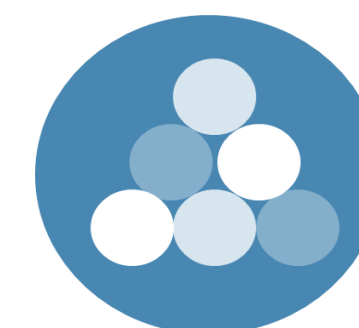
Co-Investments



Direct Investments



Secondaries



Custom Structures



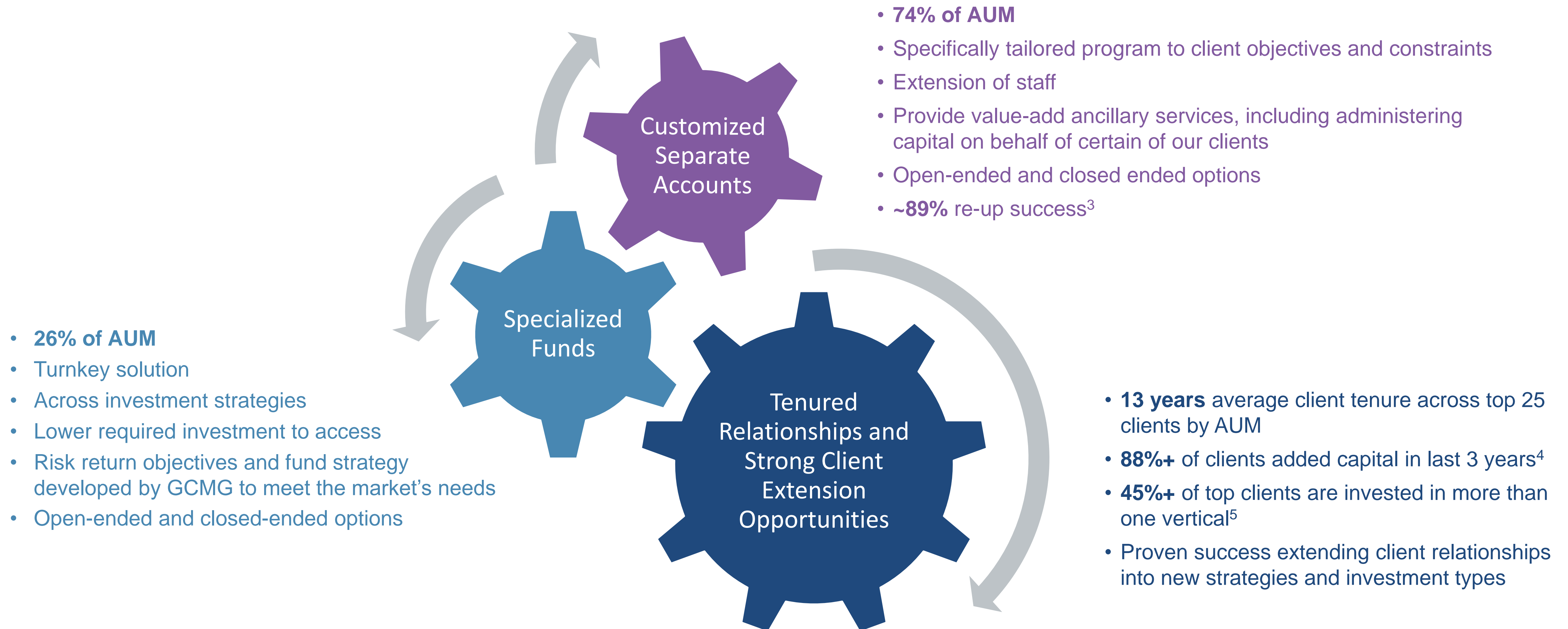
Seeding

The GCM Grosvenor Advantage



2. See Notes towards the end of the document.

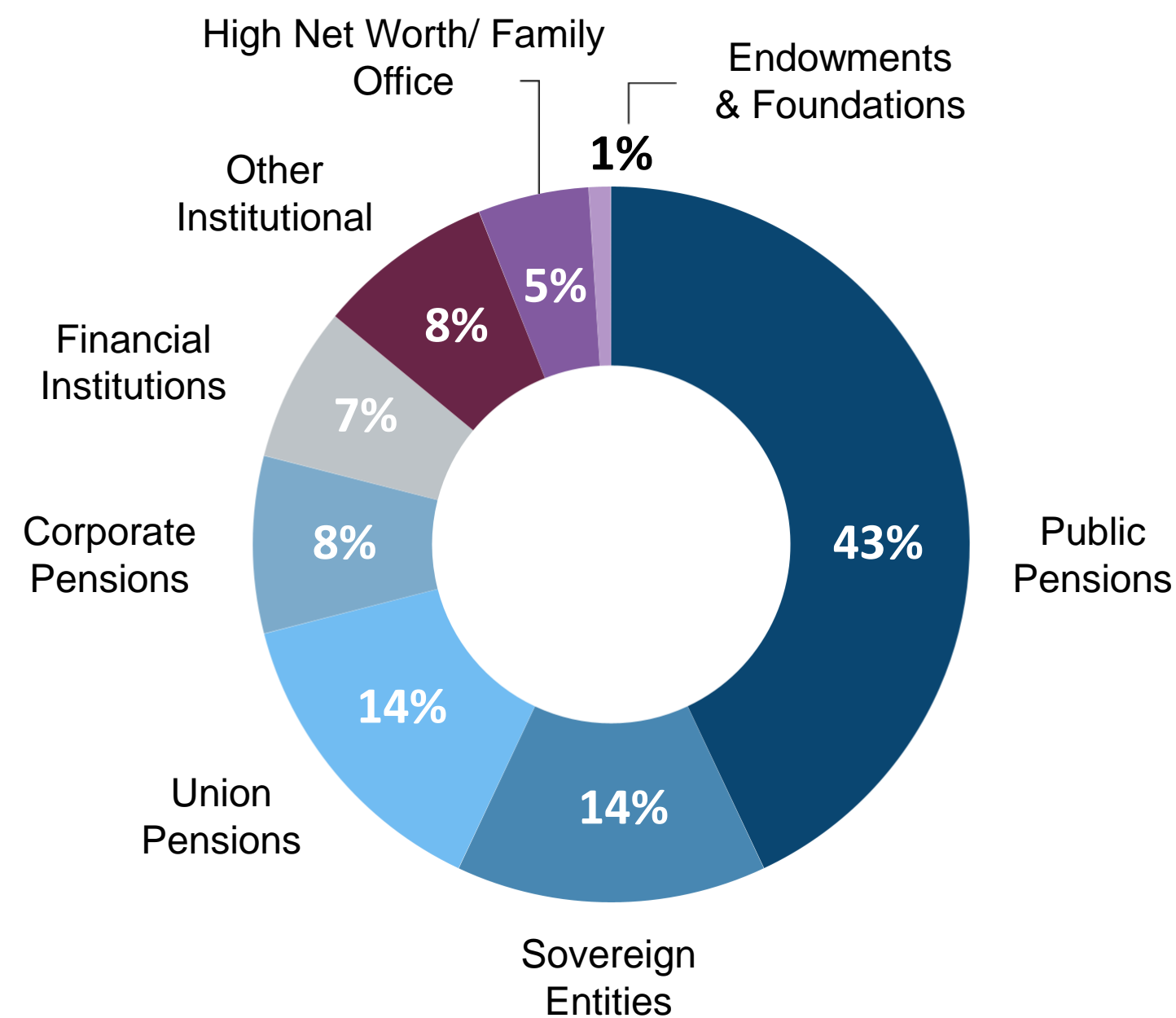
Flexible Delivery Formats Fuel Client Extension Opportunities



Strong Value Proposition Drives Diversified, Long-Tenured Client Base⁶

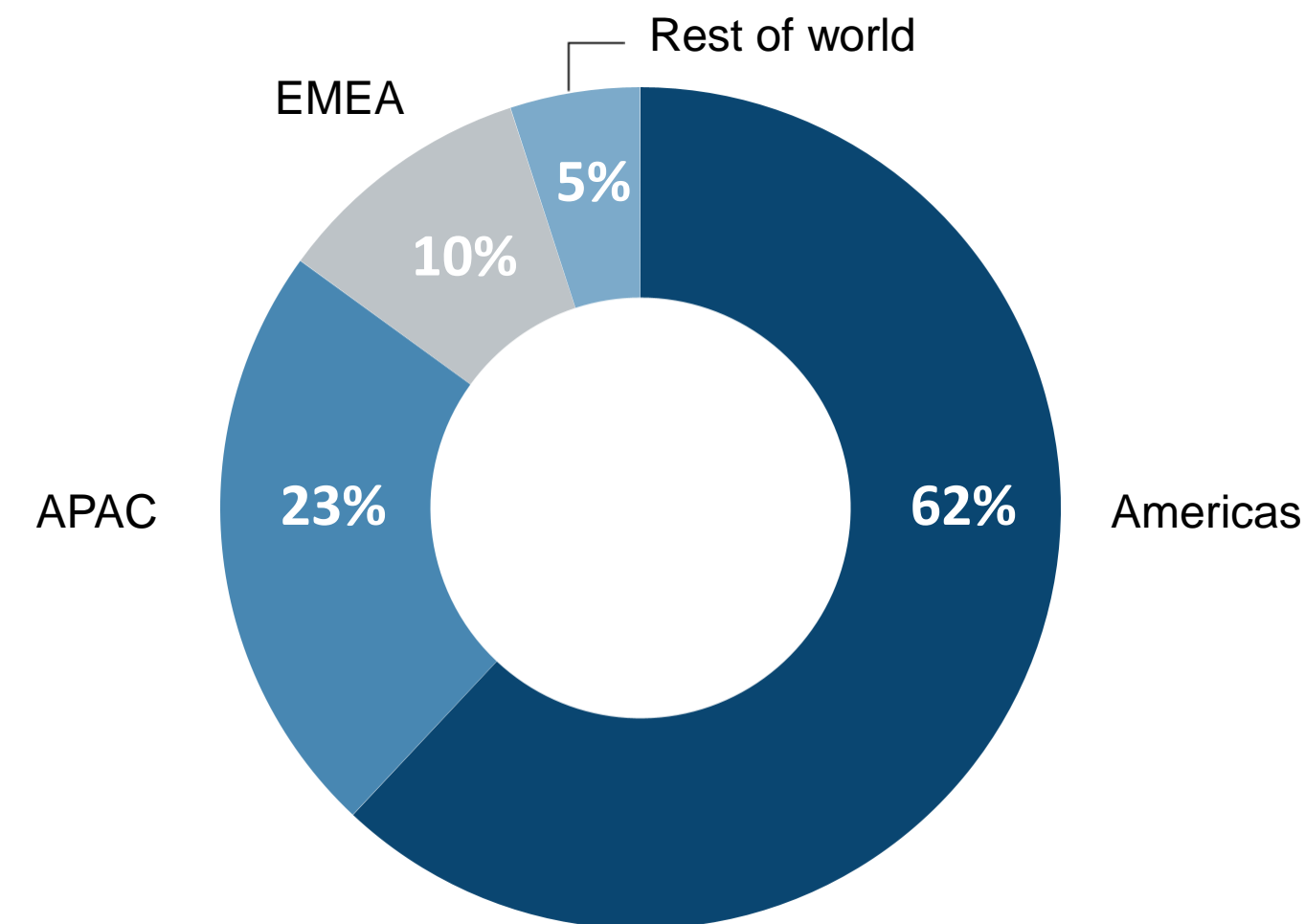
Our client base is **institutional and stable**

% of AUM



Our client base is **global**

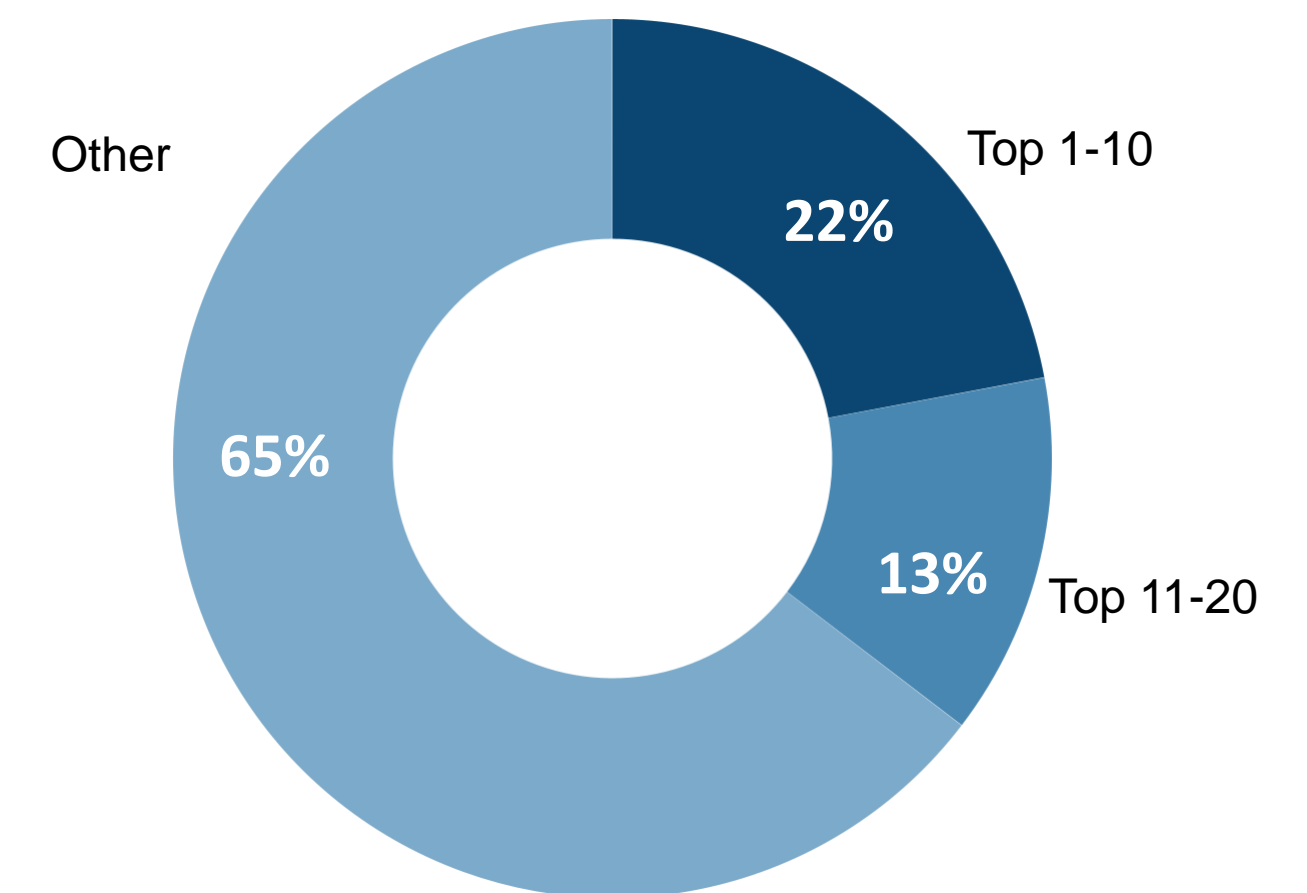
% of AUM



Our client base is **diversified**

% of management fees

No single client contributes more than 5% of our management fees



\$71B of AUM across over 500 institutional clients

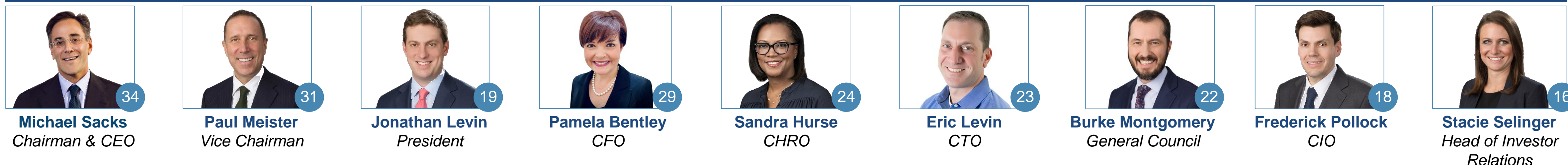
13yrs average relationship of our 25 largest clients by AUM

88% of 25 largest clients by AUM have expanded investment relationship in the last 3 years

Our Team and Culture Are Key to Our Success

Executive Management

● Years relevant experience



► Our Team⁷

- **50-year** track record
- **~520** employees globally
- **~170** investment professionals
- **60%** are women or ethnically diverse



► Culture is a Defensible Asset

- **Culture of Compliance:** Tone from the Top
- **Culture of Service:** We Succeed When our Clients Succeed
- **Culture of Excellence:** People and Performance
- **Culture of Diversity, Equity, and Inclusion**

ESG and Impact Are Longstanding Cornerstones of Our Business



We Help Our Clients **Invest with an ESG Lens**

ESG and impact investments are implemented through sustainably themed, socially constructive, and impact strategies

\$17.9B AUM⁸

ESG and Impact Strategies

Our Industry Partners



We Promote a **Sustainable Future**

We support and engage with global organizations focused on the impact of climate change.

We make environmental impact and sustainable investments.

We work to create positive environmental impact on a local level, including through environmentally friendly offices.

Our Global Partners



We Uphold the Highest Standards of **Governance**

ESG Committee develops and regularly reviews our ESG Policy and supports our ESG framework.

Diversity, Equity, and Inclusion Committee drives our strategy and accountability.

Robust cybersecurity programs demonstrate our resolve to keeping clients' data secure.



We Believe **Diversity, Equity, and Inclusion (DEI)** Are Key To Sustaining the Industry's Trajectory

Women and/or ethnically diverse employees at GCM Grosvenor⁷

60%

of staff

48%

of investment professionals

33%

of executive management

53%

of senior professionals

65%

of hires in the past twelve months



We Help **Communities Thrive and Grow**

110 Non-Profit Board Memberships as of July 1, 2021

225 Organizations Financially Supported In 2021

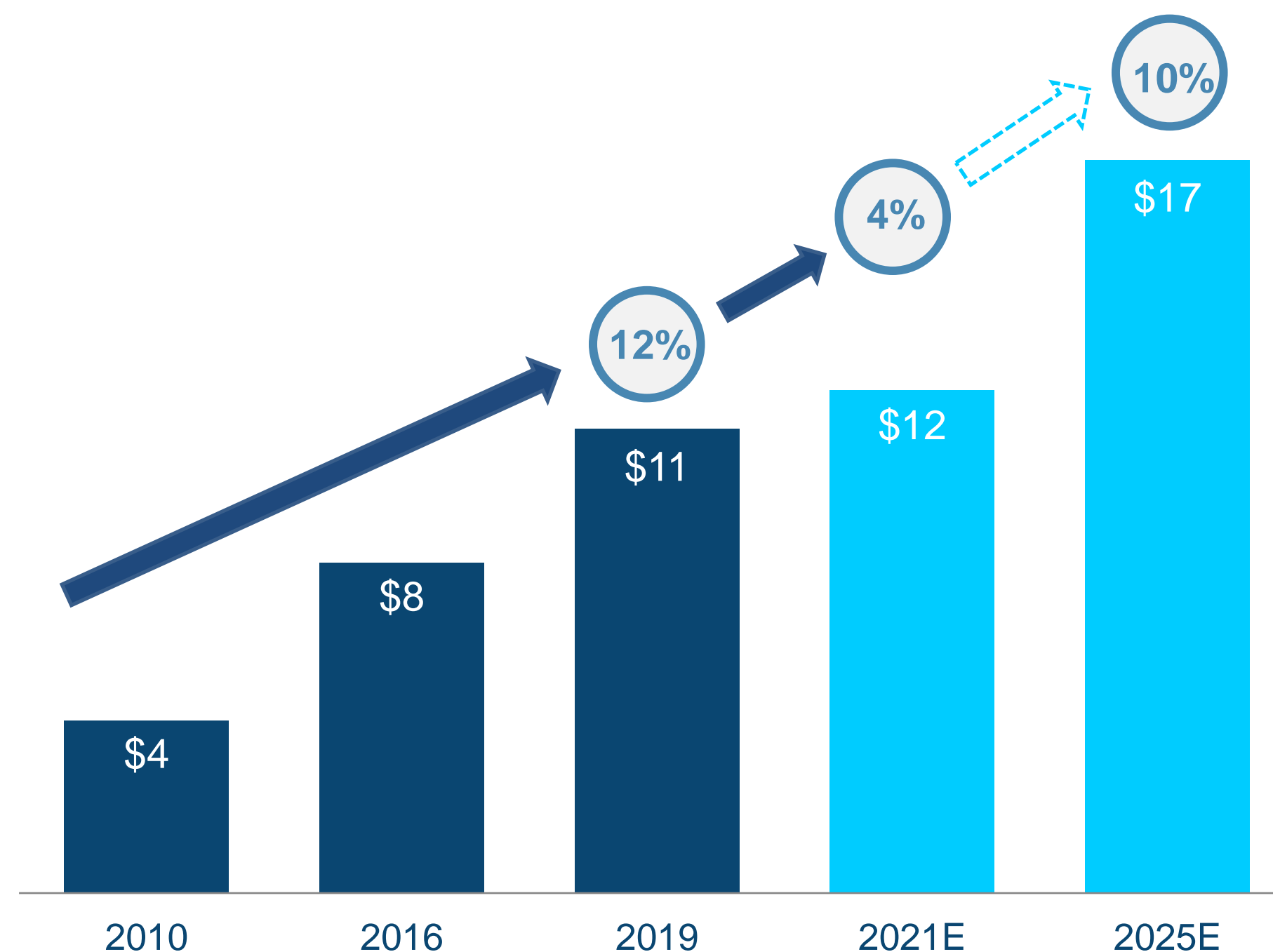
GCM Grosvenor is a Growing Firm in a Growing Industry

Drivers of Growth

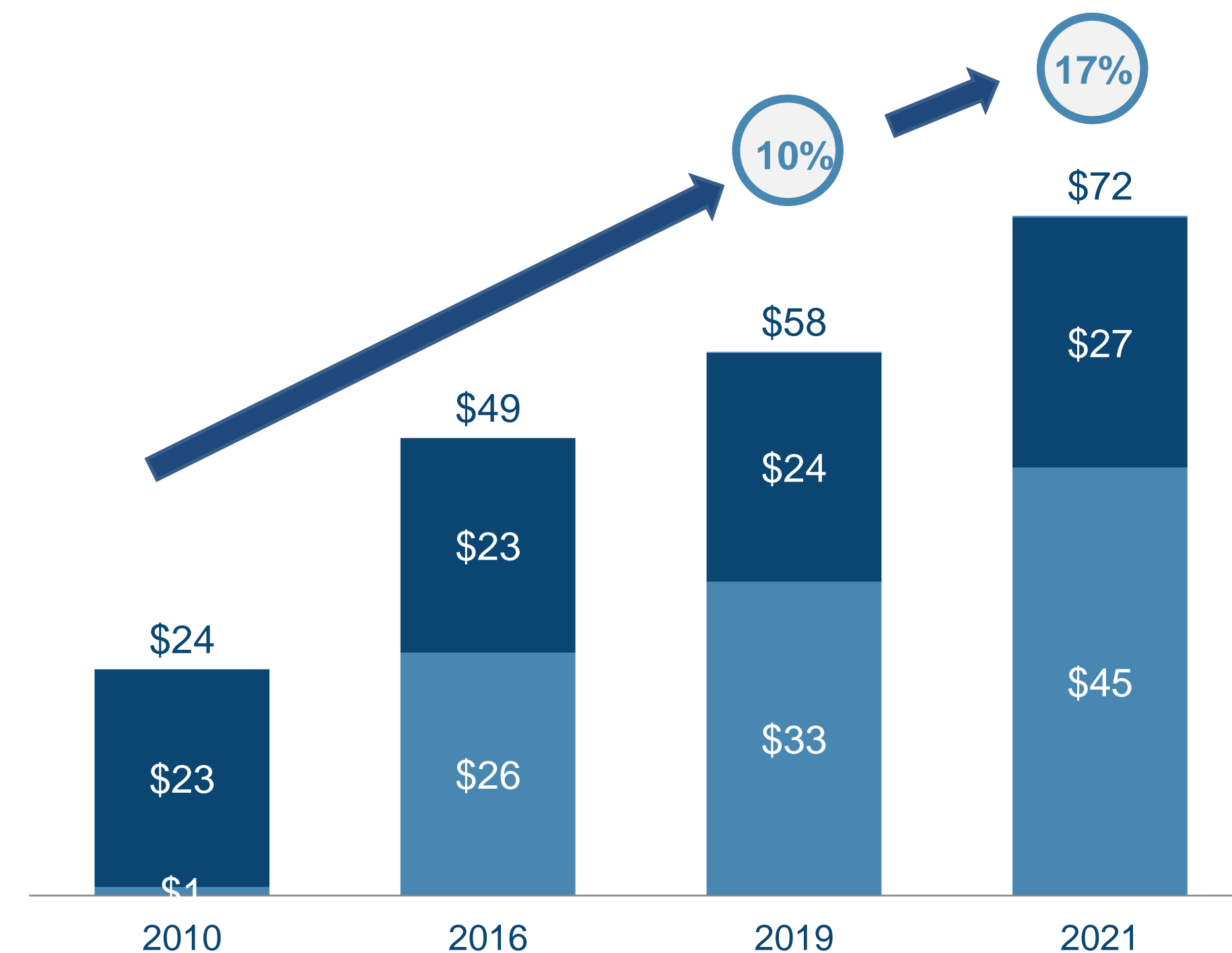
% CAGR

- + Persistent growth in **global institutional wealth**
- + Increasing investor **demand** for alternative investment strategies
- + Consistent **strong historical performance** of alternative investments
- + Rising demand for **customized solutions**
- + Benefits of **multi-asset class diversification**

Global Alternative AUM
(\$tn)



GCM Grosvenor AUM
(\$bn)



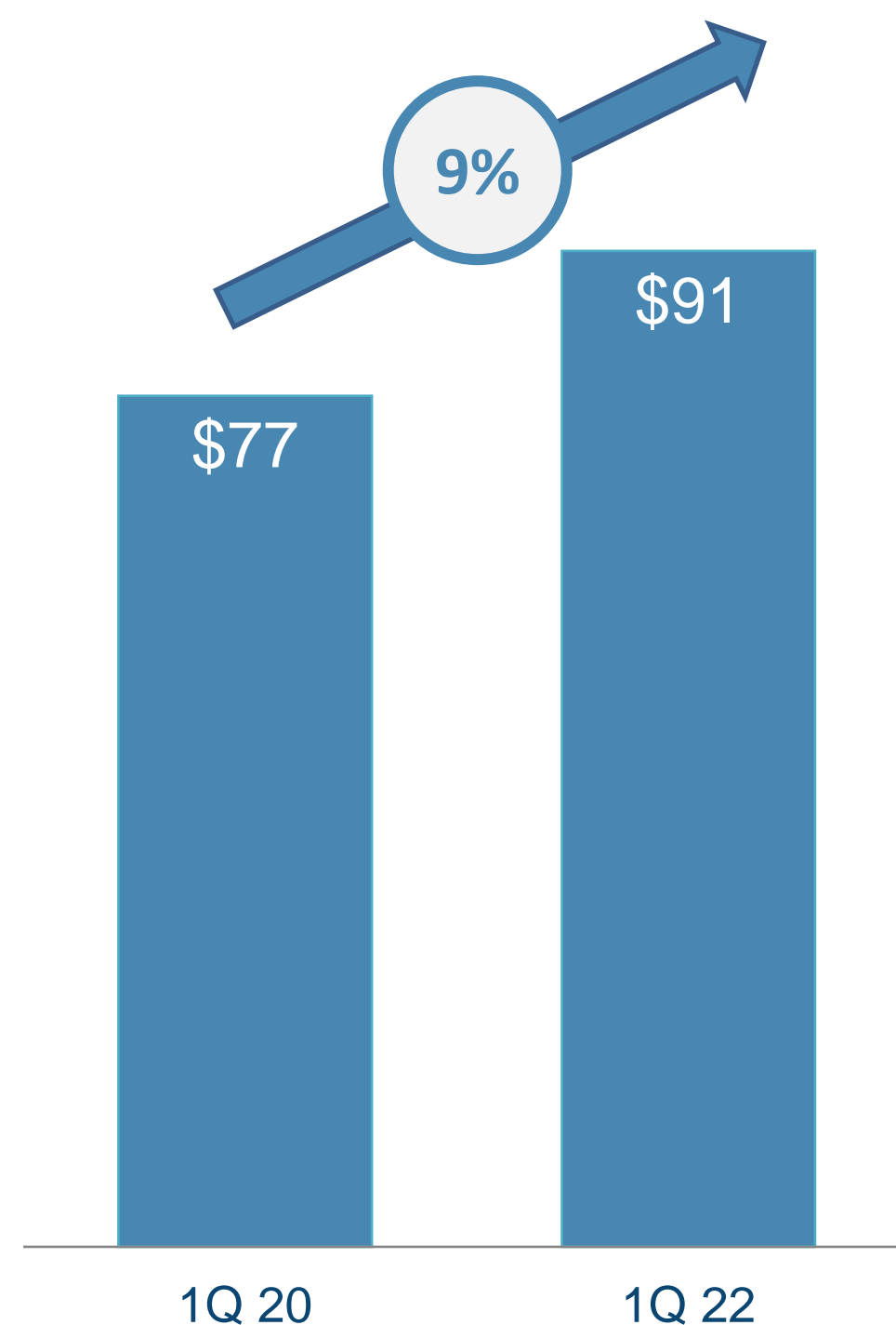
■ Private Markets ■ Absolute Return Strategies

Strong Revenue Characteristics Drive Growing Earnings Potential

\$ million

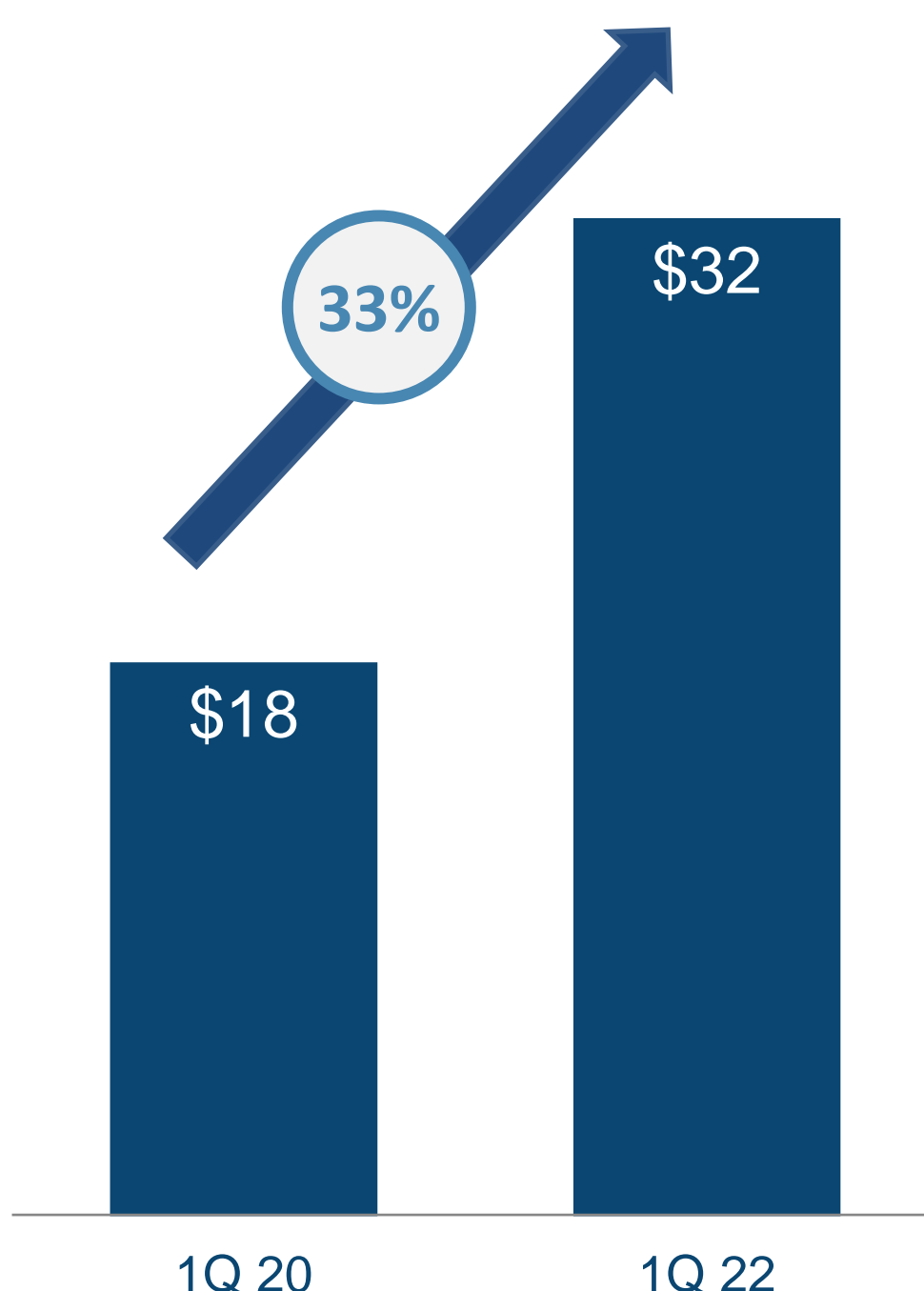
% CAGR

Fee-Related Revenue



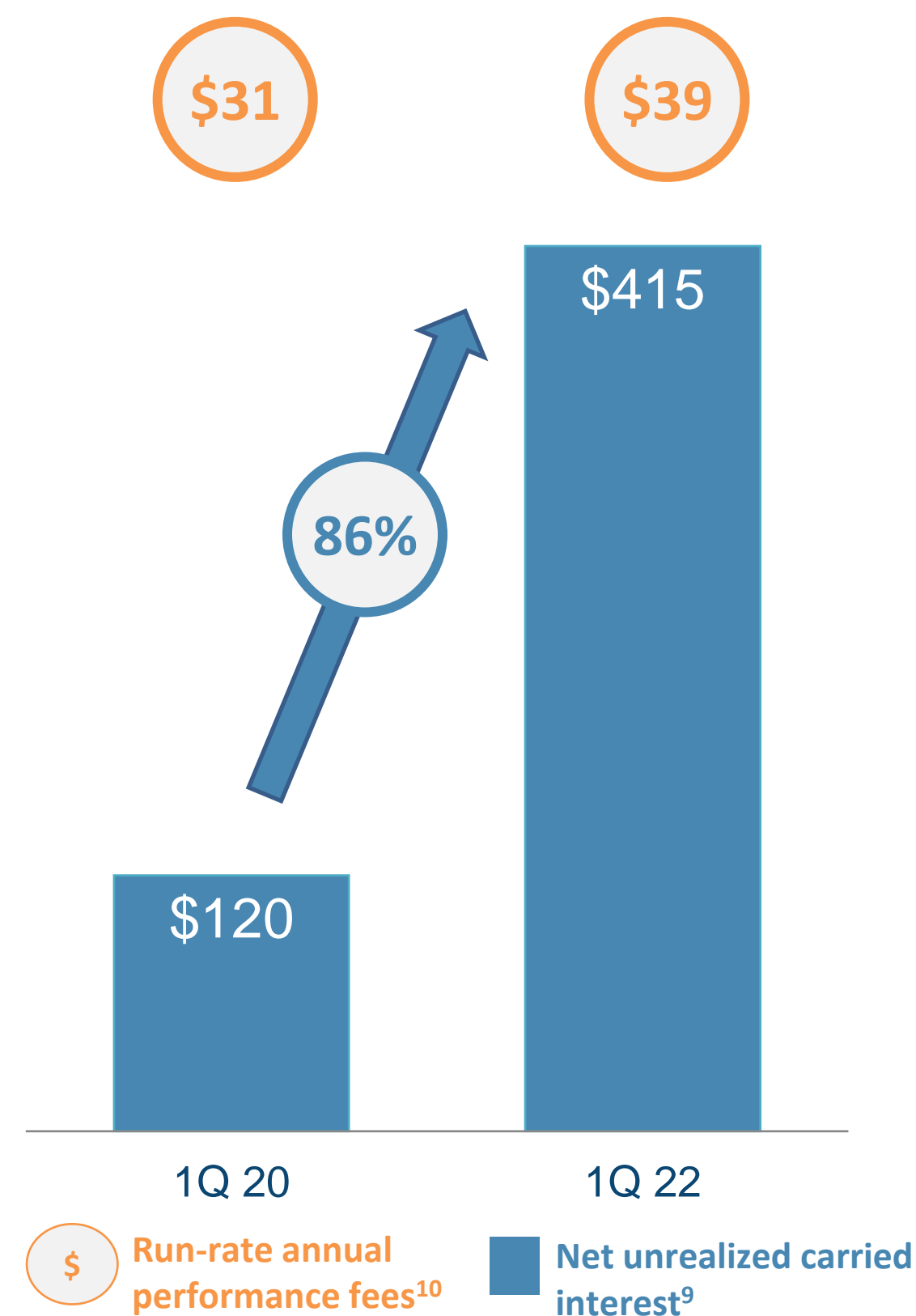
- ✓ **Highly stable:** No client makes up more than 5% of management fees
- ✓ **Highly visible**

Fee-Related Earnings



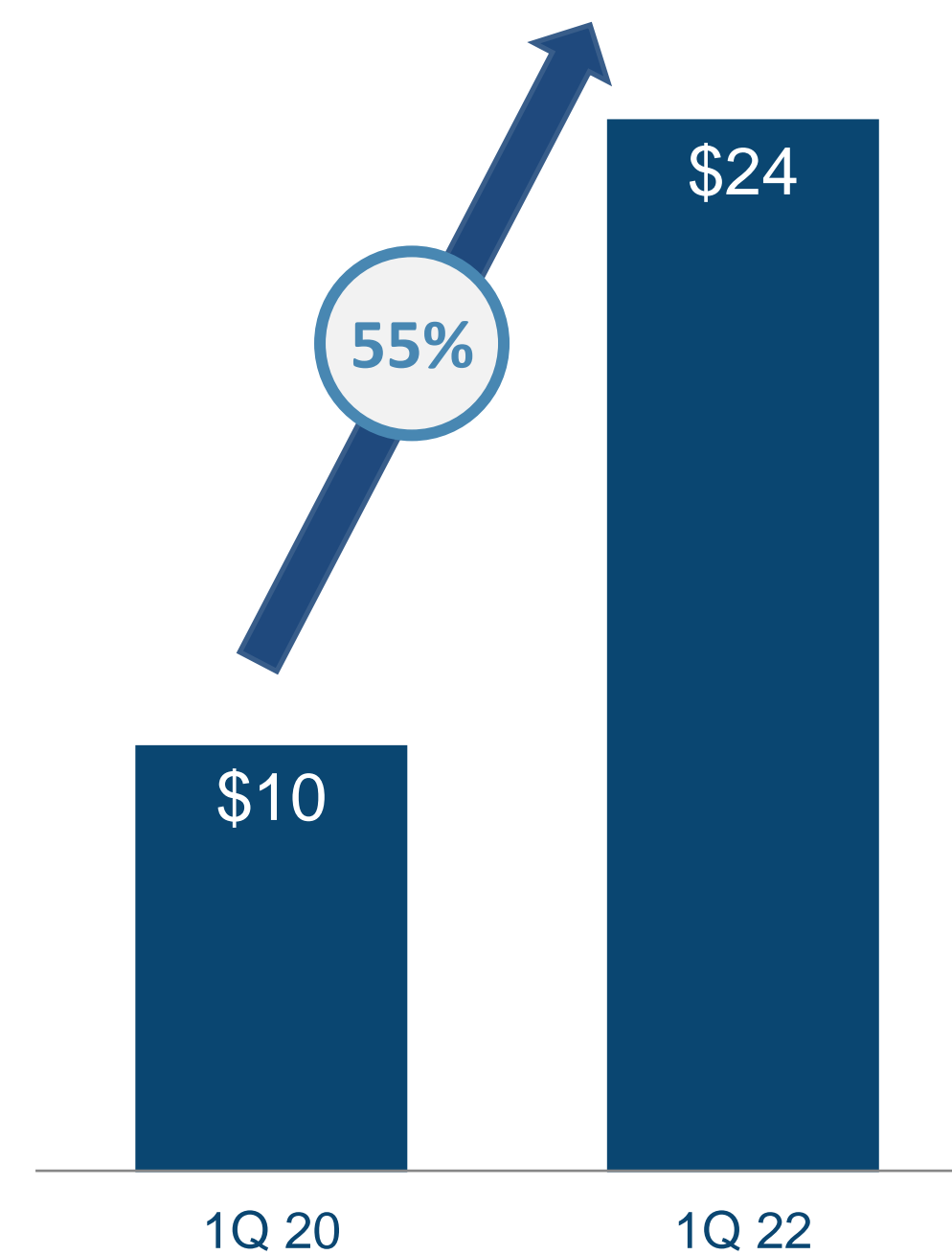
- ✓ **Strong operating leverage:** FRE margin of 35%, up 500 bps YoY

Incentive Fee Earnings Power



- ✓ **Growing earnings power** from incentive fees

Adjusted Net Income

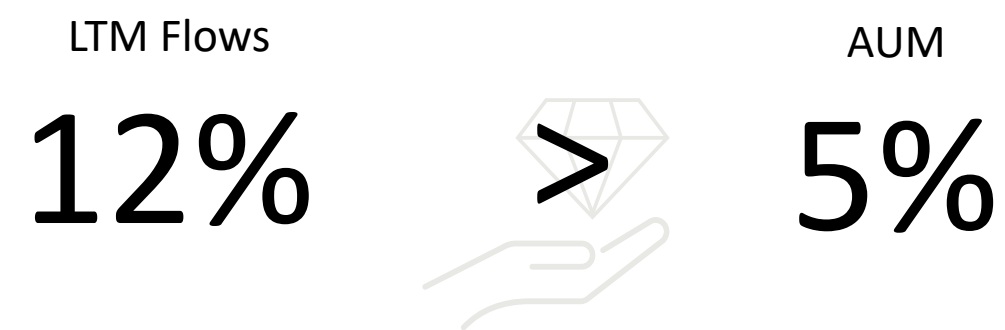


- ✓ **Consistent return of capital to shareholders:** \$0.40 annualized dividend with room to grow and \$65mm approved buyback authorization

Forecasted Double-Digit Fee-Related Earnings Growth in 2022 and 2023 – Key Drivers

① New Channel Expansion¹¹

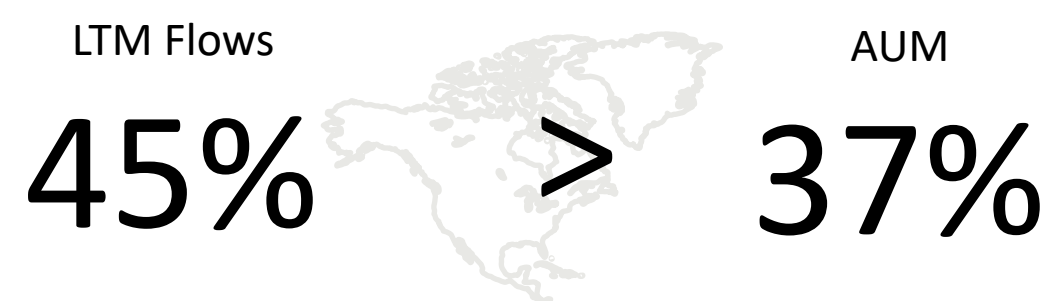
Non-institutional / Retail



Insurance

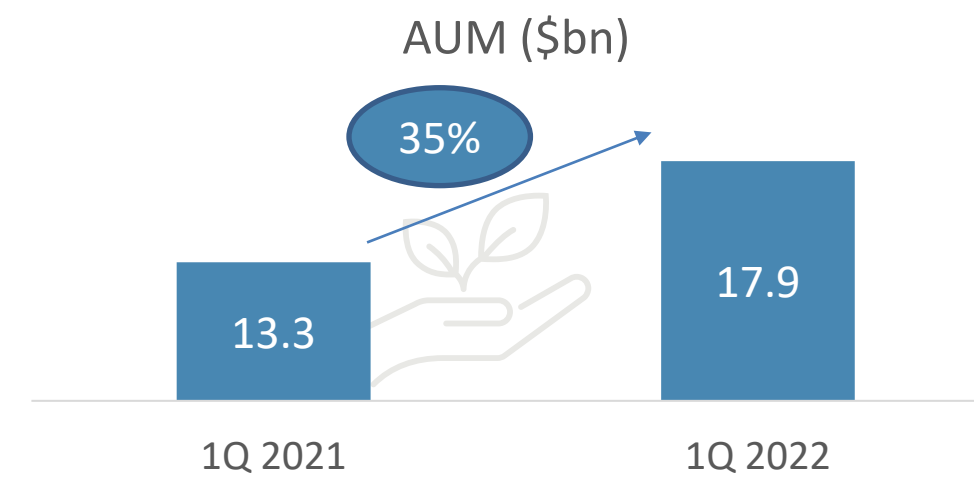


International Geographies

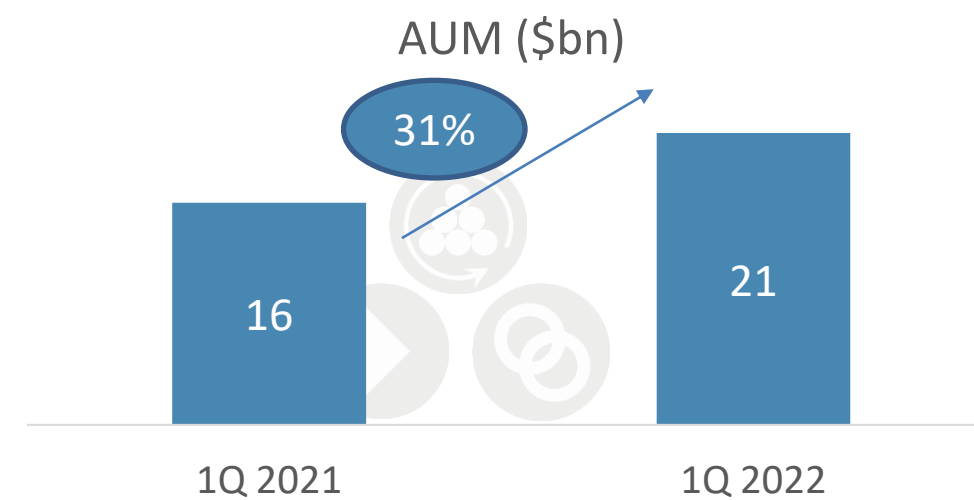


② Grow High-Margin Strategies

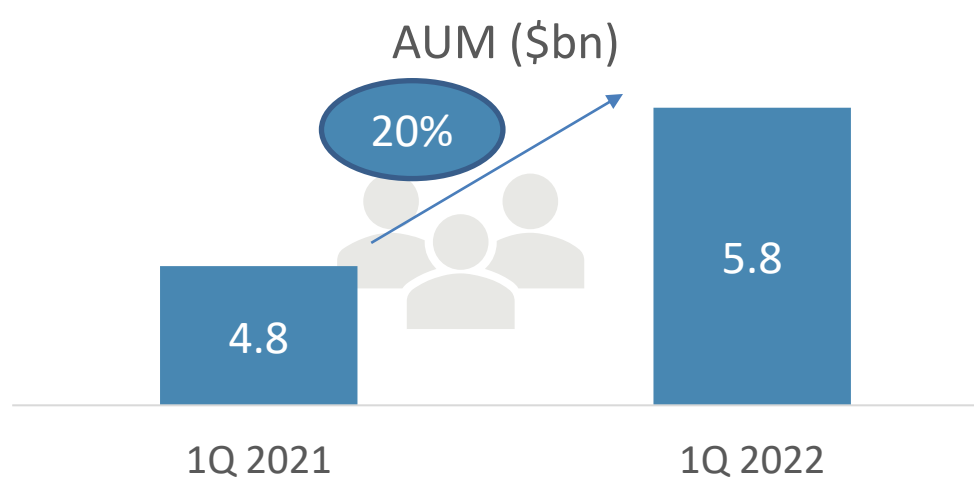
ESG / Impact⁸



Private Markets Secondaries / Co-Investments / Direct



Strategic Investments Group



③ Scale Core Capabilities

Grow with Existing Clients



Scale Specialized Funds



Monetization of Data and Analytics



Appendix



GAAP Statements of Income

\$000, except per share amounts and where otherwise noted	Three Months Ended	
	Mar 31, 2020	Mar 31, 2022
Revenues		
Management fees	\$ 77,701	\$ 92,110
Incentive fees	3,233	11,992
Other operating income	1,683	1,026
Total operating revenues	82,617	105,128
Expenses		
Employee compensation and benefits	55,477	65,905
General, administrative and other	24,596	21,258
Total operating expenses	80,073	87,163
Operating income (loss)	2,544	17,965
Investment income	3,373	10,860
Interest expense	(5,867)	(5,284)
Other income	(9,733)	1
Change in fair value of warrant liabilities	—	2,022
Net other income	(12,227)	7,599
Income before income taxes	(9,683)	25,564
Provision (benefit) for income taxes	643	2,333
Net income	(10,326)	23,231
Less: Net income attributable to redeemable noncontrolling interest	2,093	—
Less: Net income attributable to noncontrolling interests in subsidiaries	2,536	4,836
Less: Net income attributable to noncontrolling interests in GCMH	(14,955)	13,669
Net income attributable to GCM Grosvenor Inc.	\$ —	\$ 4,726
Earnings (loss) per share of Class A common stock:		
Basic	— \$	0.11
Diluted	— \$	0.08
Weighted average shares of Class A common stock outstanding:		
Basic (in millions)	—	44.6
Diluted (in millions)	—	189.7

Summary of Non-GAAP Financial Measures

\$000, except per share amounts and where otherwise noted	Three Months Ended	
	Mar 31, 2020	Mar 31, 2022
Adjusted EBITDA		
Revenues		
Private markets strategies	\$ 36,464	\$ 46,841
Absolute return strategies	39,263	42,711
Management fees, net ¹²	75,727	89,552
Administrative fees and other operating income	1,683	1,026
Fee-Related Revenue	77,410	90,578
Less:		
Cash-based employee compensation and benefits, net ¹³	(42,022)	(40,863)
General, administrative and other, net ¹⁴	(17,827)	(18,004)
Fee-Related Earnings	17,561	31,711
Fee-Related Earnings Margin	23%	35%
Incentive fees:		
Performance fees	605	1,001
Carried interest	2,628	10,991
Incentive fee related compensation and NCI:		
Cash-based incentive fee related compensation	—	(1,594)
Carried interest compensation, net ¹⁵	(1,201)	(6,191)
Carried interest attributable to noncontrolling interests	(1,333)	(1,815)
Realized investment income, net of amount attributable to noncontrolling interests in subsidiaries ¹⁶	—	2,664
Interest income	296	3
Other (income) expense	118	(2)
Depreciation	696	399
Adjusted EBITDA	19,370	37,167
Adjusted EBITDA Margin	24 %	36%
Adjusted Net Income Per Share		
Adjusted EBITDA	19,370	37,167
Depreciation	(696)	(399)
Interest expense	(5,867)	(5,284)
Adjusted Pre-Tax Income	12,807	31,484
Adjusted income taxes ¹⁷	(3,202)	(7,714)
Adjusted Net Income	9,605	23,770
Adjusted shares outstanding (in millions)	185.1	189.7
Adjusted Net Income per Share - diluted	\$ 0.05	\$ 0.13

Reconciliation to Non-GAAP Metrics

\$000	Three Months Ended	
	Mar 31, 2020	Mar 31, 2022
Adjusted Pre-Tax Income & Adjusted Net Income		
Net income attributable to GCM Grosvenor Inc.	\$ —	\$ 4,726
Plus:		
Net income attributable to noncontrolling interests in GCMH	(14,955)	13,669
Provision (benefit) for income taxes	643	2,333
Change in fair value of derivatives	8,634	—
Change in fair value of warrant liabilities	—	(2,022)
Amortization expense	1,876	579
Severance	2,280	513
Transaction expenses ¹⁸	3,355	79
Loss on extinguishment of debt	1,032	—
Changes in tax receivable agreement liability and other	—	127
Partnership interest-based compensation	7,920	7,115
Equity-based compensation	—	9,881
Other non-cash compensation	1,065	84
Less:		
Unrealized investment income, net of noncontrolling interests	(32)	(5,264)
Non-cash carried interest compensation	989	(336)
Adjusted Pre-Tax Income	12,807	31,484
Less:		
Adjusted income taxes ¹⁷	(3,202)	(7,714)
Adjusted Net Income	\$ 9,605	\$ 23,770

17-18. See Notes towards the end of the document.

Reconciliation to Non-GAAP Metrics

\$000	Three Months Ended	
	Mar 31, 2020	Mar 31, 2022
Adjusted EBITDA		
Adjusted Net Income	\$ 9,605	\$ 23,770
Plus:		
Adjusted income taxes ¹⁷	3,202	7,714
Depreciation expense	696	399
Interest expense	5,867	5,284
Adjusted EBITDA	\$ 19,370	\$ 37,167
Fee-Related Earnings		
Adjusted EBITDA	19,370	37,167
Less:		
Incentive fees	(3,233)	(11,992)
Depreciation expense	(696)	(399)
Other non-operating income	(414)	(1)
Realized investment income, net of amount attributable to noncontrolling interests in subsidiaries ¹⁶	—	(2,664)
Plus:		
Incentive fee-related compensation	1,201	7,785
Carried interest attributable to redeemable noncontrolling interest holder	865	—
Carried interest attributable to other noncontrolling interest holders, net	468	1,815
Fee-Related Earnings	\$ 17,561	\$ 31,711

16-17. See Notes towards the end of the document.

Notes

1. AUM data as of March 31, 2022; ESG / Impact and Alternative Credit investments overlap with investments in other strategies.
2. Defined by improved fee structures and capacity constrained funds.
3. For Private Markets customized separate accounts from January 1, 2017, through March 31, 2022.
4. Based on 25 largest clients by AUM as of March 31, 2022.
5. Based on 50 largest clients by AUM as of March 31, 2022.
6. AUM as of March 31, 2022. Management fees for the twelve months ended March 31, 2022. Institutional clients as of December 31, 2021.
7. Employee data as of April 1, 2022. Individuals with dual responsibilities are counted only once. Ethnic diversity is calculated for US office employees only.
8. The data regarding ESG themes presented above and otherwise contained herein is based on the amount committed to and invested in investments by GCM Grosvenor-managed portfolios as of March 31, 2022, based on the assessment of each such investment by GCM Grosvenor investment team members. The relevant investments are placed into categories that are generally consistent with the categories presented in the UN PRI Impact Investing Market Map. Primary fund assessments are based on whether a significant part of the expected strategy of the primary fund falls into an ESG category. Co-investment categorizations are based either on categories represented by the co-investment sponsor or the underlying portfolio company. Diverse Manager investments include investments managed by or sponsored by a diverse manager, based on GCM Grosvenor's definition of a diverse manager, which is determined by thresholds of manager economic ownership by diverse parties (race, gender, sexual orientation, veterans, disabled persons). There is significant subjectivity in placing an investment in a particular category, and conventions and methodologies used by GCM Grosvenor in categorizing investments and calculating the data presented may differ from those used by other investment managers. Additional information regarding these conventions and methodologies is available upon request.
9. Represents firm share of net asset value as of March 31, 2022. Net unrealized carried interest represents net of contractual obligations but before discretionary cash-based incentive compensation. The net unrealized carried interest in 1Q 2020 is pro forma for the effect of the Mosaic repurchase transaction which occurred July 2, 2021.
10. Run-Rate Annual Performance Fees reflect the potential annual performance fees generated by performance fee-eligible AUM before any loss carryforwards, if applicable, at an 8% gross return for both multi-strategy and credit strategies, and a 10% gross return for specialized opportunity strategies, and before cash-based incentive fee related compensation.
11. AUM data as of March 31, 2022, LTM fundraising through March 31, 2022.
12. Excludes fund reimbursement revenue of \$2.0 million and \$2.6 million for the three months ended March 31, 2020 and March 31, 2022, respectively.
13. Excludes severance expenses of \$2.3 million and \$0.5 million for the three months ended March 31, 2020 and March 31, 2022, respectively.
14. General, administrative and other, net is comprised of the following:

	Three Months Ended	
\$000	Mar 31, 2020	Mar 31, 2022
General, administrative and other	(24,596)	(21,258)
Plus:		
Transaction expenses	3,355	79
Fund reimbursement revenue	1,974	2,558
Amortization expense	1,876	579
Non-core items	(436)	38
Total general, administrative and other, net	(17,827)	(18,004)

15. Excludes the impact of non-cash carried interest expense of \$1.0 million and \$0.3 million for the three months ended March 31, 2020 and March 31, 2022, respectively.
16. Investment income or loss is generally realized when the Company redeems all or a portion of its investment or when the Company receives or is due cash, such as a from dividends or distributions. Amounts were de minimis for periods prior to the Mosaic repurchase on July 2, 2021.
17. Represents corporate income taxes at a blended statutory rate of 24.5% and 25.0% applied to Adjusted Pre-Tax Income for the three months ended March 31, 2022 and 2020, respectively. The 24.5% and 25.0% are based on a federal statutory rate of 21.0% and a combined state, local and foreign rate net of federal benefits of 3.5% and 4.0%, respectively.
18. Represents 2020 expenses related to the Mosaic transaction and the public offering Transaction and 2022 expenses related to contemplated corporate transactions.

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

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 (loss) attributable to GCMH, excluding (b) provision (benefit) for income taxes, (c) changes in fair value of derivatives and warrant liabilities, (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 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 represents corporate income taxes at a blended statutory rate of 24.5% and 25.0% for the three months ended March 31, 2022 and 2021, respectively. The 24.5% and 25.0% are based on a federal statutory rate of 21.0% and a combined state, local and foreign rate net of federal benefits of 3.5% and 4.0%, respectively.

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 EBITDA Margin** represents Adjusted EBITDA as a percentage of our total operating revenues, net of fund expense reimbursements.

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. **FRE Margin** represents FRE as a percentage of our management fee and other operating revenue, net of fund expense reimbursements.

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.

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 ("LLLL" or "GCMH"), an Delaware limited liability limited partnership, and its consolidated subsidiaries and (b) GCM, L.L.C., a Delaware limited liability company.

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.

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.

Disclaimer

Forward-Looking Statements

This presentation contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding the expected future performance of GCM Grosvenor’s business, including anticipated incremental revenue from fundraising for specialized funds. These forward-looking statements generally are identified by the words “believe,” “project,” “expect,” “anticipate,” “estimate,” “intend,” “strategy,” “future,” “opportunity,” “plan,” “may,” “should,” “will,” “would” and similar expressions. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. These statements are neither promises nor guarantees, but involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to, the historical performance of our funds may not be indicative of our future results; risks related to redemptions and termination of engagements; effect of the COVID-19 pandemic on our business; the variable nature of our revenues; competition in our industry; effects of domestic and foreign government regulation or compliance failures; operational risks and data security breaches; our ability to deal appropriately with conflicts of interest; market, geopolitical and economic conditions; identification and availability of suitable investment opportunities; risks relating to our internal control over financial reporting; and risks related to our ability to grow AUM and the performance of our investments. You should carefully consider the foregoing factors and the other risks and uncertainties described in the “Risk Factors” sections of the Annual Report on Form 10-K filed by GCM Grosvenor on February 25, 2022 and its other filings from time to time with the U.S. Securities and Exchange Commission. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and GCM Grosvenor assumes no obligation and does not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by law.

Non-GAAP Financial Measures

The non-GAAP financial measures contained in this presentation are not GAAP measures of GCM Grosvenor’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.

This presentation includes certain projections of non-GAAP financial measures including fee-related earnings. Due to the high variability and difficulty in making accurate forecasts and projections of some of the information excluded from these projected measures, together with some of the excluded information not being ascertainable or accessible, GCM Grosvenor is unable to quantify certain amounts that would be required to be included in the most directly comparable GAAP financial measures without unreasonable effort. Consequently, no disclosure of estimated comparable GAAP measures is included and no reconciliation of the forward looking non GAAP financial measures is included.