

# Fiscal Year 2021 Fourth Quarter and Full Year Results

Earnings Presentation - May 27, 2021

# Today's Speakers

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## Business Performance

- Assets under management and fee-earning assets under management were approximately \$88 billion and \$42 billion, respectively, as of March 31, 2021, increases of 28% and 9%, respectively, compared to March 31, 2020
- Management and advisory fees increased 18% compared to fiscal 2020

## Financial Results

*USD in millions except per share amounts*

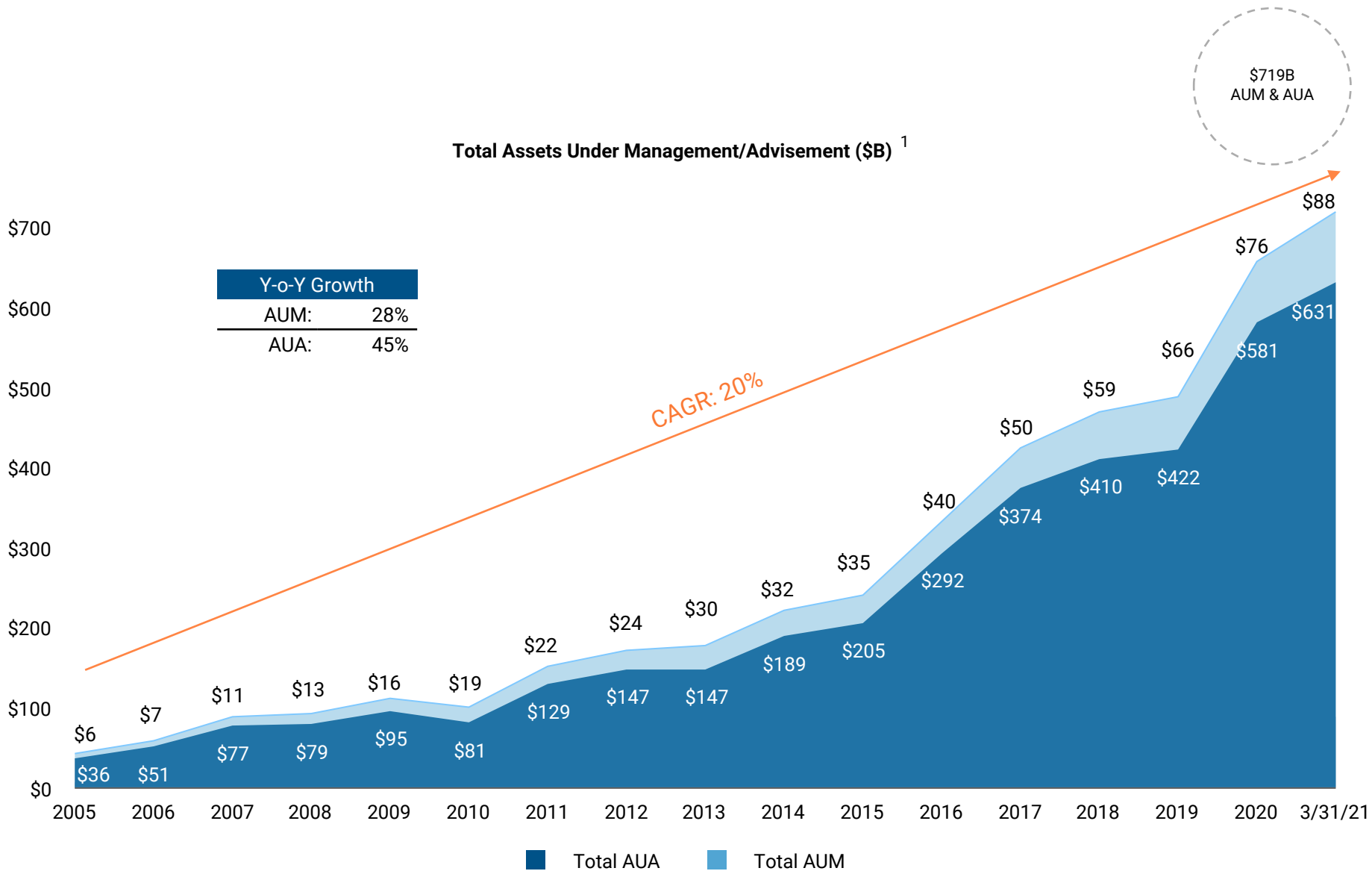
|                                   | Q4 FY21 | FY21    | vs. FY20 |
|-----------------------------------|---------|---------|----------|
| Management and advisory fees      | \$80.5  | \$289.4 | 18 %     |
| GAAP net income                   | \$39.8  | \$98.0  | 61 %     |
| GAAP EPS                          | \$1.00  | \$2.81  | 31 %     |
| Adjusted net income <sup>1</sup>  | \$51.0  | \$146.4 | 36 %     |
| Non-GAAP EPS <sup>1</sup>         | \$0.95  | \$2.73  | 36 %     |
| Fee Related Earnings <sup>1</sup> | \$36.2  | \$130.0 | 29 %     |
| Adjusted EBITDA <sup>1</sup>      | \$50.0  | \$168.2 | 32 %     |

## Dividend

- Declared a quarterly dividend of \$0.35 per share of Class A common stock to record holders at the close of business on June 15, 2021

<sup>1</sup>Adjusted net income, non-GAAP earnings per share, Fee Related Earnings and Adjusted EBITDA are non-GAAP financial measures. For the reconciliations of our non-GAAP financial measures to the most directly comparable GAAP financial measures and for the reasons we believe the non-GAAP measures provide useful information, see pages 22 and 23 of this presentation.

# Growing Asset Footprint & Influence

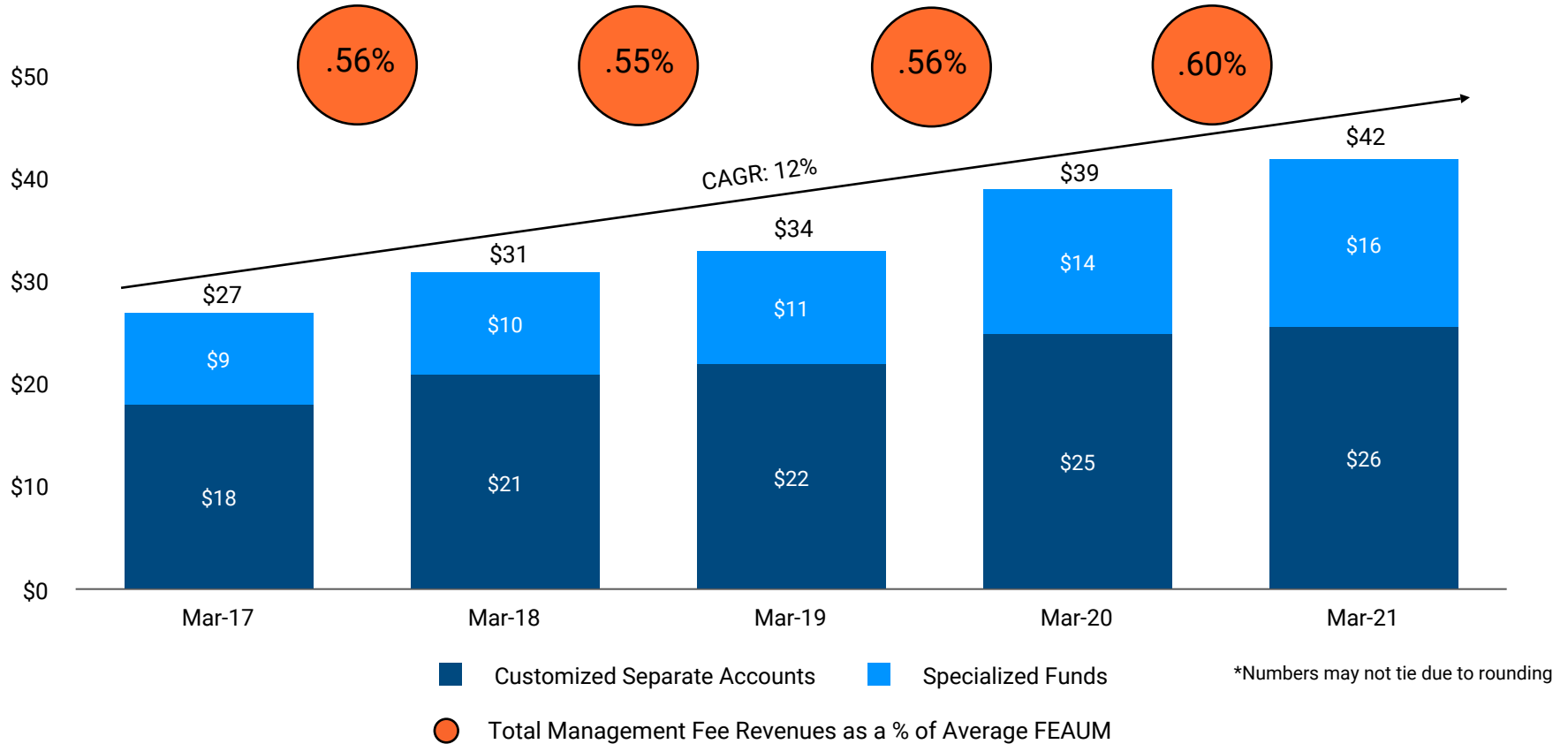


<sup>1</sup>Data as of calendar year end 12/31 unless otherwise noted. Numbers may not tie due to rounding.

# Fee-Earning AUM Driving Revenues

Fee-Earning AUM growth continues and annual fee rates are stable

## Total Fee-Earning Assets Under Management (\$B)



### Y-o-Y Drivers of Growth

#### Customized Separate Accounts:

- New client wins
- Client re-ups

#### Specialized Funds:

- Closed 5th secondary fund and 6th credit-oriented fund
- Fundraising 5th direct equity fund, 7th credit-oriented fund and evergreen funds

## AUM

### Customized Separate Accounts



Diverse mix of existing and prospective clients seeking to further or establish relationships with Hamilton Lane

- \$1.1B year-over-year increase in FEAUM
- +80% of our gross contributions during the last 12 months came from existing clients

### Specialized Funds



Select funds in market:

- Direct equity fund
- Credit-oriented fund
- Evergreen fund

- \$2.2B year-over-year increase in FEAUM
- FEAUM closed during Q4 FY21:
  - Secondary fund: \$862M

## AUA

### Advisory Services



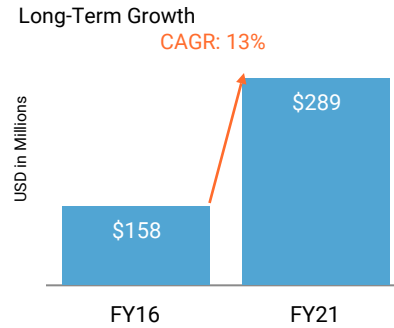
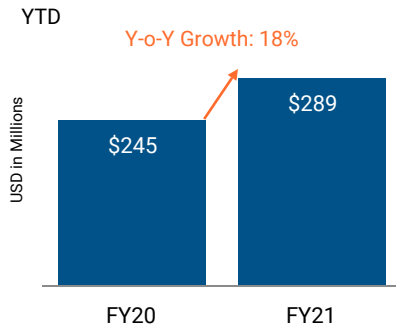
Typically larger clients with wide-ranging mandates which include technology-driven reporting, monitoring and analytics services and consulting services; opportunity set continues to be robust

- \$197B year-over-year increase in AUA

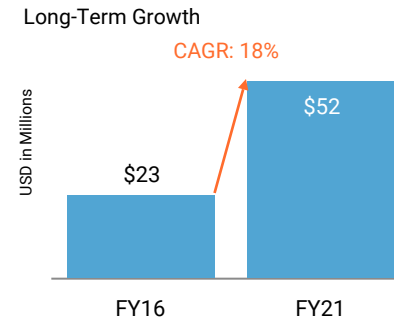
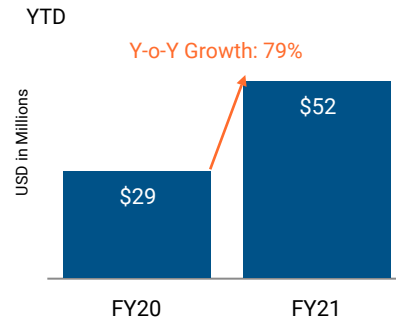
# Financial Highlights

## Strong revenue growth across management and advisory fees

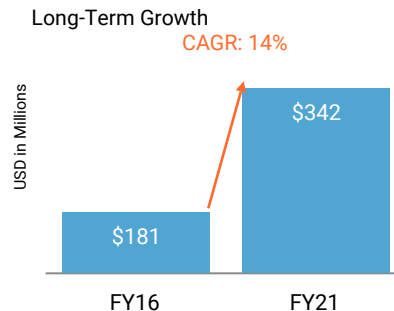
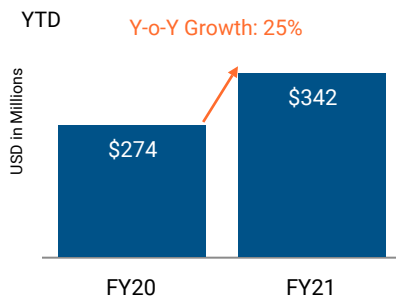
### Management and Advisory Fees



### Incentive Fees



### Total Revenues



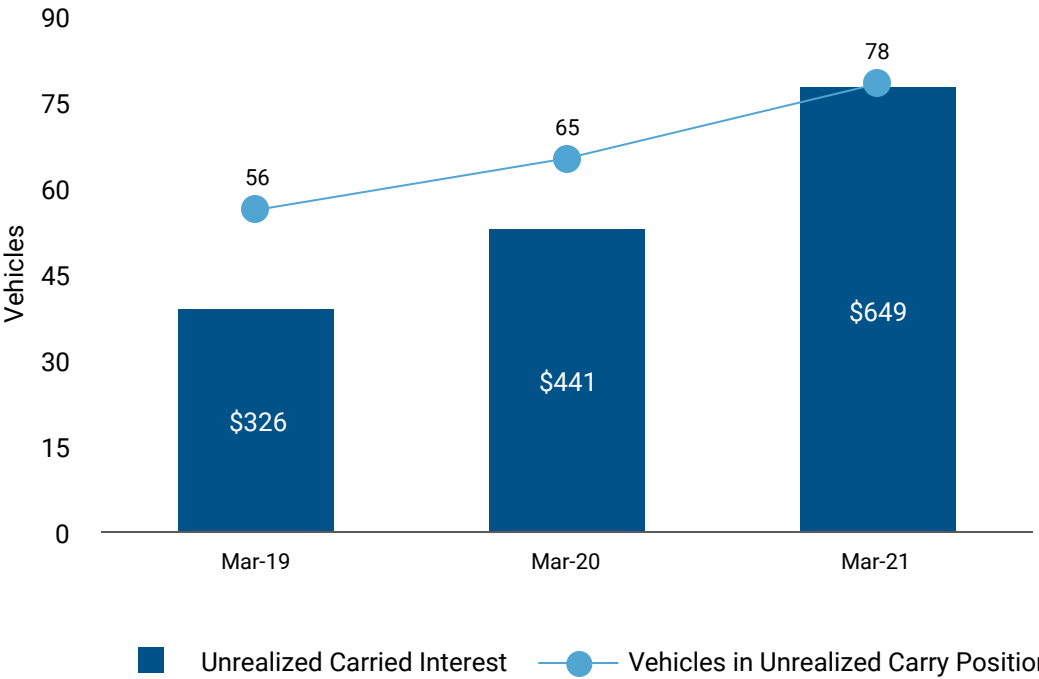
- Recurring management and advisory fees represented an average of just under 90% of total revenues over the past five fiscal years
- \$18.2M in retroactive fees from our latest secondary fund for the year compared to \$2.8M from our latest direct equity fund in the prior year period
- \$12.9M in retroactive fees from our latest secondary fund in the quarter

- Incentive fees derived from a highly diversified pool of assets and funds
- Allocated carried interest of \$649M as of 3/31/21 diversified across 3,000+ assets and over 70 funds
- Timing of realizations unpredictable

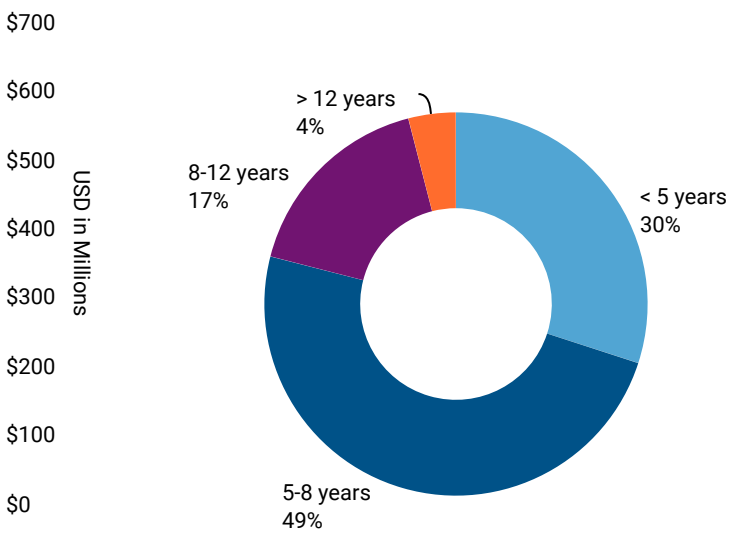
- Total revenues increased by 25%, driven by growth across recurring management and advisory fee core offerings and incentive fees



## Unrealized Carried Interest

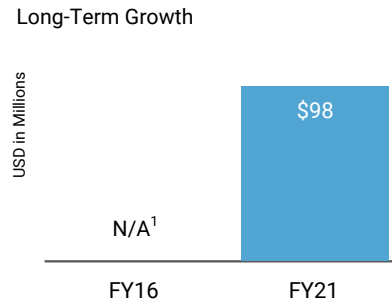
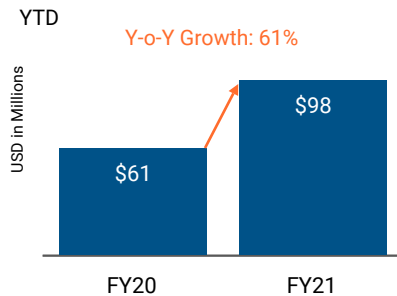


## Unrealized Carry by Age



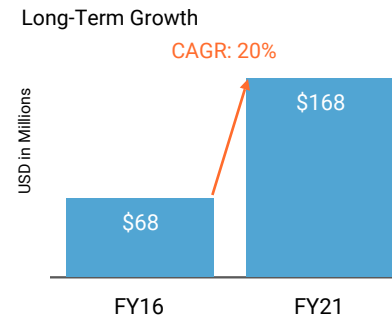
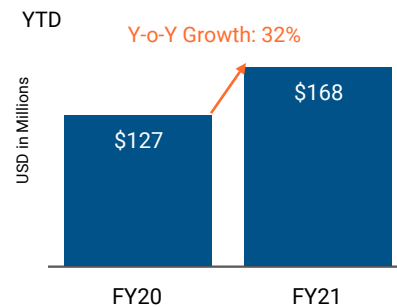
## Profitability stable and growing

### Net Income Attributable to HLI



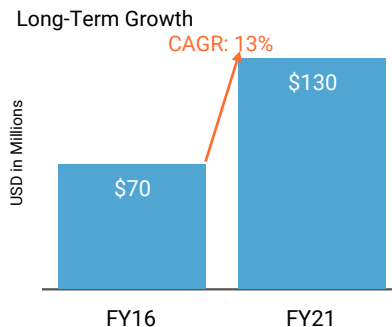
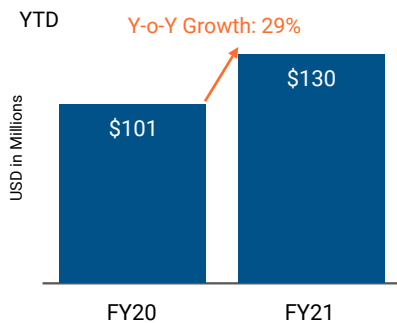
- \$98M in net income attributable to HLI for FY21
- \$40M in net income attributable to HLI for the quarter

### Adjusted EBITDA<sup>2</sup>



- Y-o-Y increase of 32% driven by growth in both management and advisory fees and realized incentive fees

### Fee Related Earnings<sup>2</sup>



- Y-o-Y growth of 29%
- Long-term double digit growth in Fee Related Earnings

<sup>1</sup>Prior to our IPO, HLI was a wholly-owned subsidiary of HLA with no operations or assets.

<sup>2</sup>Adjusted EBITDA and Fee Related Earnings are non-GAAP financial measures. For the reconciliations of our non-GAAP financial measures to the most directly comparable GAAP financial measures and for the reasons we believe the non-GAAP measures provide useful information, see pages 22 and 23 of this presentation.

## Hamilton Lane Alliance Holdings I ("HLAH")

### IPO - Completed

#### HLNE Financials Impact:

- **Balance Sheet**
- Income Statement
  
- Largest asset on HLAH's balance sheet is the \$276M of gross proceeds raised in IPO (investments held in trust).
- Investments held in trust plus other small amounts of assets and liabilities on HLAH's balance sheet to be consolidated into HLNE's balance sheet as a controlled entity.
- Compensation expense recognized on warrants granted to employees.

### De-SPAC

#### HLNE Financials Impact:

- Balance Sheet
- **Income Statement**
  
- Founder's shares and warrants ("Promote") marked to market. Promote total value upon completion recognized as revenue on HLNE income statement.
- De-SPAC process completed. HLAH no longer a controlled entity. HLAH balance sheet de-consolidated from HLNE.
- Promote total value included on HLNE balance sheet in investments.

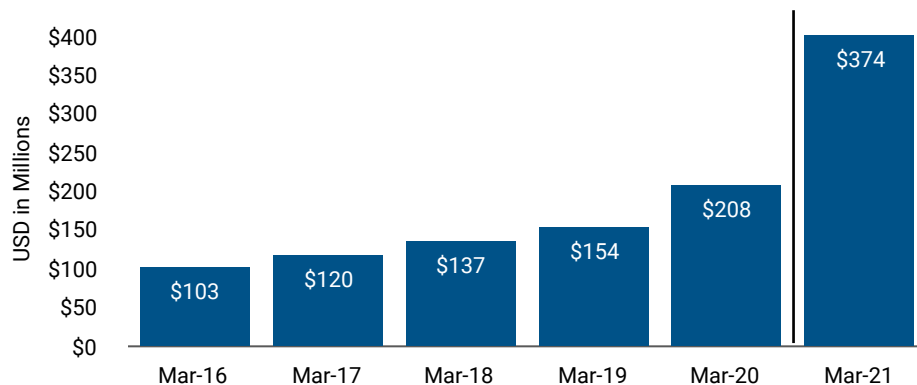
### Monetization

#### HLNE Financials Impact:

- Balance Sheet
- Income Statement
- **Cash Flow Statement**
  
- Receive cash from selling of shares over time at our discretion in accordance with lock-ups.
- Remaining shares marked based on the public trading price at quarter end.
- Change in value of remaining position reflected in other income.

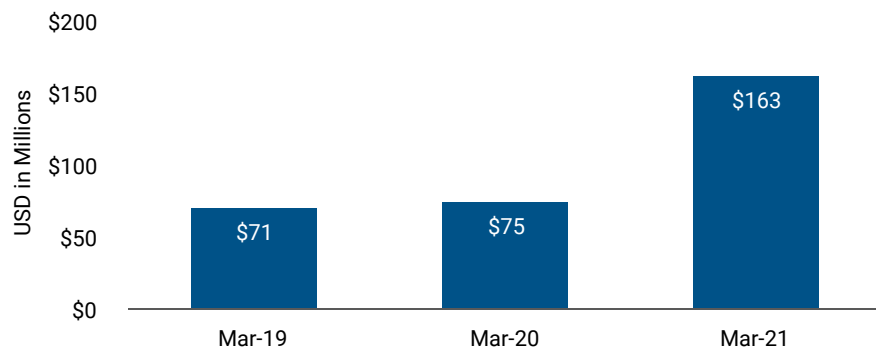
Strong balance sheet with investments in our own products and a modest amount of leverage...

## Investments



- For 3/31/21, the total investment balance consisted of:
  - ~247M in equity method investments in our funds
  - ~127M in technology related and other investments

## Leverage



- Modest leverage
- \$163M of debt as of 3/31/21



# Fiscal Year 2021 Fourth Quarter and Full Year Results

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# Appendix

# Condensed Consolidated Statements of Income (Unaudited)

|   | Three Months Ended March 31, |                 |             | Year Ended March 31, |                 |            |
|---|------------------------------|-----------------|-------------|----------------------|-----------------|------------|
|   | 2020                         | 2021            | % Change    | 2020                 | 2021            | % Change   |
| <i>(Dollars in thousands except share and per share amounts)</i>                                  |                              |                 |             |                      |                 |            |
| <b>Revenues</b>   |                              |                 |             |                      |                 |            |
| Management and advisory fees  | \$65,336                     | \$80,531        | 23%         | \$244,920            | \$289,444       | 18%        |
| Incentive fees  | 10,159                       | 18,622          | 83%         | 21,437               | 31,134          | 45%        |
| Consolidated variable interest entities related:  |                              |                 |             |                      |                 |            |
| Incentive fees  | 1,437                        | 3,724           | 159%        | 7,691                | 21,057          | 174%       |
| <b>Total revenues</b>   | <b>76,932</b>                | <b>102,877</b>  | <b>34%</b>  | <b>274,048</b>       | <b>341,635</b>  | <b>25%</b> |
| <b>Expenses</b>   |                              |                 |             |                      |                 |            |
| Compensation and benefits   | 28,568                       | 42,405          | 48%         | 100,138              | 136,319         | 36%        |
| General, administrative and other   | 14,745                       | 14,232          | (3)%        | 57,481               | 49,210          | (14)%      |
| Consolidated variable interest entities related:  |                              |                 |             |                      |                 |            |
| General, administrative and other   | —                            | 378             | N/A         | —                    | 378             | N/A        |
| <b>Total expenses</b>   | <b>43,313</b>                | <b>57,015</b>   | <b>32%</b>  | <b>157,619</b>       | <b>185,907</b>  | <b>18%</b> |
| <b>Other income (expense)</b>   |                              |                 |             |                      |                 |            |
| Equity in income of investees   | 7,107                        | 21,452          | 202%        | 20,731               | 32,389          | 56%        |
| Interest expense  | (603)                        | (596)           | (1)%        | (2,816)              | (2,044)         | (27)%      |
| Interest income   | 85                           | 901             | 960%        | 709                  | 1,676           | 136%       |
| Non-operating income (loss)   | 1,997                        | (935)           | (147)%      | 6,172                | 5,894           | (5)%       |
| Consolidated variable interest entities related:  |                              |                 |             |                      |                 |            |
| Equity in (loss) income of investees  | (1,188)                      | 115             | N/A         | (481)                | (2,123)         | 341%       |
| Unrealized gains  | —                            | 2,141           | N/A         | —                    | 2,141           | N/A        |
| Interest expense  | —                            | (459)           | N/A         | —                    | (459)           | N/A        |
| <b>Total other income (expense)</b>   | <b>7,398</b>                 | <b>22,619</b>   | <b>206%</b> | <b>24,315</b>        | <b>37,474</b>   | <b>54%</b> |
| <b>Income before income taxes</b>   | <b>41,017</b>                | <b>68,481</b>   | <b>67%</b>  | <b>140,744</b>       | <b>193,202</b>  | <b>37%</b> |
| Income tax expense  | 2,404                        | 3,895           | 62%         | 13,968               | 24,417          | 75%        |
| <b>Net income</b>   | <b>38,613</b>                | <b>64,586</b>   | <b>67%</b>  | <b>126,776</b>       | <b>168,785</b>  | <b>33%</b> |
| Less: (Loss) income attributable to non-controlling interests in general partnerships             | (508)                        | 96              | N/A         | 85                   | (250)           | (394)%     |
| Less: Income attributable to non-controlling interests in Hamilton Lane Advisors, L.L.C.          | 18,473                       | 23,437          | 27%         | 65,866               | 69,720          | 6%         |
| Less: Income attributable to non-controlling interests in Hamilton Lane Alliance Holdings I, Inc. | —                            | 1,293           | N/A         | —                    | 1,293           | N/A        |
| <b>Net income attributable to Hamilton Lane Incorporated</b>                                      | <b>\$20,648</b>              | <b>\$39,760</b> | <b>93%</b>  | <b>\$60,825</b>      | <b>\$98,022</b> | <b>61%</b> |
| Basic earnings per share of Class A common stock  | \$0.71                       | \$1.01          |             | \$2.17               | \$2.82          |            |
| Diluted earnings per share of Class A Common stock  | \$0.70                       | \$1.00          |             | \$2.15               | \$2.81          |            |
| Weighted-average shares of Class A common stock outstanding - basic                               | 29,230,799                   | 34,938,487      |             | 28,088,578           | 33,152,318      |            |
| Weighted-average shares of Class A common stock outstanding - diluted                             | 29,613,377                   | 35,185,882      |             | 28,438,772           | 33,362,365      |            |

# Non-GAAP Financial Measures

|  | Three Months Ended March 31, |                   |             | Year Ended March 31, |                   |             |
|--|------------------------------|-------------------|-------------|----------------------|-------------------|-------------|
|  | 2020                         | 2021              | % Change    | 2020                 | 2021              | % Change    |
| <i>(Dollars in thousands except share and per share amounts)</i>                   |                              |                   |             |                      |                   |             |
| <b>Adjusted EBITDA<sup>1</sup></b>   |                              |                   |             |                      |                   |             |
| Management and advisory fees   | \$65,336                     | \$80,531          | 23%         | \$244,920            | \$289,444         | 18 %        |
| Total expenses   | 43,313                       | 57,015            | 32%         | 157,619              | 185,907           | 18 %        |
| Less:  |                              |                   |             |                      |                   |             |
| Incentive fee related compensation <sup>2</sup>                                    | (5,473)                      | (10,610)          | 94%         | (13,677)             | (24,438)          | 79 %        |
| SPAC related compensation  | –                            | (1,686)           | N/A         | –                    | (1,686)           | N/A         |
| SPAC related general, administrative and other expenses                            | –                            | (378)             | N/A         | –                    | (378)             | N/A         |
| Management fee related expenses  | 37,840                       | 44,341            | 17%         | 143,942              | 159,405           | 11 %        |
| <b>Fee Related Earnings</b>  | <b>\$27,496</b>              | <b>\$36,191</b>   | <b>32%</b>  | <b>\$100,978</b>     | <b>\$130,039</b>  | <b>29 %</b> |
| <b>Fee Related Earnings Margin</b>   | <b>42 %</b>                  | <b>45 %</b>       |             | <b>41 %</b>          | <b>45 %</b>       |             |
| Incentive fees   | 11,596                       | 22,346            | 93%         | 29,128               | 52,191            | 79 %        |
| Incentive fees attributable to non-controlling interests                           | (58)                         | (21)              | (64%)       | (320)                | (756)             | 136 %       |
| Incentive fee related compensation <sup>2</sup>                                    | (5,473)                      | (10,610)          | 94%         | (13,677)             | (24,438)          | 79 %        |
| SPAC related compensation  | –                            | (1,686)           | N/A         | –                    | (1,686)           | N/A         |
| Interest income  | 85                           | 901               | 960%        | 709                  | 1,676             | 136 %       |
| Equity-based compensation  | 1,939                        | 1,769             | (9%)        | 7,183                | 7,079             | (1)%        |
| Depreciation and amortization  | 912                          | 1,152             | 26%         | 3,291                | 4,134             | 26 %        |
| <b>Adjusted EBITDA</b>   | <b>\$36,497</b>              | <b>\$50,042</b>   | <b>37%</b>  | <b>\$127,292</b>     | <b>\$168,239</b>  | <b>32 %</b> |
| <b>Adjusted EBITDA margin</b>  | <b>47 %</b>                  | <b>49 %</b>       |             | <b>46 %</b>          | <b>49 %</b>       |             |
| <b>Non-GAAP earnings per share<sup>1</sup></b>                                     |                              |                   |             |                      |                   |             |
| <b>Net income attributable to Hamilton Lane Incorporated</b>                       | <b>\$20,648</b>              | <b>\$39,760</b>   | <b>93 %</b> | <b>\$60,825</b>      | <b>\$98,022</b>   | <b>61 %</b> |
| Income attributable to non-controlling interests in Hamilton Lane Advisors, L.L.C. | 18,473                       | 23,437            | 27%         | 65,866               | 69,720            | 6 %         |
| Income tax expense   | 2,404                        | 3,895             | 62%         | 13,968               | 24,417            | 75 %        |
| <b>Adjusted pre-tax net income</b>   | <b>41,525</b>                | <b>67,092</b>     | <b>62%</b>  | <b>140,659</b>       | <b>192,159</b>    | <b>37 %</b> |
| Adjusted income taxes <sup>3</sup>   | (9,742)                      | (16,093)          | 65%         | (33,336)             | (45,734)          | 37 %        |
| <b>Adjusted net income</b>   | <b>\$31,783</b>              | <b>\$50,999</b>   | <b>60%</b>  | <b>\$107,323</b>     | <b>\$146,425</b>  | <b>36 %</b> |
| <b>Adjusted shares outstanding<sup>4</sup></b>                                     | <b>53,582,371</b>            | <b>53,675,223</b> |             | <b>53,506,312</b>    | <b>53,602,400</b> |             |
| <b>Non-GAAP earnings per share</b>   | <b>\$0.59</b>                | <b>\$0.95</b>     | <b>61 %</b> | <b>\$2.01</b>        | <b>\$2.73</b>     | <b>36 %</b> |

<sup>1</sup> Adjusted EBITDA and non-GAAP earnings per share are non-GAAP financial measures. For the reconciliations of our non-GAAP financial measures to the most directly comparable GAAP financial measures, see page 22.

<sup>2</sup> Incentive fee related compensation includes incentive fee compensation expense, bonus and other revenue sharing related to carried interest that is classified as base compensation.

<sup>3</sup> For the year ended March 31, 2021, represents corporate income taxes at our estimated statutory tax rate of 23.8% applied to adjusted pre-tax net income. The 23.8% is based on a federal tax statutory rate of 21.0% and a combined state income tax rate net of federal benefits of 2.8%. For the year ended March 31, 2020, represents corporate income taxes at our estimated statutory tax rate of 23.7% applied to adjusted pre-tax net income. The 23.7% is based on a federal tax statutory rate of 21.0% and a combined state income tax rate net of federal benefits of 2.7%.

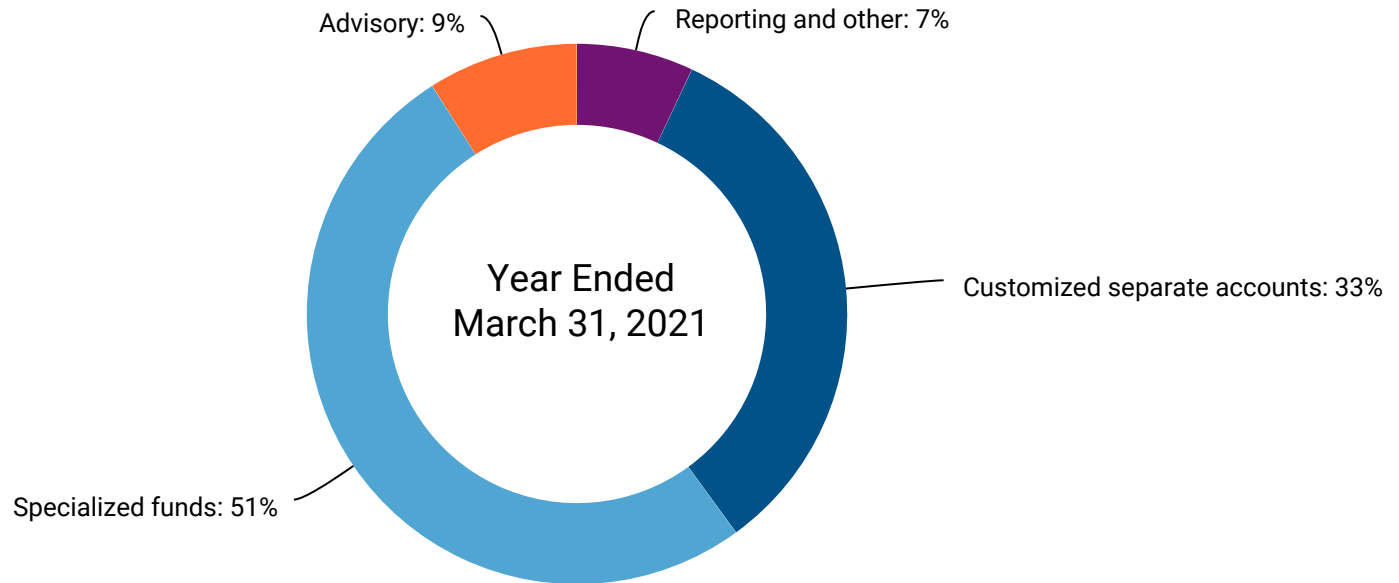
<sup>4</sup> Assumes the full exchange of Class B and Class C units in HLA for Class A common stock of HLI pursuant to the exchange agreement.



# Management and Advisory Fees

(Dollars in thousands)

|   | Three Months Ended March 31, |                 |             | Year Ended March 31, |                  |             |
|---|------------------------------|-----------------|-------------|----------------------|------------------|-------------|
|   | 2020                         | 2021            | % Change    | 2020                 | 2021             | % Change    |
| <b>Management and advisory fees</b>       |                              |                 |             |                      |                  |             |
| Specialized funds                         | \$30,070                     | \$45,920        | 53 %        | \$111,803            | \$148,023        | 32 %        |
| Customized separate accounts              | 23,703                       | 23,363          | (1)%        | 90,750               | 93,963           | 4 %         |
| Advisory                                  | 6,069                        | 6,511           | 7 %         | 24,160               | 26,439           | 9 %         |
| Reporting and other                       | 2,610                        | 3,041           | 17 %        | 9,102                | 11,134           | 22 %        |
| Distribution management                   | 1,751                        | 1,410           | (19)%       | 4,920                | 6,701            | 36 %        |
| Fund reimbursement revenue                | 1,133                        | 286             | (75)%       | 4,185                | 3,184            | (24)%       |
| <b>Total management and advisory fees</b> | <b>\$65,336</b>              | <b>\$80,531</b> | <b>23 %</b> | <b>\$244,920</b>     | <b>\$289,444</b> | <b>18 %</b> |



# Incentive Fees

| (Dollars in thousands)       | Three Months Ended March 31, |                 |             | Year Ended March 31, |                 |             |
|------------------------------|------------------------------|-----------------|-------------|----------------------|-----------------|-------------|
|                              | 2020                         | 2021            | % Change    | 2020                 | 2021            | % Change    |
| <b>Incentive fees</b>        |                              |                 |             |                      |                 |             |
| Secondary Fund II            | \$120                        | \$264           | (59)%       | \$832                | \$1,183         | 42 %        |
| Co-investment Fund II        | 1,438                        | 20              | (97)%       | 7,691                | 17,354          | 126 %       |
| Other specialized funds      | 1,555                        | 9,088           | 64 %        | 5,848                | 15,761          | 170 %       |
| Customized separate accounts | 8,483                        | 12,974          | 419 %       | 14,757               | 17,893          | 21 %        |
| <b>Incentive fees</b>        | <b>\$11,596</b>              | <b>\$22,346</b> | <b>93 %</b> | <b>\$29,128</b>      | <b>\$52,191</b> | <b>79 %</b> |

|  | As of            |                   |                  |              |              |
|--|------------------|-------------------|------------------|--------------|--------------|
|  | March 31, 2020   | December 31, 2020 | March 31, 2021   | YoY % Change | QoQ % Change |
| <b>Unrecognized carried interest</b>       |                  |                   |                  |              |              |
| Secondary Fund II                          | \$3,818          | \$1,907           | \$1,020          | (73)%        | (47)%        |
| Secondary Fund III                         | 33,993           | 30,204            | 35,088           | 3 %          | 16 %         |
| Secondary Fund IV                          | 54,431           | 69,908            | 94,056           | 73 %         | 35 %         |
| Secondary Fund V                           | 3,237            | 15,961            | 36,723           | 1,034 %      | 130 %        |
| Co-investment Fund II                      | 46,980           | 21,064            | 21,767           | (54)%        | 3 %          |
| Co-investment Fund III                     | 55,429           | 68,839            | 88,229           | 59 %         | 28 %         |
| Co-investment Fund IV                      | 14,401           | 25,437            | 37,671           | 162 %        | 48 %         |
| Other specialized funds                    | 82,792           | 98,933            | 125,312          | 51 %         | 27 %         |
| Customized separate accounts               | 146,069          | 165,130           | 208,906          | 43 %         | 27 %         |
| <b>Total unrecognized carried interest</b> | <b>\$441,150</b> | <b>\$497,383</b>  | <b>\$648,772</b> | <b>47 %</b>  | <b>30 %</b>  |

# Assets Under Management

| <i>(Dollars in millions)</i>                     | March 31, 2020   | December 31, 2020 | March 31, 2021   | YoY %<br>Change | QoQ %<br>Change |
|--|------------------|-------------------|------------------|-----------------|-----------------|
| <b>Assets under management / advisement</b>      |                  |                   |                  |                 |                 |
| Assets under management                          | \$68,571         | \$75,777          | \$87,816         | 28 %            | 16 %            |
| Assets under advisement                          | 434,258          | 580,984           | 630,740          | 45 %            | 9 %             |
| <b>Total assets under management /advisement</b> | <b>\$502,829</b> | <b>\$656,761</b>  | <b>\$718,556</b> | <b>43 %</b>     | <b>9 %</b>      |
| <b>Fee-earning assets under management</b>       |                  |                   |                  |                 |                 |
| <b>Customized separate accounts</b>              |                  |                   |                  |                 |                 |
| <b>Balance, beginning of period</b>              | \$23,287         | \$24,588          | \$25,026         | 7 %             | 2 %             |
| Contributions                                    | 2,331            | 1,054             | 2,330            | 0 %             | 121 %           |
| Distributions                                    | (1,235)          | (759)             | (1,936)          | 57 %            | 155 %           |
| Foreign exchange, market value and other         | 162              | 143               | 244              | 51 %            | 71 %            |
| <b>Balance, end of period</b>                    | <b>\$24,545</b>  | <b>\$25,026</b>   | <b>\$25,664</b>  | <b>5 %</b>      | <b>3 %</b>      |
| <b>Specialized funds</b>                         |                  |                   |                  |                 |                 |
| <b>Balance, beginning of period</b>              | \$13,518         | \$14,639          | \$15,167         | 12 %            | 4 %             |
| Contributions                                    | 717              | 916               | 1,361            | 90 %            | 49 %            |
| Distributions                                    | (100)            | (438)             | (211)            | 111 %           | (52)%           |
| Foreign exchange, market value and other         | (17)             | 50                | 24               | N/A             | (52)%           |
| <b>Balance, end of period</b>                    | <b>\$14,118</b>  | <b>\$15,167</b>   | <b>\$16,341</b>  | <b>16 %</b>     | <b>8 %</b>      |
| <b>Total</b>                                     |                  |                   |                  |                 |                 |
| <b>Balance, beginning of period</b>              | \$36,805         | \$39,227          | \$40,193         | 9 %             | 2 %             |
| Contributions                                    | 3,048            | 1,970             | 3,691            | 21 %            | 87 %            |
| Distributions                                    | (1,335)          | (1,197)           | (2,147)          | 61 %            | 79 %            |
| Foreign exchange, market value and other         | 145              | 193               | 268              | 85 %            | 39 %            |
| <b>Balance, end of period</b>                    | <b>\$38,663</b>  | <b>\$40,193</b>   | <b>\$42,005</b>  | <b>9 %</b>      | <b>5 %</b>      |

# Condensed Consolidated Balance Sheets (Unaudited)

(Dollars in thousands)

|   | March 31, 2020   | March 31, 2021     |
|---|------------------|--------------------|
| <b>Assets</b>   |                  |                    |
| Cash and cash equivalents   | \$50,124         | \$87,025           |
| Restricted cash   | 3,086            | 3,041              |
| Fees receivable   | 30,384           | 29,202             |
| Prepaid expenses  | 6,988            | 6,143              |
| Due from related parties  | 2,605            | 2,495              |
| Furniture, fixtures and equipment, net                                    | 7,402            | 23,308             |
| Lease right-of-use assets, net  | 9,577            | 64,384             |
| Investments   | 197,759          | 368,836            |
| Deferred income taxes   | 137,941          | 251,949            |
| Other assets  | 17,675           | 17,821             |
| Assets of consolidated variable interest entities:                        |                  |                    |
| Cash and cash equivalents   | —                | 311                |
| Investments held in trust   | —                | 276,003            |
| Investments   | 9,988            | 4,787              |
| Other assets  | —                | 1,214              |
| <b>Total assets</b>   | <b>\$473,529</b> | <b>\$1,136,519</b> |
| <b>Liabilities, redeemable non-controlling interests and equity</b>       |                  |                    |
| Accounts payable  | \$1,968          | \$2,173            |
| Accrued compensation and benefits   | 10,804           | 29,415             |
| Accrued members' distributions  | 5,829            | 16,877             |
| Accrued dividend  | 8,027            | 11,201             |
| Debt  | 74,524           | 163,175            |
| Payable to related parties pursuant to tax receivable agreement           | 98,956           | 194,764            |
| Lease liabilities   | 10,184           | 75,281             |
| Other liabilities (includes \$13,394 and \$17,381 at fair value)          | 22,132           | 36,122             |
| Liabilities of consolidated variable interest entities:                   |                  |                    |
| Deferred incentive fee revenue  | 3,704            | —                  |
| Other liabilities   | —                | 17,310             |
| <b>Total liabilities</b>  | <b>236,128</b>   | <b>546,318</b>     |
| Redeemable non-controlling interests                                      | —                | 276,000            |
| Total equity  | 237,401          | 314,201            |
| <b>Total liabilities, redeemable non-controlling interests and equity</b> | <b>\$473,529</b> | <b>\$1,136,519</b> |

# Condensed Consolidated Statements of Cash Flows (Unaudited)

| (Dollars in thousands)   | Year Ended March 31, |                   |                    |
|--|----------------------|-------------------|--------------------|
|  | 2019                 | 2020              | 2021               |
| <b>Operating activities</b>  |                      |                   |                    |
| Net income   | \$98,997             | \$126,776         | \$168,785          |
| Adjustments to reconcile net income to net cash provided by operating activities:            |                      |                   |                    |
| Depreciation and amortization  | 2,979                | 3,291             | 4,134              |
| Change in deferred income taxes  | 21,665               | 7,929             | 7,027              |
| Change in payable to related parties pursuant to tax receivable agreement                    | (9,778)              | (346)             | 897                |
| Equity-based compensation  | 6,382                | 7,183             | 7,079              |
| Equity in income of investees  | (7,457)              | (20,731)          | (32,389)           |
| Gain on sale of investments valued under the measurement alternative                         | (11,133)             | (4,973)           | —                  |
| Fair value adjustment to investment valued at the measurement alternative                    | —                    | (1,507)           | (6,229)            |
| Proceeds received from investments   | 14,077               | 12,761            | 784                |
| Non-cash lease expense   | —                    | 4,643             | 7,376              |
| Other  | 190                  | 789               | 1,571              |
| Changes in operating assets and liabilities  | (2,014)              | (19,923)          | 33,512             |
| Consolidated variable interest entities related  | (2,286)              | 481               | (4,389)            |
| <b>Net cash provided by operating activities</b>   | <b>\$116,622</b>     | <b>\$116,373</b>  | <b>\$188,158</b>   |
| <b>Investing activities</b>  |                      |                   |                    |
| Purchase of furniture, fixtures and equipment  | \$(5,366)            | \$(1,978)         | \$(18,637)         |
| Purchase of investments valued under the measurement alternative                             | —                    | (3,967)           | (90,500)           |
| Distributions received from investments valued under the measurement alternative             | —                    | —                 | 3,072              |
| Proceeds from sales of investments valued under the measurement alternative                  | 22,531               | 6,419             | —                  |
| Cash paid for purchase of intangible assets  | —                    | (4,172)           | (1,000)            |
| Loan to investee   | (944)                | (157)             | —                  |
| Distributions received from partnerships   | 10,614               | 7,687             | 31,195             |
| Contributions to investments   | (46,048)             | (53,732)          | (69,911)           |
| Consolidated variable interest entities related:   |                      |                   |                    |
| Purchase of investments held in trust  | —                    | —                 | (276,000)          |
| <b>Net cash used in investing activities</b>   | <b>\$(19,213)</b>    | <b>\$(49,900)</b> | <b>\$(421,781)</b> |
| <b>Financing activities</b>  |                      |                   |                    |
| Proceeds from offering   | \$193,504            | \$147,122         | \$473,339          |
| Purchase of membership interests   | (193,504)            | (147,122)         | (473,339)          |
| Repayments of long term debt   | (2,813)              | (71,250)          | (1,406)            |
| Borrowings of debt, net of deferred financing costs  | —                    | 74,765            | 75,000             |
| Drawdown of revolver   | —                    | 15,000            | 15,000             |
| Repayment of revolver  | (10,450)             | (15,000)          | —                  |
| Secured financing  | —                    | 15,750            | —                  |
| Repurchase of Class B common stock   | (2)                  | (2)               | (5)                |
| Repurchase of Class A common stock for employee tax withholding                              | (5,387)              | (5,881)           | (6,019)            |
| Proceeds received from issuance of shares under employee stock plans                         | 264                  | 1,244             | 1,447              |
| Payments to related parties pursuant to the tax receivable agreement                         | (383)                | (1,952)           | (6,894)            |
| Dividends paid   | (18,676)             | (29,067)          | (39,676)           |
| Members' distributions paid  | (50,649)             | (47,368)          | (34,368)           |
| Consolidated variable interest entities related:   |                      |                   |                    |
| Contributions from non-controlling interest in general partnerships                          | 81                   | 45                | 252                |
| Distributions to non-controlling interest in general partnerships                            | (2,195)              | (993)             | (2,644)            |
| Proceeds from issuance of Class A units of Hamilton Lane Alliance Holdings I, Inc.           | —                    | —                 | 276,000            |
| Offering costs paid for issuance of Class A units of Hamilton Lane Alliance Holdings I, Inc. | —                    | —                 | (6,027)            |
| <b>Net cash used in financing activities</b>   | <b>\$(90,210)</b>    | <b>\$(64,709)</b> | <b>\$270,660</b>   |
| Effect of exchange rate changes on cash and cash equivalents                                 | 8                    | (144)             | 130                |
| Increase in cash, cash equivalents, and restricted cash                                      | 2,207                | 1,620             | 37,167             |
| <b>Cash, cash equivalents, and restricted cash at beginning of year</b>                      | <b>49,383</b>        | <b>51,590</b>     | <b>53,210</b>      |
| <b>Cash, cash equivalents, and restricted cash at end of year</b>                            | <b>\$51,590</b>      | <b>\$53,210</b>   | <b>\$90,377</b>    |

# Non-GAAP Reconciliation

## Reconciliation from Net Income

(Dollars in thousands)

|   | Year Ended<br>March 31, |                  | Three Months Ended<br>March 31, |                   | Year Ended<br>March 31, |                   |
|---|-------------------------|------------------|---------------------------------|-------------------|-------------------------|-------------------|
|   | 2016                    | 2021             | 2020                            | 2021              | 2020                    | 2021              |
| <b>Net income attributable to Hamilton Lane Incorporated</b>                                | <b>\$0</b>              | <b>\$98,022</b>  | <b>\$20,648</b>                 | <b>\$39,760</b>   | <b>\$60,825</b>         | <b>\$98,022</b>   |
| (Loss) income attributable to non-controlling interests in general partnerships             | (1,255)                 | (250)            | (508)                           | 96                | 85                      | (250)             |
| Income attributable to non-controlling interests in Hamilton Lane Advisors, L.L.C.          | 57,107                  | 69,720           | 18,473                          | 23,437            | 65,866                  | 69,720            |
| Income attributable to non-controlling interests in Hamilton Lane Alliance Holdings I, Inc. | —                       | 1,293            | —                               | 1,293             | —                       | 1,293             |
| Incentive fees  | (23,167)                | (52,191)         | (11,596)                        | (22,346)          | (29,128)                | (52,191)          |
| Incentive fee related compensation <sup>1</sup>   | 31,714                  | 24,438           | 5,473                           | 10,610            | 13,677                  | 24,438            |
| SPAC related compensation   | —                       | 1,686            | —                               | 1,686             | —                       | 1,686             |
| SPAC related general, administrative and other expenses                                     | —                       | 378              | —                               | 378               | —                       | 378               |
| Interest income   | (194)                   | (1,676)          | (85)                            | (901)             | (709)                   | (1,676)           |
| Interest expense  | 12,641                  | 2,503            | 603                             | 1,055             | 2,816                   | 2,503             |
| Income tax expense  | 869                     | 24,417           | 2,404                           | 3,895             | 13,968                  | 24,417            |
| Equity in income of investees   | (1,518)                 | (30,266)         | (5,919)                         | (21,567)          | (20,250)                | (30,266)          |
| Non-operating (income) loss   | (5,816)                 | (8,035)          | (1,997)                         | (1,205)           | (6,172)                 | (8,035)           |
| <b>Fee Related Earnings</b>   | <b>\$70,381</b>         | <b>\$130,039</b> | <b>\$27,496</b>                 | <b>\$36,191</b>   | <b>\$100,978</b>        | <b>\$130,039</b>  |
| Depreciation and amortization   | 2,027                   | 4,134            | 912                             | 1,152             | 3,291                   | 4,134             |
| Equity-based compensation   | 3,730                   | 7,079            | 1,939                           | 1,769             | 7,183                   | 7,079             |
| Incentive fees  | 23,167                  | 52,191           | 11,596                          | 22,346            | 29,128                  | 52,191            |
| Incentive fees attributable to non-controlling interests                                    | —                       | (756)            | (58)                            | (21)              | (320)                   | (756)             |
| Incentive fee related compensation <sup>1</sup>   | (31,714)                | (24,438)         | (5,473)                         | (10,610)          | (13,677)                | (24,438)          |
| SPAC related compensation   | —                       | (1,686)          | —                               | (1,686)           | —                       | (1,686)           |
| Interest income   | 194                     | 1,676            | 85                              | 901               | 709                     | 1,676             |
| <b>Adjusted EBITDA</b>  | <b>\$67,785</b>         | <b>\$168,239</b> | <b>\$36,497</b>                 | <b>\$50,042</b>   | <b>\$127,292</b>        | <b>\$168,239</b>  |
| <b>Non-GAAP earnings per share reconciliation</b>   |                         |                  |                                 |                   |                         |                   |
| <b>Net income attributable to Hamilton Lane Incorporated</b>                                |                         |                  | <b>\$20,648</b>                 | <b>\$39,760</b>   | <b>\$60,825</b>         | <b>\$98,022</b>   |
| Income attributable to non-controlling interests in Hamilton Lane Advisors, L.L.C.          |                         |                  | 18,473                          | 23,437            | 65,866                  | 69,720            |
| Income tax expense  |                         |                  | 2,404                           | 3,895             | 13,968                  | 24,417            |
| <b>Adjusted pre-tax net income</b>  |                         |                  | <b>41,525</b>                   | <b>67,092</b>     | <b>140,659</b>          | <b>192,159</b>    |
| Adjusted income taxes <sup>2</sup>  |                         |                  | (9,742)                         | (16,093)          | (33,336)                | (45,734)          |
| <b>Adjusted net income</b>  |                         |                  | <b>\$31,783</b>                 | <b>\$50,999</b>   | <b>\$107,323</b>        | <b>\$146,425</b>  |
| Weighted-average shares of Class A common stock outstanding - diluted                       |                         |                  | 29,613,377                      | 35,185,882        | 28,438,772              | 33,362,365        |
| Exchange of Class B and Class C units in HLA <sup>3</sup>                                   |                         |                  | 23,968,994                      | 18,489,341        | 25,067,540              | 20,240,035        |
| <b>Adjusted shares outstanding</b>  |                         |                  | <b>53,582,371</b>               | <b>53,675,223</b> | <b>53,506,312</b>       | <b>53,602,400</b> |
| <b>Non-GAAP earnings per share</b>  |                         |                  | <b>\$0.59</b>                   | <b>\$0.95</b>     | <b>\$2.01</b>           | <b>\$2.73</b>     |

<sup>1</sup> Incentive fee related compensation includes incentive fee compensation expense, bonus and other revenue sharing related to carried interest that is classified as base compensation.

<sup>2</sup> For the year ended March 31, 2021, represents corporate income taxes at our estimated statutory tax rate of 23.8% applied to adjusted pre-tax net income. The 23.8% is based on a federal tax statutory rate of 21.0% and a combined state income tax rate net of federal benefits of 2.8%. For the year ended March 31, 2020, represents corporate income taxes at our estimated statutory tax rate of 23.7% applied to adjusted pre-tax net income. The 23.7% is based on a federal tax statutory rate of 21.0% and a combined state income tax rate net of federal benefits of 2.7%.

<sup>3</sup> Assumes the full exchange of Class B and Class C units in HLA for Class A common stock of HLI pursuant to the exchange agreement.

**Adjusted EBITDA** is our primary internal measure of profitability. 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 represents net income excluding (a) interest expense on our outstanding debt, (b) income tax expense, (c) depreciation and amortization expense, (d) equity-based compensation expense, (e) other non-operating income and (f) certain other significant items that we believe are not indicative of our core performance.

**Fee Related Earnings ("FRE")** is used to highlight earnings from recurring management fees. FRE represents net income excluding (a) incentive fees and related compensation, (b) interest income and expense, (c) income tax expense, (d) equity in income of investees, (e) other non-operating income and (f) certain other significant items that we believe are not indicative of our core performance. We believe FRE is useful to investors because it provides additional insight into the operating profitability of our business. FRE is presented before income taxes.

**Non-GAAP earnings per share** measures our per-share earnings excluding certain significant items that we believe are not indicative of our core performance and assuming all Class B and Class C units in HLA were exchanged for Class A common stock in HLI. Non-GAAP earnings per share is calculated as adjusted net income divided by adjusted shares outstanding. **Adjusted net income** is income before taxes fully taxed at our estimated statutory tax rate. We believe adjusted net income and non-GAAP earnings per share are useful to investors because they enable them to better evaluate total and per-share operating performance across reporting periods.

Our **assets under management ("AUM")**, as presented in these materials, comprise the assets associated with our customized separate accounts and specialized funds. AUM does not include the assets associated with our distribution management services. We classify assets as AUM if we have full discretion over the investment decisions in an account. We calculate our AUM as the sum of:

- (1) the net asset value of our clients' and funds' underlying investments;
- (2) the unfunded commitments to our clients' and funds' underlying investments; and
- (3) the amounts authorized for us to invest on behalf of our clients and fund investors but not committed to an underlying investment.

Management fee revenue is based on a variety of factors and is not linearly correlated with AUM. However, we believe AUM is a useful metric for assessing the relative size and scope of our asset management business.

Our **assets under advisement ("AUA")** comprise assets from clients for which we do not have full discretion to make investments in their account. We generally earn revenue on a fixed fee basis on our AUA client accounts for services including asset allocation, strategic planning, development of investment policies and guidelines, screening and recommending investments, legal negotiations, monitoring and reporting on investments and investment manager review and due diligence. Advisory fees vary by client based on the amount of annual commitments, services provided and other factors. Since we earn annual fixed fees from the majority of our AUA clients, the growth in AUA from existing accounts does not have a material impact on our revenues. However, we view AUA growth as a meaningful benefit in terms of the amount of data we are able to collect and the degree of influence we have with fund managers.

**Fee-earning assets under management ("Fee-earning "AUM" or "FEAUM")** is a metric we use to measure the assets from which we earn management fees. Our fee-earning AUM comprise 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 majority of our discretionary AUM accounts but also includes certain non-discretionary AUA accounts. Our fee-earning AUM is equal to the amount of capital commitments, net invested capital and net asset value of our customized separate accounts and specialized funds depending on the fee terms. Substantially all of our customized separate accounts and specialized funds earn fees based on commitments or net invested capital, which are not affected by market appreciation or depreciation. Therefore, revenues and fee-earning AUM are not significantly affected by changes in market value. Our calculations of fee-earning AUM 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 fee-earning AUM is not based on any definition that is set forth in the agreements governing the customized separate accounts or specialized funds that we manage.

**Hamilton Lane Incorporated** (or "HLI"), a Delaware corporation, was formed for the purpose of completing an initial public offering ("IPO") and related transactions ("**Reorganization**") in order to carry on the business of Hamilton Lane Advisors, L.L.C. ("**HLA**") as a publicly-traded entity. As of the closing of our IPO on March 6, 2017, HLI became the sole managing member of HLA.

Some of the statements in this presentation may constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. Words such as "will", "expect", "believe", "estimate", "continue", "anticipate", "intend", "plan", and similar expressions are intended to identify these forward-looking statements. Forward-looking statements discuss management's current expectations and projections relating to our financial position, results of operations, plans, objectives, future performance and business. All forward-looking statements are subject to known and unknown risks, uncertainties and other important factors that may cause actual results to be materially different, including risks relating to: our ability to manage growth, fund performance, changes in our regulatory environment and tax status; market conditions generally; our ability to access suitable investment opportunities for our clients; our ability to maintain our fee structure; our ability to attract and retain key employees; our ability to manage our obligations under our debt agreements; defaults by clients and third-party investors on their obligations to fund commitments; our ability to comply with investment guidelines set by our clients; our ability to successfully integrate acquired businesses with ours; our ability to manage risks associated with pursuing new lines of business or entering into strategic partnerships; our ability to manage the effects of events outside of our control; and our ability to receive distributions from Hamilton Lane Advisors, L.L.C. to fund our payment of dividends, taxes and other expenses.

The foregoing list of factors is not exhaustive. For more information regarding these risks and uncertainties as well as additional risks that we face, you should refer to the "Risk Factors" detailed in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended March 31, 2020, and in our subsequent reports filed from time to time with the Securities and Exchange Commission. The forward-looking statements included in this presentation are made only as of the date presented. We undertake no obligation to update or revise any forward-looking statement as a result of new information or future events, except as otherwise required by law.

Values appearing in this presentation that are whole numbers are rounded approximations.

**As of May 27, 2021**