



Hamilton Lane®

Fiscal Year 2024 First Quarter Results

Earnings Presentation - August 1, 2023

Today's Speakers



Mario Giannini
Chief Executive Officer



Erik Hirsch
Vice Chairman



Atul Varma
Chief Financial Officer



John Oh
Principal - Shareholder Relations

Business Performance

- Assets under management and fee-earning assets under management were \$117 billion and \$60 billion, respectively, as of June 30, 2023, increases of 8% and 17%, respectively, compared to June 30, 2022
- Management and advisory fees increased 23% compared to the three months ended June 30, 2022

Financial Results

USD in millions except per share amounts

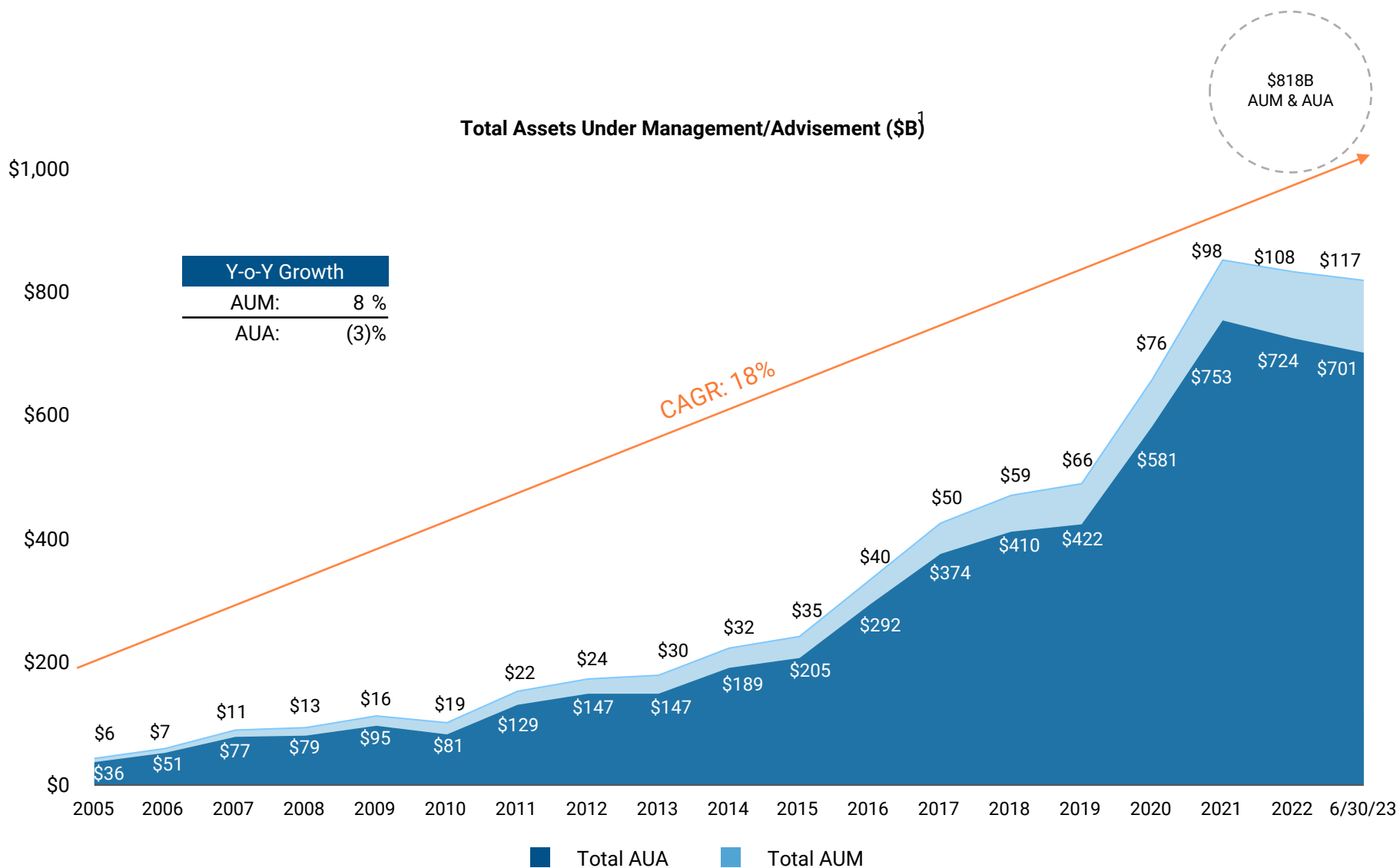
	Q1 FY24	vs. Q1 FY23	vs. Q4 FY23
Management and advisory fees	\$105.4	23 %	10 %
GAAP net income	\$31.0	(7)%	0 %
GAAP EPS	\$0.81	(11)%	(1)%
Adjusted net income ¹	\$50.8	3 %	(1)%
Non-GAAP EPS ¹	\$0.94	2 %	(2)%
Fee Related Earnings ¹	\$45.1	23 %	11 %
Adjusted EBITDA ¹	\$61.0	(8)%	10 %

Dividend

- Declared a quarterly dividend of \$0.445 per share of Class A common stock to record holders at the close of business on September 15, 2023

¹Adjusted 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 20 and 21 of this presentation.

Growing Asset Footprint & Influence

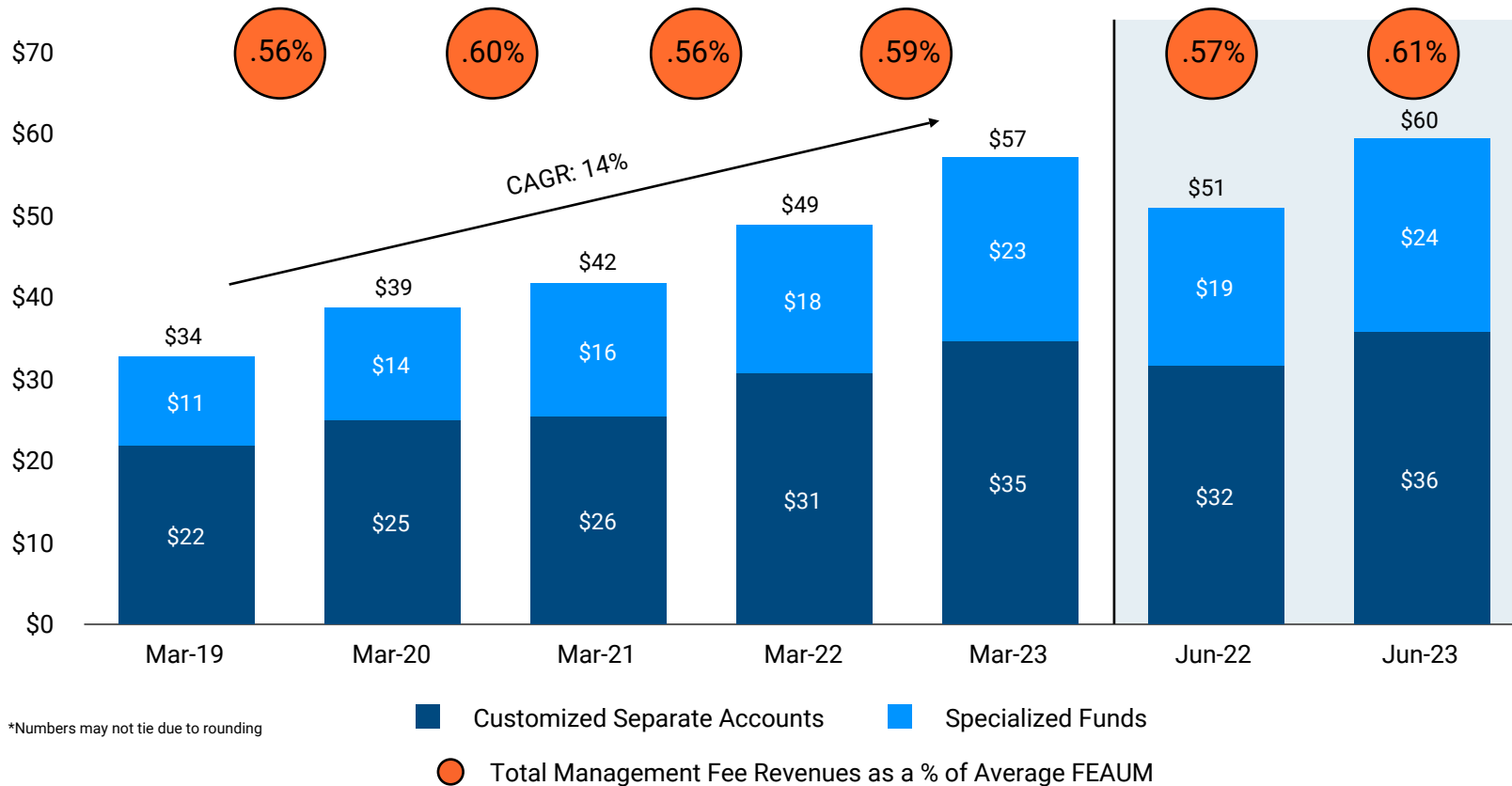


¹Data as of calendar year end 12/31 unless otherwise noted. Numbers may not tie due to rounding.

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 1st infrastructure fund, 2nd impact fund, and 5th direct equity fund
- Fundraising 6th secondary fund, 8th 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

- \$4.1B 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:

- Secondary fund
 - Credit-oriented fund
 - Evergreen funds
-
- \$4.4B year-over-year increase in FEAUM
 - Closings during Q1 FY24:
 - Secondary fund: \$493M

AUA

Advisory Services

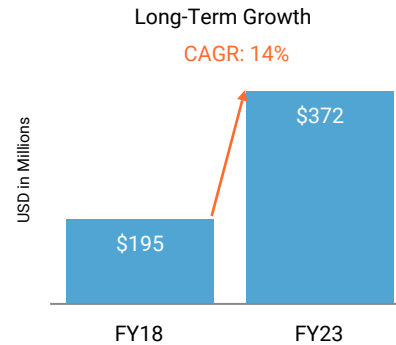
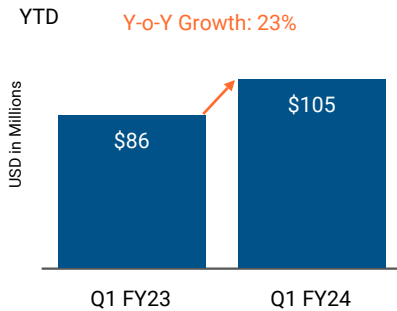
Typically larger clients with wide-ranging mandates which include technology-driven reporting, monitoring and analytics services and consulting services; opportunity set continues to be robust

- \$24B year-over-year decrease in AUA

Financial Highlights

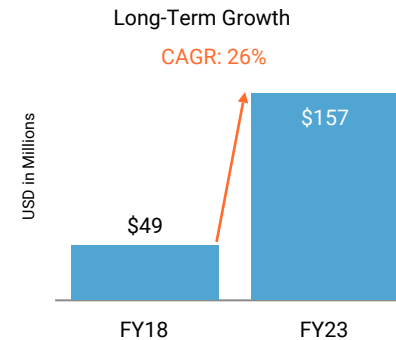
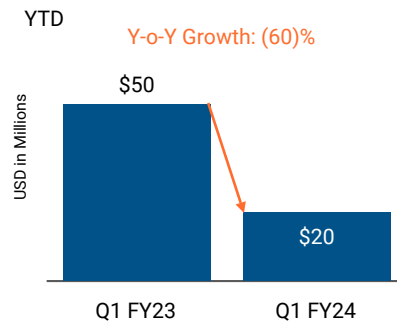
Strong growth across management and advisory fees

Management and Advisory Fees



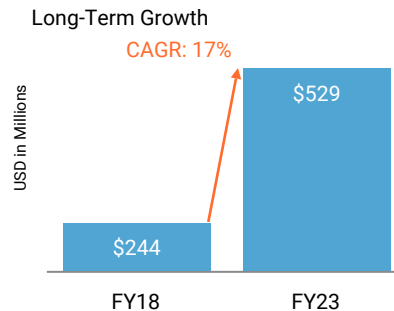
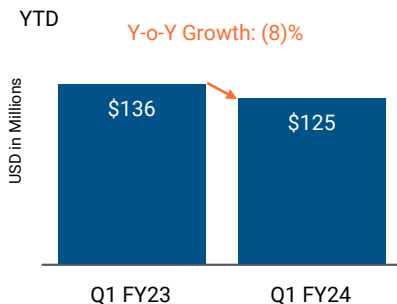
- Recurring management and advisory fees represented an average of 85% of total revenues over the past five fiscal years
- Y-o-Y increase of 23%
- \$3.9 million in retroactive fees from our latest secondary fund in the quarter

Incentive Fees



- Incentive fees derived from a highly diversified pool of assets and funds
- Unrealized carried interest of \$1,101 million as of 6/30/23 diversified across 3,000+ assets and over 90 funds
- Timing of realizations unpredictable

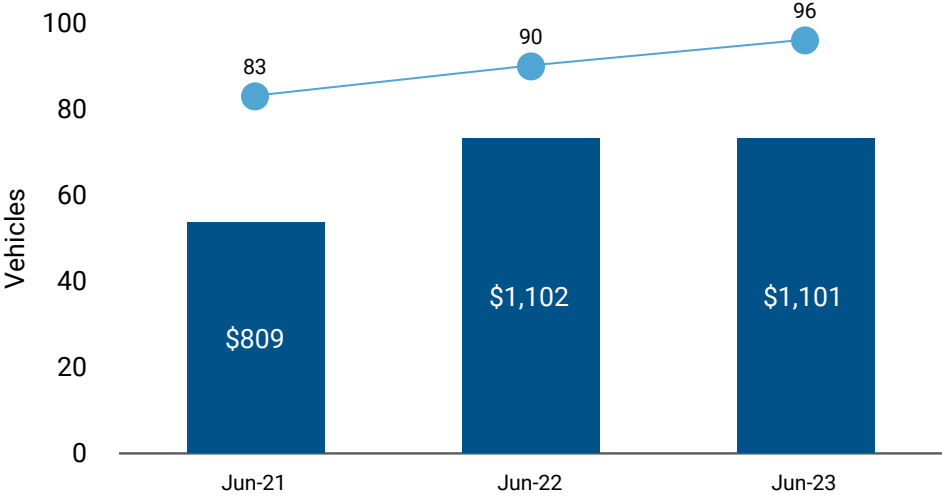
Total Revenues



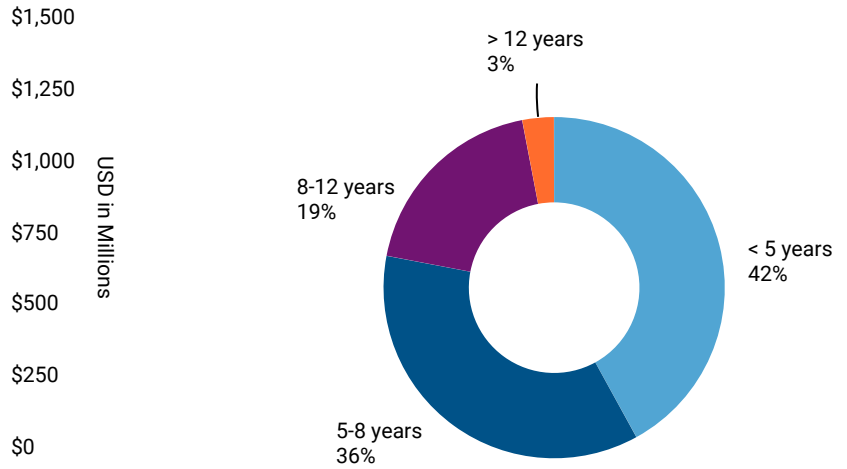
- Total revenues decreased by 8%, driven by incentive fees, while management and advisory fees increased 23%

Unrealized Carried Interest

Unrealized Carried Interest



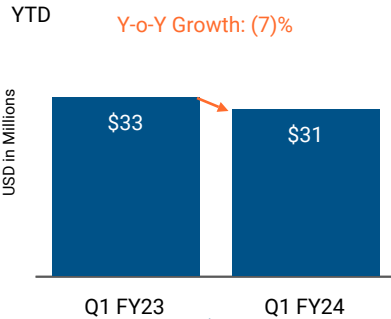
Unrealized Carry by Age



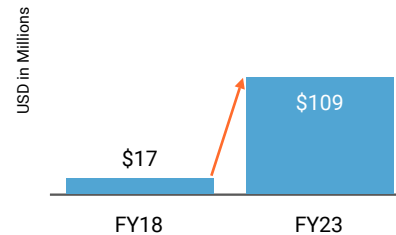
■ Unrealized Carried Interest ● Vehicles in Unrealized Carry Position

Stable long-term growth

Net Income Attributable to HLI

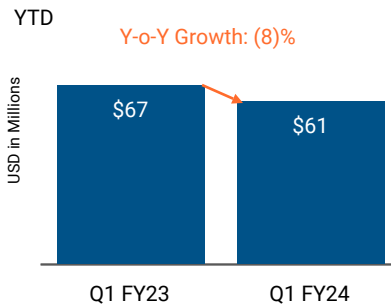


Long-Term Growth

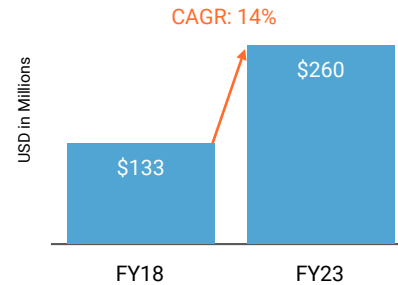


- \$31M in net income attributable to HLI for the quarter

Adjusted EBITDA¹

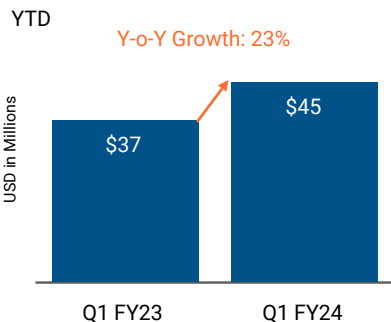


Long-Term Growth

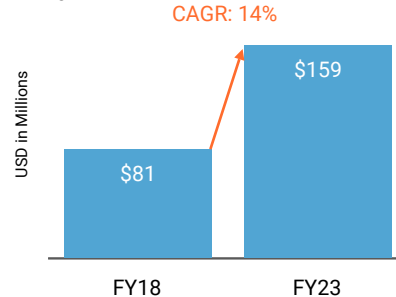


- Y-o-Y decrease of 8% driven by lower incentive fees

Fee Related Earnings¹



Long-Term Growth

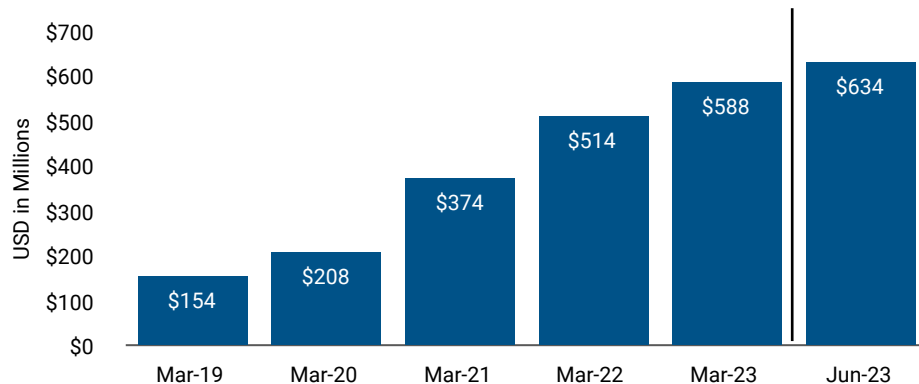


- Y-o-Y growth of 23%
- Long-term double digit growth in Fee Related Earnings

¹Adjusted 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 20 and 21 of this presentation.

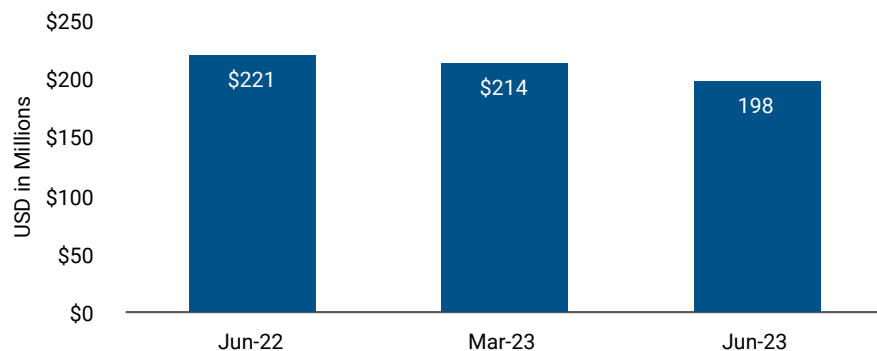
Strong balance sheet with investments in our own products and a modest amount of leverage...

Investments



- For 6/30/23, the total investment balance consisted primarily of:
 - ~\$385M in investments in our funds
 - ~\$205M in technology related and other investments

Leverage



- Modest leverage
- \$198M of debt as of 6/30/23

Appendix

Condensed Consolidated Statements of Income (Unaudited)

	Three Months Ended				
	June 30, 2022	March 31, 2023	June 30, 2023	YoY % Change	QoQ % Change
<i>(Dollars in thousands except share and per share amounts)</i>					
Management and advisory fees	\$85,946	\$95,692	\$105,407	23 %	10 %
Incentive fees	49,524	17,096	19,630	(60)%	15 %
Consolidated variable interest entities related:					
Incentive fees	39	—	—	(100)%	N/A
Total revenues	135,509	112,788	125,037	(8)%	11 %
Compensation and benefits	52,194	40,177	44,103	(16)%	10 %
General, administrative and other	20,513	23,329	25,761	26 %	10 %
Consolidated variable interest entities related:					
General, administrative and other	277	(35)	234	(16)%	N/A
Total expenses	72,984	63,471	70,098	(4)%	10 %
Equity in (loss) income of investees	(625)	12,581	11,866	N/A	(6)%
Interest expense	(1,495)	(2,590)	(2,890)	93 %	12 %
Interest income	168	950	937	458 %	(1)%
Non-operating income	4,343	6,635	232	(95)%	(96)%
Consolidated variable interest entities related:					
Equity in income of investees	732	425	132	(82)%	(69)%
Unrealized income	1,966	440	794	(60)%	80 %
Interest expense	—	—	(6)	N/A	N/A
Interest income	—	336	1,740	N/A	418 %
Total other income (expense)	5,089	18,777	12,805	152 %	(32)%
Income before income taxes	67,614	68,094	67,744	0 %	(1)%
Income tax expense	11,488	16,659	16,400	43 %	(2)%
Net income	56,126	51,435	51,344	(9)%	0 %
Less: Income attributable to non-controlling interests in general partnerships	308	213	1	(100)%	(99)%
Less: Income attributable to non-controlling interests in Hamilton Lane Advisors, L.L.C.	20,168	19,701	19,133	(5)%	(3)%
Less: Income attributable to redeemable non-controlling interests in Hamilton Lane Alliance Holdings I, Inc.	2,166	—	—	(100)%	N/A
Less: Income attributable to non-controlling interests in consolidated funds	—	435	1,212	N/A	179 %
Net income attributable to Hamilton Lane Incorporated	\$33,484	\$31,086	\$30,998	(7)%	0 %
Basic earnings per share of Class A common stock	\$0.92	\$0.84	\$0.82	(11)%	(2)%
Diluted earnings per share of Class A Common stock	\$0.91	\$0.82	\$0.81	(11)%	(1)%
Weighted-average shares of Class A common stock outstanding - basic	36,999,561	37,206,876	37,707,809		
Weighted-average shares of Class A common stock outstanding - diluted	53,706,941	53,785,158	53,855,751		

Non-GAAP Financial Measures

	Three Months Ended			YoY % Change	QoQ % Change
	June 30, 2022	March 31, 2023	June 30, 2023		
<i>(Dollars in thousands except share and per share amounts)</i>					
Adjusted EBITDA¹					
Management and advisory fees	\$85,946	\$95,692	\$105,407	23 %	10 %
Revenue related to consolidated funds	–	61	147	N/A	141 %
Total expenses	72,984	63,471	70,098	(4)%	10 %
Less:					
Incentive fee related compensation ²	(23,541)	(8,120)	(9,324)	(60)%	15 %
Consolidated VIE related general, administrative and other expenses	(276)	–	(233)	(16)%	N/A
Non-operating income related compensation	–	(313)	(59)	N/A	(81)%
Management fee related expenses	49,167	55,038	60,482	23 %	10 %
Fee Related Earnings	\$36,779	\$40,715	\$45,072	23 %	11 %
Fee Related Earnings Margin	43 %	43 %	43 %		
Incentive fees	49,563	17,096	19,630	(60)%	15 %
Incentive fees attributable to non-controlling interests	(3)	–	–	N/A	N/A
Incentive fee related compensation ²	(23,541)	(8,120)	(9,324)	(60)%	15 %
Non-operating income related compensation	–	(313)	(59)	N/A	(81)%
Interest income	168	950	937	458 %	(1)%
Equity-based compensation	1,897	3,134	2,846	50 %	(9)%
Depreciation and amortization	1,764	1,842	1,873	6 %	2 %
Adjusted EBITDA	\$66,627	\$55,304	\$60,975	(8)%	10 %
Adjusted EBITDA Margin	49 %	49 %	49 %		
Non-GAAP earnings per share¹					
Net income attributable to Hamilton Lane Incorporated	\$33,484	\$31,086	\$30,998	(7)%	0 %
Income attributable to non-controlling interests in Hamilton Lane Advisors, L.L.C.	20,168	19,701	19,133	(5)%	(3)%
Income tax expense	11,488	16,659	16,400	43 %	(2)%
Adjusted pre-tax net income	65,140	67,446	66,531	2 %	(1)%
Adjusted income taxes ³	(15,568)	(15,884)	(15,701)	1 %	(1)%
Adjusted net income	\$49,572	\$51,562	\$50,830	3 %	(1)%
Adjusted shares outstanding	53,706,941	53,785,158	53,855,751		
Non-GAAP earnings per share	\$0.92	\$0.96	\$0.94	2 %	(2)%

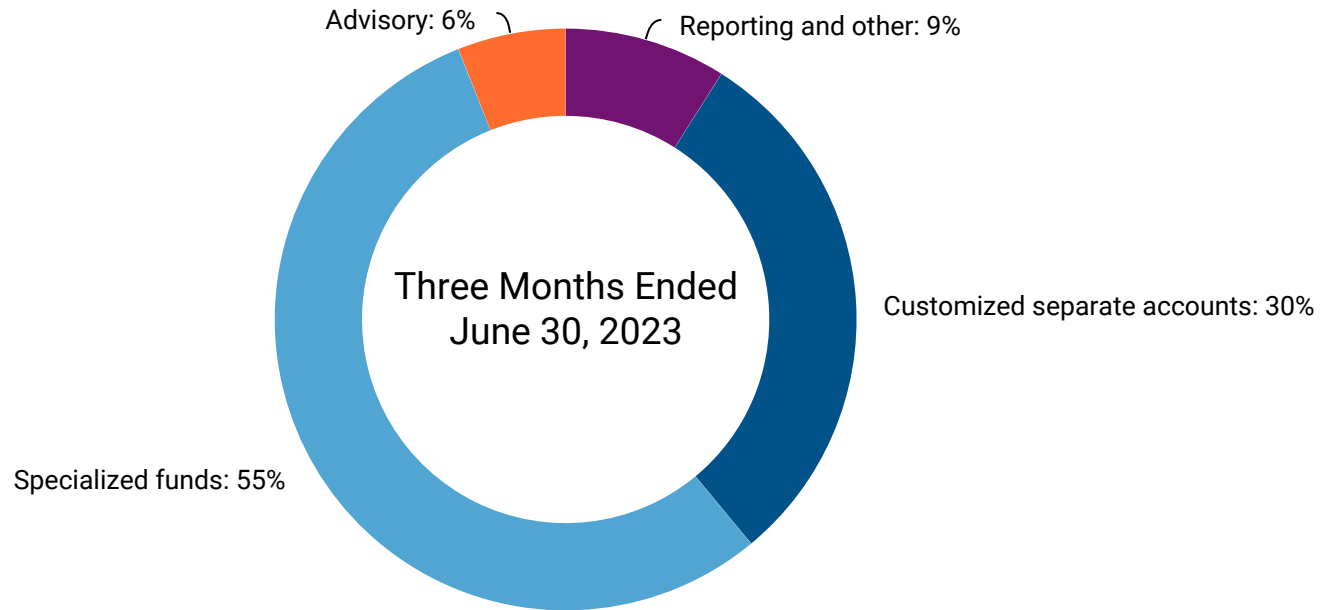
¹ Adjusted EBITDA and Non-GAAP earnings per share are non-GAAP financial measures. For the reconciliations of our non-GAAP financial measures to the most directly comparable GAAP financial measures, see page 20.

² Incentive fee related compensation includes incentive fee compensation expense and bonus related to carried interest that is classified as base compensation.

³ Represents corporate income taxes at our estimated statutory tax rate of 23.6% and 23.9% for the three month periods ended June 30, 2023 and 2022, respectively, applied to adjusted pre-tax net income. The 23.6% is based on a federal tax statutory rate of 21.0% and a combined state income tax rate net of federal benefits of 2.6%. The 23.9% is based on a federal tax statutory rate of 21.0% and a combined state income tax rate net of federal benefits of 2.9%.

Management and Advisory Fees

(Dollars in thousands)	Three Months Ended,			YoY % Change	QoQ % Change
	June 30, 2022	March 31, 2023	June 30, 2023		
Management and advisory fees					
Specialized funds	\$43,649	\$52,169	\$57,716	32 %	11 %
Customized separate accounts	28,375	30,434	31,719	12 %	4 %
Advisory	6,248	5,712	6,293	1 %	10 %
Reporting and other	6,318	5,622	5,557	(12)%	(1)%
Distribution management	496	697	1,213	145 %	74 %
Fund reimbursement revenue	860	1,058	2,909	238 %	175 %
Total management and advisory fees	\$85,946	\$95,692	\$105,407	23 %	10 %



Incentive Fees

(Dollars in thousands)	Three Months Ended			YoY % Change	QoQ % Change
	June 30, 2022	March 31, 2023	June 30, 2023		
Incentive fees					
Direct equity funds	\$24,851	\$2,368	\$2,331	(91)%	(2)%
Secondary funds	11,959	8,933	8,077	(32)%	(10)%
Direct credit funds	2,125	1,497	4,767	124 %	218 %
Evergreen funds	955	1,172	1,215	27 %	4 %
Other specialized funds	2,358	1,427	1,996	(15)%	40 %
Customized separate accounts	7,315	1,699	1,244	(83)%	(27)%
Incentive fees	\$49,563	\$17,096	\$19,630	(60)%	15 %

	As of			YoY % Change	QoQ % Change
	June 30, 2022	March 31, 2023	June 30, 2023		
Allocated carried interest					
Secondary Fund II	\$367	\$359	\$320	(13)%	(11)%
Secondary Fund III	33,568	30,084	29,212	(13)%	(3)%
Secondary Fund IV	144,479	121,750	122,416	(15)%	1 %
Secondary Fund V	154,187	144,739	145,126	(6)%	0 %
Secondary Fund VI	—	5,209	13,439	N/A	158 %
Co-investment Fund II	19,865	17,047	16,363	(18)%	(4)%
Co-investment Fund III	85,416	51,139	50,810	(41)%	(1)%
Co-investment Fund IV	134,730	111,318	127,496	(5)%	15 %
Equity Opportunities Fund V	7,040	11,252	20,624	193 %	83 %
Evergreen funds	52,256	95,477	115,135	120 %	21 %
Other specialized funds	133,302	113,627	116,776	(12)%	3 %
Customized separate accounts	337,004	320,249	342,874	2 %	7 %
Total allocated carried interest	\$1,102,214	\$1,022,250	\$1,100,591	0 %	8 %

Assets Under Management

(Dollars in millions)

	June 30, 2022	March 31, 2023	June 30, 2023	YoY % Change	QoQ % Change
Assets under management / advisement					
Assets under management	\$108,034	\$111,901	\$117,064	8 %	5 %
Assets under advisement	724,160	744,770	700,651	(3)%	(6)%
Total assets under management / advisement	\$832,194	\$856,671	\$817,715	(2)%	(5)%
Fee-earning assets under management					
Customized separate accounts					
Balance, beginning of period	\$30,938	\$33,089	\$34,684	12 %	5 %
Contributions	1,902	3,204	1,792	(6)%	(44)%
Distributions	(1,142)	(1,725)	(636)	(44)%	(63)%
Foreign exchange, market value and other	51	116	10	(80)%	(91)%
Balance, end of period	\$31,749	\$34,684	\$35,850	13 %	3 %
Specialized funds					
Balance, beginning of period	\$18,193	\$21,776	\$22,662	25 %	4 %
Contributions	1,435	961	1,258	(12)%	31 %
Distributions	(179)	(233)	(172)	(4)%	(26)%
Foreign exchange, market value and other	(77)	158	67	N/A	(58)%
Balance, end of period	\$19,372	\$22,662	\$23,815	23 %	5 %
Total					
Balance, beginning of period	\$49,131	\$54,865	\$57,346	17 %	5 %
Contributions	3,337	4,165	3,050	(9)%	(27)%
Distributions	(1,321)	(1,958)	(808)	(39)%	(59)%
Foreign exchange, market value and other	(26)	274	77	N/A	(72)%
Balance, end of period	\$51,121	\$57,346	\$59,665	17 %	4 %

Condensed Consolidated Balance Sheets (Unaudited)

(Dollars in thousands)

	March 31, 2023	June 30, 2023
Assets		
Cash and cash equivalents	\$99,686	\$100,255
Restricted cash	4,804	4,805
Fees receivable	47,140	65,864
Prepaid expenses	9,817	8,007
Due from related parties	7,186	7,963
Furniture, fixtures and equipment, net	28,425	30,360
Lease right-of-use assets, net	62,327	64,396
Investments	530,921	546,080
Deferred income taxes	233,912	229,259
Other assets	46,784	28,092
Assets of consolidated variable interest entities:		
Cash and cash equivalents	12,062	24,909
Investments	57,044	88,260
Other assets	435	1,844
Total assets	\$1,140,543	\$1,200,094
Liabilities and equity		
Accounts payable	\$4,559	\$5,574
Accrued compensation and benefits	24,190	32,525
Accrued members' distributions	15,723	11,464
Accrued dividend	15,049	16,780
Debt	213,533	197,939
Payable to related parties pursuant to tax receivable agreement	174,702	173,818
Lease liabilities	78,817	80,994
Other liabilities (includes \$14,228 and \$14,149 at fair value)	32,856	33,376
Liabilities of consolidated variable interest entities:		
Other liabilities	6,922	5,924
Total liabilities	566,351	558,394
Total equity	574,192	641,700
Total liabilities and equity	\$1,140,543	\$1,200,094

Condensed Consolidated Statements of Cash Flows (Unaudited)

(Dollars in thousands)	Three Months Ended June 30,	
	2022	2023
Operating activities		
Net income	\$56,126	\$51,344
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,764	1,873
Change in deferred income taxes	(1,043)	4,654
Change in payable to related parties pursuant to tax receivable agreement	—	(883)
Equity-based compensation	1,897	2,846
Equity in loss (income) of investees	625	(11,866)
Net realized loss on sale of investments	—	288
Fair value adjustment of investments	(4,344)	(757)
Proceeds received from partnerships	3,343	6,060
Non-cash lease expense	1,374	2,062
Other	14	36
Changes in operating assets and liabilities	3,880	5,691
Consolidated variable interest entities related	(2,684)	(3,375)
Net cash provided by operating activities	\$60,952	\$57,973
Investing activities		
Purchase of furniture, fixtures and equipment	\$(1,707)	\$(3,385)
Cash paid for acquisition of business	(1,500)	—
Purchase of investments	(20,236)	(1,177)
Proceeds from sale of investments	—	1,343
Proceeds from sale of intangible assets	—	876
Distributions received from partnerships	2,227	1,676
Contributions to partnerships	(35,237)	(22,686)
Purchase of investments	—	(16,369)
Net cash used in investing activities	\$(56,453)	\$(39,722)
Financing activities		
Borrowings of debt	\$25,000	\$—
Repayments of debt	(457)	(625)
Draw-down on revolver	25,000	10,000
Repayment of revolver	—	(25,000)
Repurchase of Class A shares for employee tax withholding	—	(108)
Proceeds received from issuance of shares under Employee Share Purchase Plan	485	551
Dividends paid	(12,947)	(15,049)
Members' distributions paid	(30,485)	(18,423)
Consolidated variable interest entities related	(100)	43,820
Net cash provided by (used in) financing activities	\$6,496	\$(4,834)
Increase in cash and cash equivalents, restricted cash, and cash and cash equivalents held at consolidated variable interest entities	10,995	13,417
Cash and cash equivalents, restricted cash, and cash and cash equivalents held at consolidated variable interest entities at beginning of the period	76,197	116,552
Cash and cash equivalents, restricted cash, and cash and cash equivalents held at consolidated variable interest entities at end of the period	\$87,192	\$129,969

Non-GAAP Reconciliation

Reconciliation from Net Income

(Dollars in thousands except share and per share amounts)

	Year Ended March 31,		Three Months Ended		
	2018	2023	June 30 2022	March 31, 2023	June 30, 2023
Net income attributable to Hamilton Lane Incorporated	\$17,341	\$109,120	\$33,484	\$31,086	\$30,998
Income attributable to non-controlling interests in general partnerships	2,448	986	308	213	1
Income attributable to non-controlling interests in Hamilton Lane Advisors, L.L.C.	86,508	71,027	20,168	19,701	19,133
Income attributable to non-controlling interests in Hamilton Lane Alliance Holdings I, Inc.	—	5,617	2,166	—	—
Income attributable to non-controlling interests in consolidated funds	—	435	—	435	1,212
Incentive fees	(49,003)	(156,879)	(49,563)	(17,096)	(19,630)
Incentive fee related compensation ¹	3,874	74,374	23,541	8,120	9,324
Consolidated VIE related general, administrative and other expenses	—	846	276	—	233
Revenue related to consolidated funds	—	61	—	61	147
Non-operating income related compensation	—	367	—	313	59
Interest income	(528)	(5,114)	(168)	(1,285)	(2,677)
Interest expense	5,989	8,617	1,495	2,590	2,896
Income tax expense	33,333	55,425	11,488	16,659	16,400
Equity in income of investees	(17,102)	(6,543)	(107)	(13,006)	(11,998)
Contingent compensation related to acquisition	3,399	—	—	—	—
Non-operating (income) expense	(5,036)	470	(6,309)	(7,076)	(1,026)
Fee Related Earnings	\$81,223	\$158,809	\$36,779	\$40,715	\$45,072
Depreciation and amortization	1,891	7,442	1,764	1,842	1,873
Equity-based compensation	5,544	9,950	1,897	3,134	2,846
Incentive fees	49,003	156,879	49,563	17,096	19,630
Incentive fees attributable to non-controlling interests	(1,729)	(302)	(3)	—	—
Incentive fee related compensation ¹	(3,874)	(74,374)	(23,541)	(8,120)	(9,324)
Non-operating income related compensation	—	(367)	—	(313)	(59)
Interest income	528	1,789	168	950	937
Adjusted EBITDA	\$132,586	\$259,826	\$66,627	\$55,304	\$60,975
Non-GAAP earnings per share reconciliation					
Net income attributable to Hamilton Lane Incorporated			\$33,484	\$31,086	\$30,998
Income attributable to non-controlling interests in Hamilton Lane Advisors, L.L.C.			20,168	19,701	19,133
Income tax expense			11,488	16,659	16,400
Adjusted pre-tax net income			65,140	67,446	66,531
Adjusted income taxes ²			(15,568)	(15,884)	(15,701)
Adjusted net income			\$49,572	\$51,562	\$50,830
Adjusted shares outstanding			53,706,941	53,785,158	53,855,751
Non-GAAP earnings per share			\$0.92	\$0.96	\$0.94

¹ Incentive fee related compensation includes incentive fee compensation expense and bonus related to carried interest that is classified as base compensation.

² Represents corporate income taxes at our estimated statutory tax rate of 23.6% and 23.9% for the three month periods ended June 30, 2023 and 2022, respectively, applied to adjusted pre-tax net income. The 23.6% is based on a federal tax statutory rate of 21.0% and a combined state income tax rate net of federal benefits of 2.6%. The 23.9% is based on a federal tax statutory rate of 21.0% and a combined state income tax rate net of federal benefits of 2.9%.

Adjusted EBITDA is an 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 and excludes any impact of changes in carrying amount of our redeemable non-controlling interest. Adjusted shares outstanding for the three months ended June 30, 2022 and 2023 and March 31, 2023 are equal to weighted-average shares of Class A common stock outstanding - diluted. 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, 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 that are generally derived from applying a certain percentage to the appropriate fee base. 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. The vast majority 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 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, competition in our industry, 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 exposure and that of our clients and investors to the credit risks of financial institutions at which we and they hold accounts; 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 introducing new types of investment structures, products or services or entering into strategic partnerships; our ability to manage redemption or repurchase rights in certain of our funds; our ability to manage, identify and anticipate risks we face; 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 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, 2023 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 August 1, 2023