FOCUS®
FINANCIAL PARTNERS

Fact Sheet

VISION *for*
VISIONARIES.

Focus Financial Partners Inc.

September 2022

FOCUS FINANCIAL PARTNERS

Focus at a Glance

Compelling Investment Thesis

- Global partnership of independent wealth managers
- Substantial, high growth market opportunity
- Pure play acquiror with industry-leading scale
- Unique value proposition and deep intellectual expertise
- Tax-efficient financial model | strong fundamentals

Profile of the Partnership

88 Partner Firms (1)

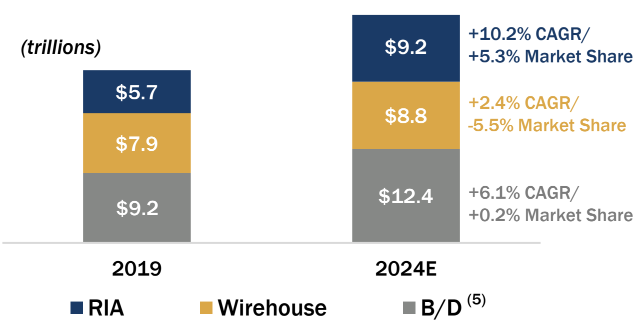
5 Countries (1) • **300+** Offices (2)

5,500+ Partners & Employees (2)

Addressable Market(3)

~$6 trillion *(client assets)*

Managed by registered investment advisors in the U.S.



Multi-Trillion Opportunity

In countries that Focus has a presence in internationally(4)

(1) As of December 1, 2022
(2) As of September 30, 2022.
(3) Sources: Cerulli US Advisor Metrics 2020; Envestnet Industry Trends (March 2021).
(4) Sources: Advocis – The Financial Advisors Association of Canada; Canadian Investment Funds Industry: Recent Developments and Outlook (2019). Includes private wealth, full-service brokerage and financial advisor assets; IBIS World Report on UK Financial Advice, July 2020; PIMFA, January 2021; 2019 Australian Financial Advice Landscape.
(5) Broker Dealers include National and regional B/D, IBD, Insurance B/D and Retail bank B/D.

Differentiated Value Proposition

INDEPENDENCE & ENTREPRENEURSHIP

- "Never turn an entrepreneur into an employee"
- Maintain entrepreneurial spirit, independence and unique culture of partner firms

PERMANENT CAPITAL

- Unique provider of permanent capital to grow wealth management firms

VALUE-ADDED SERVICES & EXPERTISE

- Empower firms to accelerate growth and operate using best practices
- Services and capabilities that leverage Focus' scale advantages and institutional knowledge, without compromising partner firm autonomy or culture

BUSINESS SOLUTIONS

- Strategy
- Operations & Technology
- Talent Management & Leadership
- Mergers & Acquisitions
- Finance, Legal & Regulatory
- Best Practices & Knowledge Sharing

CLIENT SOLUTIONS

- Cash Solutions
- Credit Solutions
- Portfolio Analytics
- Insurance Solutions
- Family Office Services
- Valuation Services
- Trust Services

Deep M&A Expertise | 3 Acquisition Models

Focus Partner Firms	Acquire wealth management firms led by entrepreneurs who continue to operate their business autonomously while having access to Focus' growth capital and value-added services.
Partner Firm Mergers	Help Focus partner firms further accelerate their growth through acquisitions of wealth management practices and client relationships.
Connectus	Focus partner firm that acquires wealth management practices whose founders want to continue managing their client relationships autonomously while gaining the operational efficiencies of a shared services platform.

VISION *for* VISIONARIES.

For more information, please contact

Tina Madon
Senior Vice President
Head of Investor Relations & Corporate Communications
646-813-2909
tmadon@focuspartners.com

Charlie Arestia
Vice President
Investor Relations & Corporate Communications
646-560-3999
carestia@focuspartners.com

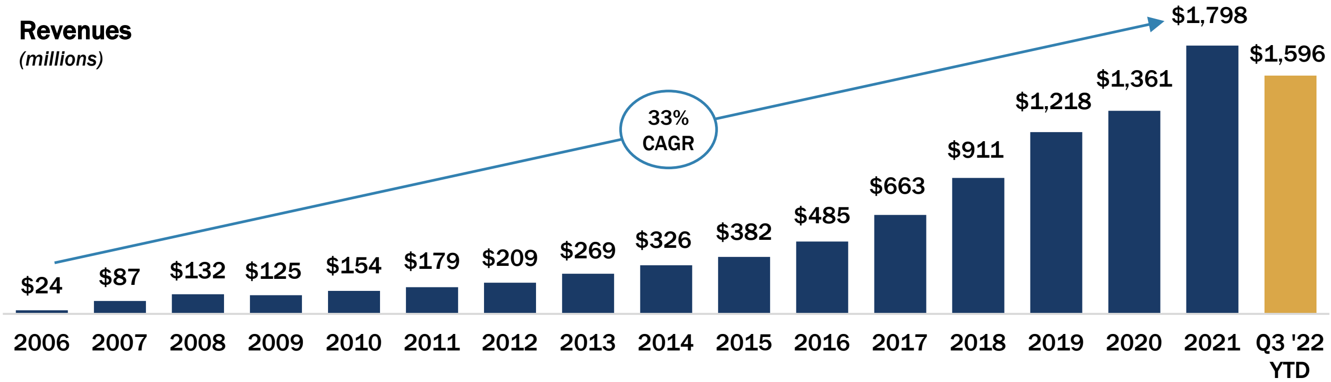
Focus Financial Partners Inc.

FOCUS FINANCIAL PARTNERS

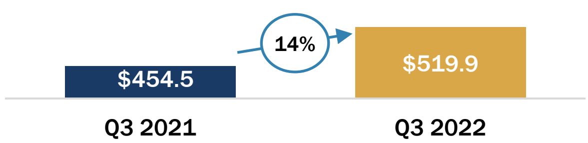
September 2022

By the Numbers

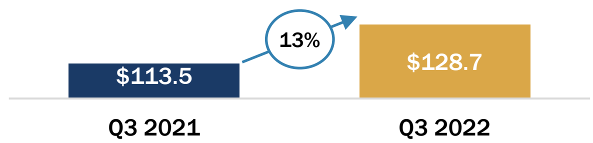
Revenues
(millions)



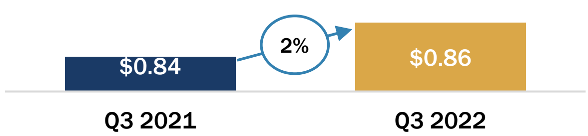
Revenues
(millions)



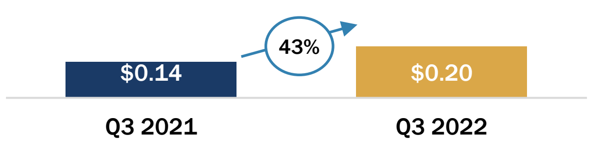
Adjusted EBITDA [1]
(millions)



ANI Excluding Tax Adjustments Per Share[1]



Tax Adjustments Per Share[1,2]



Financial Model Has Multiple Elements Which Contribute to its Strength and Resiliency

- 95%+[3] of Revenues Fee-Based & Recurring; No Interest Income Dependency
- 24%[3] of Revenues Not Correlated to the Financial Markets
- Preference Creates Downside Earnings Protection
- Highly Variable Cost Structure and Cap-Ex Lite
- High and Increasing Cash Flow Available for Capital Allocation[1] of ~$346M LTM (+15% Y/Y)
- Tax-efficient acquisition structure - $2.8+ billion gross unamortized tax shield [4]

(1) Non-GAAP financial measure. See Appendix for reconciliations.
(2) Tax Adjustments represent the tax benefits of intangible assets, including goodwill, associated with deductions allowed for tax amortization of intangible assets in the respective periods based on a pro forma 27% income tax rate. Such amounts were generated from acquisitions completed where the Company received a step-up in basis for tax purposes. Acquired intangible assets may be amortized for tax purposes, generally over a 15-year period. Due to the Company's acquisitive nature, tax deductions allowed on acquired intangible assets provide additional significant supplemental economic benefit. The tax benefit from amortization is identified to show the full economic benefit of deductions for acquired intangible assets with the step-up in tax basis.
(3) For the three months ended September 30, 2022.
(4) As of September 30, 2022.

VISION *for* VISIONARIES.

For more information, please contact

Tina Madon
Senior Vice President
Head of Investor Relations & Corporate Communications
646-813-2909
tmadon@focuspartners.com

Charlie Arestia
Vice President
Investor Relations & Corporate Communications
646-560-3999
carestia@focuspartners.com

Appendix

Net Income to Adjusted EBITDA Reconciliation

	Three months ended	
($ in thousands)	Sept. 30, 2021	Sept. 30, 2022
Net income	$ 1,849	$ 38,289
Interest income	(206)	(126)
Interest expense	16,543	26,491
Income tax expense	2,678	12,120
Amortization of debt financing costs	1,102	949
Intangible amortization	46,055	67,331
Depreciation and other amortization	3,622	4,016
Non-cash equity compensation expense	5,938	7,980
Non-cash changes in fair value of estimated contingent consideration	36,243	(30,708)
Other (income) expense, net	(312)	2,347
Adjusted EBITDA	$ 113,512	$ 128,689

Reconciliation of Cash Flow Available for Capital Allocation

	Trailing 4-Quarters ended	
($ in thousands)	Sept. 30, 2021	Sept. 30, 2022
Net cash provided by operating activities	$ 310,742	$ 306,386
Purchase of fixed assets	(13,218)	(17,610)
Distributions for unitholders	(33,083)	(26,439)
Payments under tax receivable agreements	(4,423)	(3,856)
Adjusted Free Cash Flow	$ 260,018	$ 258,481
Portion of contingent consideration paid included in operating activities(1)	39,690	87,261
Portion of deferred acquisition consideration paid included in operating activities(2)	—	16
Cash Flow Available for Capital Allocation (3)	$ 299,708	$ 345,758

(1) A portion of contingent consideration paid is classified as operating cash outflows in accordance with GAAP (with the balance reflected in investing or financing cash outflows) and therefore is a reconciling item to arrive at Cash Flow Available for Capital Allocation.

(2) A portion of deferred acquisition consideration paid is classified as operating cash outflows in accordance with GAAP (with the balance reflected in financing cash outflows) and therefore is a reconciling item to arrive at Cash Flow Available for Capital Allocation.

(3) Cash Flow Available for Capital Allocation excludes all contingent consideration and deferred acquisition consideration that was included in either operating, investing or financing activities of our consolidated statements of cash flows.

For more information, please contact

Tina Madon
Senior Vice President
Head of Investor Relations & Corporate Communications
646-813-2909
tmadon@focuspartners.com

Charlie Arestia
Vice President
Investor Relations & Corporate Communications
646-560-3999
carestia@focuspartners.com

Appendix

Net Income to Adjusted Net Income Excluding Tax Adjustments and Adjusted Net Income Excluding Tax Adjustments Per Share Reconciliation

	Three months ended Sept. 30, 2021	Three months ended Sept. 30, 2022
($ in thousands, except share and per share data)		
Net income	$ 1,849	$ 38,289
Income tax expense	2,678	12,120
Amortization of debt financing costs	1,102	949
Intangible amortization	46,055	67,331
Non-cash equity compensation expense	5,938	7,980
Non-cash changes in fair value of estimated contingent consideration	36,243	(30,708)
Subtotal	93,865	95,961
Pro forma income tax expense (27%) (1)	(25,344)	(25,909)
Adjusted Net Income Excluding Tax Adjustments	$ 68,521	$ 70,052
Tax Adjustments (2)	$ 11,835	$ 16,664
Adjusted Net Income Excluding Tax Adjustments Per Share	$ 0.84	$ 0.86
Tax Adjustments Per Share (2)	$ 0.14	$ 0.20
Adjusted Shares Outstanding	81,829,784	81,597,322
Calculation of Adjusted Shares Outstanding:		
Weighted average shares of Class A common stock outstanding—basic (3)	59,940,166	65,599,493
Adjustments:		
Weighted average incremental shares of Class A common stock related to stock options and restricted stock units (4)	498,344	221,735
Weighted average Focus LLC common units outstanding (5)	12,609,173	11,898,233
Weighted average Focus LLC restricted common units outstanding (6)	71,374	192,627
Weighted average common unit equivalent of Focus LLC incentive units outstanding (7)	8,710,727	3,685,234
Adjusted Shares Outstanding	81,829,784	81,597,322

(1) The pro forma income tax rate of 27% reflects the estimated U.S. federal, state, local and foreign income tax rates applicable to corporations in the jurisdictions we conduct business.

(2) Tax Adjustments represent the tax benefits of intangible assets, including goodwill, associated with deductions allowed for tax amortization of intangible assets in the respective periods based on a pro forma 27% income tax rate. Such amounts were generated from acquisitions completed where we received a step-up in basis for tax purposes. Acquired intangible assets may be amortized for tax purposes, generally over a 15-year period. Due to our acquisitive nature, tax deductions allowed on acquired intangible assets provide additional significant supplemental economic benefit. The tax benefit from amortization is included to show the full economic benefit of deductions for acquired intangible assets with the step-up intax basis. As of September 30, 2022, estimated Tax Adjustments from intangible asset related income tax benefits from closed acquisitions based on a pro forma 27% income tax rate for the next 12 months is $65.7 million.

(3) Represents our GAAP weighted average Class A common stock outstanding –basic.

(4) Represents the incremental shares related to stock options and restricted stock units as calculated under the treasury stock method.

(5) Assumes that 100% of the Focus LLC common units, including contingently issuable Focus LLC common units, if any, were exchanged for Class A common stock.

(6) Assumes that 100% of the Focus LLC restricted common units were exchanged for Class A common stock.

(7) Assumes that 100% of the vested and unvested Focus LLC incentive units were converted into Focus LLC common units based on the closing price of our Class A common stock at the end of the respective period and such Focus LLC common units were exchanged for Class A common stock.

For more information, please contact

Tina Madon
Senior Vice President
Head of Investor Relations & Corporate Communications
646-813-2909
tmadon@focuspartners.com

Charlie Arestia
Vice President
Investor Relations & Corporate Communications
646-560-3999
carestia@focuspartners.com

Disclaimer

Non-GAAP Financial Measures

Adjusted EBITDA is a non-GAAP measure. Adjusted EBITDA is defined as net income (loss) excluding interest income, interest expense, income tax expense, amortization of debt financing costs, intangible amortization and impairments, if any, depreciation and other amortization, non-cash equity compensation expense, non-cash changes in fair value of estimated contingent consideration, loss on extinguishment of borrowings, other (income) expense, net, impairment of equity method investment, management contract buyout, other one-time transaction expenses and secondary offering expenses, if any. We believe that Adjusted EBITDA, viewed in addition to and not in lieu of, our reported GAAP results, provides additional useful information to investors regarding our performance and overall results of operations for various reasons, including the following: (i) non-cash equity grants made to employees or non-employees at a certain price and point in time do not necessarily reflect how our business is performing at any particular time; stock-based compensation expense is not a key measure of our operating performance, (ii) contingent consideration or earn outs can vary substantially from company to company and depending upon each company's growth metrics and accounting assumption methods; the non-cash changes in fair value of estimated contingent consideration is not considered a key measure in comparing our operating performance, and (iii) amortization expenses can vary substantially from company to company and from period to period depending upon each company's financing and accounting methods, the fair value and average expected life of acquired intangible assets and the method by which assets were acquired; the amortization of intangible assets obtained in acquisitions are not considered a key measure in comparing our operating performance. We use Adjusted EBITDA (i) as a measure of operating performance, (ii) for planning purposes, including the preparation of budgets and forecasts, (iii) to allocate resources to enhance the financial performance of our business, (iv) to evaluate the effectiveness of our business strategies, and (v) as a consideration in determining compensation for certain employees. Adjusted EBITDA does not purport to be an alternative to net income (loss) or cash flows from operating activities. The term Adjusted EBITDA is not defined under GAAP, and Adjusted EBITDA is not a measure of net income (loss), operating income or any other performance or liquidity measure derived in accordance with GAAP. Therefore, Adjusted EBITDA has limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are: (i) Adjusted EBITDA does not reflect all cash expenditures, future requirements for capital expenditures or contractual commitments, (ii) Adjusted EBITDA does not reflect changes in, or cash requirements for, working capital needs, and (iii) Adjusted EBITDA does not reflect the interest expense on our debt or the cash requirements necessary to service interest or principal payments. In addition, Adjusted EBITDA can differ significantly from company to company depending on strategic decisions regarding capital structure, the tax jurisdictions in which companies operate and capital investments. We compensate for these limitations by relying also on the GAAP results and using Adjusted EBITDA as supplemental information.

We analyze our performance using Adjusted Net Income Excluding Tax Adjustments and Adjusted Net Income Excluding Tax Adjustments Per Share. Adjusted Net Income Excluding Tax Adjustments and Adjusted Net Income Excluding Tax Adjustments Per Share are non-GAAP measures. We define Adjusted Net Income Excluding Tax Adjustments as net income (loss) excluding income tax expense, amortization of debt financing costs, intangible amortization and impairments, if any, non-cash equity compensation expense, non-cash changes in fair value of estimated contingent consideration, loss on extinguishment of borrowings, impairment of equity method investment, management contract buyout, other one-time transaction expenses and secondary offering expenses, if any. The calculation of Adjusted Net Income Excluding Tax Adjustments also includes adjustments to reflect a pro forma 27% income tax rate reflecting the estimated U.S. federal, state, local and foreign income tax rates applicable to corporations in the jurisdictions we conduct business.

We believe that Adjusted Net Income Excluding Tax Adjustments and Adjusted Net Income Excluding Tax Adjustments Per Share, viewed in addition to and not in lieu of, our reported GAAP results, provide additional useful information to investors regarding our performance and overall results of operations for various reasons, including the following: (i) non-cash equity grants made to employees or non-employees at a certain price and point in time do not necessarily reflect how our business is performing at any particular time; stock-based compensation expense is not a key measure of our operating performance, (ii) contingent consideration or earn outs can vary substantially from company to company and depending upon each company's growth metrics and accounting assumption methods; the non-cash changes in fair value of estimated contingent consideration is not considered a key measure in comparing our operating performance, and (iii) amortization expenses can vary substantially from company to company and from period to period depending upon each company's financing and accounting methods, the fair value and average expected life of acquired intangible assets and the method by which assets were acquired; the amortization of intangible assets obtained in acquisitions are not considered a key measure in comparing our operating performance.

For more information, please contact

Tina Madon
Senior Vice President
Head of Investor Relations & Corporate Communications
646-813-2909
tmadon@focuspartners.com

Charlie Arestia
Vice President
Investor Relations & Corporate Communications
646-560-3999
carestia@focuspartners.com

Disclaimer

Non-GAAP Financial Measures

Adjusted Net Income Excluding Tax Adjustments and Adjusted Net Income Excluding Tax Adjustments Per Share do not purport to be an alternative to net income (loss) or cash flows from operating activities. The terms Adjusted Net Income Excluding Tax Adjustments and Adjusted Net Income Excluding Tax Adjustments Per Share are not defined under GAAP, and Adjusted Net Income Excluding Tax Adjustments and Adjusted Net Income Excluding Tax Adjustments Per Share are not a measure of net income (loss), operating income or any other performance or liquidity measure derived in accordance with GAAP. Therefore, Adjusted Net Income Excluding Tax Adjustments and Adjusted Net Income Excluding Tax Adjustments Per Share have limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are: (i) Adjusted Net Income Excluding Tax Adjustments and Adjusted Net Income Excluding Tax Adjustments Per Share do not reflect all cash expenditures, future requirements for capital expenditures or contractual commitments, (ii) Adjusted Net Income Excluding Tax Adjustments and Adjusted Net Income Excluding Tax Adjustments Per Share do not reflect changes in, or cash requirements for, working capital needs, and (iii) Other companies in the financial services industry may calculate Adjusted Net Income Excluding Tax Adjustments and Adjusted Net Income Excluding Tax Adjustments Per Share differently than we do, limiting its usefulness as a comparative measure. In addition, Adjusted Net Income Excluding Tax Adjustments and Adjusted Net Income Excluding Tax Adjustments Per Share can differ significantly from company to company depending on strategic decisions regarding capital structure, the tax jurisdictions in which companies operate and capital investments. We compensate for these limitations by relying also on the GAAP results and use Adjusted Net Income Excluding Tax Adjustments and Adjusted Net Income Excluding Tax Adjustments Per Share as supplemental information.

To supplement our statements of cash flows presented on a GAAP basis, we use non-GAAP liquidity measures on a trailing 4-quarter basis to analyze cash flows generated from our operations. We consider Adjusted Free Cash Flow and Cash Flow Available for Capital Allocation to be liquidity measures that provide useful information to investors about the amount of cash generated by the business and are two factors in evaluating the amount of cash available to pay contingent consideration and deferred acquisition consideration, make strategic acquisitions and repay outstanding borrowings. Adjusted Free Cash Flow and Cash Flow Available for Capital Allocation do not represent our residual cash flow available for discretionary expenditures as they do not deduct our mandatory debt service requirements and other non-discretionary expenditures. We define Adjusted Free Cash Flow as net cash provided by operating activities, less purchase of fixed assets, distributions for Focus LLC unitholders and payments under tax receivable agreements (if any). We define Cash Flow Available for Capital Allocation as Adjusted Free Cash Flow plus the portions of contingent consideration and deferred acquisition consideration paid which are classified as operating cash flows under GAAP. The balances of such contingent consideration and deferred acquisition consideration are classified as investing or financing cash flows under GAAP; therefore, we add back the amounts included in operating cash flows so that the full amount of contingent consideration and deferred acquisition consideration payments are treated consistently. Adjusted Free Cash Flow and Cash Flow Available for Capital Allocation are not defined under GAAP and should not be considered as alternatives to net cash from operating, investing or financing activities. In addition, Adjusted Free Cash Flow and Cash Flow Available for Capital Allocation can differ significantly from company to company.

For more information, please contact

Tina Madon
Senior Vice President
Head of Investor Relations & Corporate Communications
646-813-2909
tmadon@focuspartners.com

Charlie Arestia
Vice President
Investor Relations & Corporate Communications
646-560-3999
carestia@focuspartners.com