
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 13E-3

RULE 13E-3 TRANSACTION STATEMENT
UNDER SECTION 13(E) OF
THE SECURITIES EXCHANGE ACT OF 1934
AMENDMENT NO. 1

FOCUS FINANCIAL PARTNERS INC.

(Name of the Issuer)

Focus Financial Partners Inc.
Focus Financial Partners, LLC
Ferdinand FFP Merger Sub 1, Inc.
Ferdinand FFP Merger Sub 2, LLC
Ferdinand FFP Acquisition, LLC
Ferdinand FFP Intermediate Holdings, LLC
Ferdinand FFP Ultimate Holdings, LP
Ferdinand FFP GP, LLC
Clayton, Dubilier & Rice Fund XII
CD&R Associates XII, L.P.
CD&R Investment Associates XII, Ltd.
Clayton, Dubilier & Rice, LLC
Trident FFP LP
Trident VI, L.P.
Trident VI Parallel Fund, L.P.
Trident VI DE Parallel Fund, L.P.
Trident IX, L.P.
Trident IX Parallel Fund, L.P.
Trident IX Professionals Fund, L.P.
Trident FFP GP LLC
Trident Capital VI, L.P.
Trident Capital IX, L.P.
Stone Point GP, Ltd.
Stone Point Capital LLC

(Names of Persons Filing Statement)

Class A Common Stock, par value \$0.01 per share
(Title of Class of Securities)

34417P100

(CUSIP Number of Class of Securities)

Focus Financial Partners Inc.
Focus Financial Partners, LLC
c/o 515 N. Flagler Drive
Suite 550
West Palm Beach, FL 33401
(646) 519-2456
Attn: J. Russell McGranahan

Ferdinand FFP Merger Sub 1, Inc.
Ferdinand FFP Merger Sub 2, LLC
Ferdinand FFP Acquisition, LLC
Ferdinand FFP Intermediate Holdings, LLC
Ferdinand FFP Ultimate Holdings, LP
Ferdinand FFP GP, LLC
Clayton, Dubilier & Rice Fund XII
CD&R Associates XII, L.P.
CD&R Investment Associates XII, Ltd.
Clayton, Dubilier & Rice, LLC
c/o Clayton, Dubilier & Rice, LLC
375 Park Avenue, 18th Floor
New York, NY 10152
(212) 407-5227
Attn: Rima Simson

Trident FFP LP
Trident VI, L.P.
Trident VI Parallel Fund, L.P.
Trident VI DE Parallel Fund, L.P.
Trident IX, L.P.
Trident IX Parallel Fund, L.P.
Trident IX Professionals Fund, L.P.
Trident FFP GP LLC
Trident Capital VI, L.P.
Trident Capital IX, L.P.
Stone Point GP, Ltd.
Stone Point Capital LLC
c/o Stone Point Capital LLC
20 Horseneck Lane
Greenwich, CT 06830
(203) 862-2900
Attn: Jacqueline Giammarco

(Name, Address, and Telephone Numbers of Person Authorized to Receive Notices
and Communications on Behalf of the Persons Filing Statement)

With copies to

Vinson & Elkins LLP
1114 Avenue of the Americas,
32nd Floor
New York, NY 10036
(212) 237-0000
Attn: Brenda Lenahan & Stancell Haigwood

Kirkland & Ellis LLP
601 Lexington Avenue
New York, NY 10022
(212) 446-4800
Attn: David Klein, P.C. &
Rachael Coffey, P.C.
AND
Kirkland & Ellis LLP
300 N. LaSalle Street
Chicago, IL 60654
(312) 862-2000
Attn: Richard Campbell, P.C. & Kevin Mausert, P.C.

Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, NY 10017
(212) 455-2000
Attn: Elizabeth A. Cooper & Mark C. Viera

This statement is filed in connection with (check the appropriate box):

- a. ☒ The filing of solicitation materials or an information statement subject to Regulation 14A, Regulation 14C or Rule 13e-3(c) under the Securities Exchange Act of 1934.
- b. ☐ The filing of a registration statement under the Securities Act of 1933.
- c. ☐ A tender offer.
- d. ☐ None of the above.

Check the following box if the soliciting materials or information statement referred to in checking box (a) are preliminary copies: ☒

Check the following box if the filing is a final amendment reporting the results of the transaction: ☐

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of this transaction, passed upon the merits or fairness of this transaction or passed upon the adequacy or accuracy of the disclosure in this document. Any representation to the contrary is a criminal offense.

Introduction

This Amendment No. 1 to the Transaction Statement on Schedule 13E-3 (as originally filed on April 25, 2023, and together with all exhibits hereto, this “Amended Transaction Statement”) is being filed with the U.S. Securities and Exchange Commission (the “SEC”) pursuant to Section 13(e) of the Securities Exchange Act of 1934, as amended (together with the rules and regulations promulgated thereunder, the “Exchange Act”), by (1) Focus Financial Partners Inc. (“Focus Financial” or the “Company”); (2) Focus Financial Partners, LLC, a Delaware limited liability company and a subsidiary of the Company (“Focus LLC”), (3) Ferdinand FFP Acquisition, LLC, a Delaware limited liability company (“Parent”), (4) Ferdinand FFP Merger Sub 1, Inc., a Delaware corporation and a wholly owned subsidiary of Parent (“Company Merger Sub”), (5) Ferdinand FFP Merger Sub 2, LLC, a Delaware limited liability company and a wholly owned subsidiary of Parent (“LLC Merger Sub”, and together with Company Merger Sub, collectively, the “Merger Subs”), (6) Ferdinand FFP Intermediate Holdings, LLC, a Delaware limited liability company, (7) Ferdinand FFP Ultimate Holdings, LP, a Delaware limited partnership, (8) Ferdinand FFP GP, LLC, a Delaware limited liability company, (9) Clayton, Dubilier & Rice Fund XII, L.P., a Cayman Islands exempted limited partnership, (10) Clayton, Dubilier & Rice, LLC, a Delaware limited liability company (“CD&R”), (11) Trident FFP LP, a Delaware limited partnership, (12) Trident VI, L.P., a Cayman Islands exempted limited partnership, (13) Trident VI Parallel Fund, L.P., a Cayman Islands exempted limited partnership, (14) Trident VI DE Parallel Fund, L.P., a Delaware limited partnership, (15) Trident IX, L.P., a Cayman Islands exempted limited partnership, (16) Trident IX Parallel Fund, L.P., a Cayman Islands exempted limited partnership, (17) Trident IX Professionals Fund, L.P., a Cayman Islands exempted limited partnership, (18) Trident FFP GP LLC, a Delaware, limited liability company, (19) Trident Capital VI, L.P., a Cayman Islands exempted limited partnership, (20) Trident Capital IX, L.P., a Cayman Islands exempted limited partnership, (21) Stone Point GP Ltd., a Cayman Islands exempted company, and (22) Stone Point Capital LLC, a Delaware limited liability company (“Stone Point”) (each of (1) through (22) a “Filing Person,” and collectively, the “Filing Persons”). Each of Trident FFP LP, Trident VI, L.P., Trident VI Parallel Fund, L.P., Trident VI DE Parallel Fund, L.P., Trident IX, L.P., Trident IX Parallel Fund, L.P., Trident IX Professionals Fund, L.P., Trident FFP GP LLC, Trident Capital VI, L.P., Trident Capital IX, L.P. and Stone Point GP Ltd., is an investment fund or investment vehicle affiliated with or managed by Stone Point. Each of Parent, Company Merger Sub and LLC Merger Sub are affiliated with CD&R and Stone Point. Investment funds managed by or affiliated with Stone Point owned approximately 20.6% of the issued and outstanding shares of Class A common stock, par value \$0.01 per share of the Company (“Class A Common Stock”) and Class B common stock, par value \$0.01 per share of the Company (“Class B Common Stock” and, together with the Class A Common Stock, “Company Common Stock”) as of February 27, 2023. Terms used but not defined in this Amended Transaction Statement have the meanings assigned to them in the Proxy Statement.

This Amended Transaction Statement relates to that certain Agreement and Plan of Merger, dated as of February 27, 2023 (as may be amended, supplemented or otherwise modified from time to time, the “Merger Agreement”), by and among the Company, Parent, the Merger Subs and Focus LLC. In connection with the Merger Agreement, certain investment funds affiliated with or managed by CD&R and Stone Point (such funds, the “Guarantors”) have provided to the Company limited guarantees in favor of the Company and pursuant to which the Guarantors are guaranteeing certain obligations of Parent and Merger Subs in connection with the Merger Agreement.

Upon the terms and subject to the conditions set forth in the Merger Agreement, (a) LLC Merger Sub will merge with and into Focus LLC (the “LLC Merger”), with Focus LLC surviving the LLC Merger and (b) Company Merger Sub will merge with and into the Company (the “Company Merger” and, collectively with the LLC Merger, the “Mergers”), with the Company surviving the Company Merger.

At the effective time of the Company Merger (the “Company Merger Effective Time”), (a) each share of Class A Common Stock issued and outstanding immediately prior to the Company Merger Effective Time, other than Excluded Shares, will be converted into the right to receive \$53.00 per share of Class A Common Stock in cash, without interest (the “Merger Consideration”), and (b) each share of Class B Common Stock issued and outstanding immediately prior to the Company Merger Effective Time will automatically be cancelled and no payment will be made with respect thereto. At the effective time of the LLC Merger (the “LLC Merger Effective Time”), each of the Common Units and Incentive Units of Focus LLC (each, a “Focus LLC Unit”) issued and outstanding immediately prior to the LLC Merger Effective Time and after the Vested Units Exchanges, other than (i) the Rollover Units and any other Focus LLC Units owned by Parent and (ii) the Focus LLC Units owned by the Company or any of its wholly owned subsidiaries, will be cancelled and forfeited for no consideration.

At the Company Merger Effective Time, (a) each then outstanding option to purchase shares of Company Stock (a “Company Option”) that is vested and has a per share exercise price that is less than the Merger Consideration immediately prior to the Company Merger Effective Time, will be cancelled and converted into the right to receive an amount in cash equal to the product of (i) the number of shares of Company Stock subject to the Company Option immediately prior to the Company Merger Effective Time multiplied by (ii) the excess, if any, of (A) the Merger Consideration over (B) the exercise price per share of Company Stock of such Company Option (the “Option Consideration”), (b) each then outstanding Company Option that is unvested and has a per share exercise price that is less than the Merger Consideration immediately prior to the Company Merger Effective Time will be cancelled and converted into a contingent cash payment equal to the Option Consideration with respect to such Company Option, (c) each Company Option (whether vested or unvested) that has a per share exercise price equal to or greater than the Merger Consideration will be cancelled for no consideration, and (d) each then outstanding restricted stock unit award corresponding to shares of Company Stock (a “Company RSU”) that is unvested immediately prior to the Company Merger Effective Time will be cancelled and converted into a contingent cash payment in an amount equal to the product of (i) the number of shares of Company Stock corresponding to such Company RSU immediately prior to the Company Merger Effective Time, and by (ii) the Merger Consideration.

Immediately prior to and conditioned upon the LLC Merger Effective Time, the Company will require each member of Focus LLC (other than the Company and its wholly-owned subsidiaries and Parent) to effect an Exchange (as defined in the Fourth Amended and Restated Operating Agreement of Focus LLC, dated as of July 30, 2018, as amended (the “Focus LLC Agreement”)) of all outstanding Vested Common Units held by such member (including, with respect to each such member who holds Vested Incentive Units, the applicable number of Vested Common Units received as a result of the conversion (based on the IU Conversion Ratio) of Vested Incentive Units held by such member that have a Hurdle Amount that is less than the Merger Consideration), other than the Rollover Units, together with, as applicable, the surrender for cancellation of the corresponding number of shares of Class B Common Stock, in accordance with the Focus LLC Agreement (the “Vested Units Exchanges”). Also on the date of the Closing and prior to the LLC Merger Effective Time, each Incentive Unit, whether a Vested Incentive Unit or unvested Incentive Unit, that has a Hurdle Amount that is equal to or greater than the Merger Consideration shall, automatically and without any action on the part of Focus LLC, Parent, the Company, or the holder thereof, be cancelled for no consideration.

At the Company Merger Effective Time, each outstanding unvested Common Unit held by a member of Focus LLC (other than the Company and its wholly owned Subsidiaries or Parent) (including, with respect to each such member who holds unvested Incentive Units, each unvested Common Unit received as a result of the conversion (based on the IU Conversion Ratio) of unvested Incentive Units held by such member that have a Hurdle Amount that is less than the Merger Consideration) shall automatically be cancelled and converted into a Contingent Cash Award equal to the Merger Consideration, which Contingent Cash Award will vest and become payable pursuant to the same vesting schedule applicable to the corresponding unvested Common Unit or Incentive Unit, as applicable.

Concurrently with the filing of this Amended Transaction Statement, the Company is filing with the SEC Amendment No. 1 to its proxy statement (the “Proxy Statement”) under Regulation 14A of the Exchange Act, pursuant to which the Company’s board of directors (the “Board”) is soliciting proxies from stockholders of the Company in connection with the Mergers. The Proxy Statement is attached hereto as Exhibit (a)(1). A copy of the Merger Agreement is attached to the Proxy Statement as Annex A and is incorporated herein by reference. As of the date hereof, the Proxy Statement is in preliminary form, and is subject to completion or amendment. Terms used but not defined in this Amended Transaction Statement have the meanings assigned to them in the Proxy Statement.

The Board formed a special committee comprised solely of disinterested and independent members of the Board (the “Special Committee”), which, among other things, reviewed, evaluated and negotiated the Merger Agreement and the transactions contemplated by the Merger Agreement, including the Mergers in consultation with its legal and financial advisors and, where appropriate, with Company management and the Company’s legal advisors. The Special Committee unanimously (1) determined that the Merger Agreement and the transactions contemplated thereby, including the Mergers, are fair to, and in the best interests of, the Company and the holders of Company Common Stock, excluding those shares of Company Common Stock held, directly or indirectly, by or on behalf of: (a) CD&R, its investment fund affiliates and its portfolio companies majority owned by such investment fund affiliates with respect to which CD&R has the right to vote or direct the voting of such shares held by such portfolio companies (and excluding any shares of Company Common Stock that constitute Non-Controlled Stock); (b) Stone Point, its investment fund affiliates, its portfolio companies majority owned by such investment fund affiliates with respect to which Stone Point has the right to vote or direct the voting of such shares held by such portfolio companies (and excluding any shares of Company Common Stock that constitute Non-Controlled Stock) and those members of the Board who are employees of Stone Point or one of its investment fund affiliates; and (c) any person that the Company has determined to be an “officer” of the Company within the meaning of Rule 16a-1(f) of the Exchange Act (the “Unaffiliated Stockholders”), (2) recommended that the Board approve and declare advisable the Merger Agreement and the transactions contemplated thereby, including the Mergers, and determine that the Merger Agreement and the transactions contemplated thereby, including the Mergers, are fair to, and in the best interests of, the Company and the Unaffiliated Stockholders, and (3) recommended that, subject to Board approval, the Board submit the Merger Agreement to the stockholders of the Company for their adoption and recommend that the stockholders of the Company vote in favor of the adoption of the Merger Agreement. In addition, the Special Committee believes that the Mergers are fair to Company’s “unaffiliated security holders,” as such term is defined in Rule 13e-3 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”).

Pursuant to General Instruction F to Schedule 13E-3, the information in the Proxy Statement, including all annexes thereto, is expressly incorporated by reference herein in its entirety, and responses to each item herein are qualified in their entirety by the information contained in the Proxy Statement and the annexes thereto. The cross-references below are being supplied pursuant to General Instruction G to Schedule 13E-3 and show the location in the Proxy Statement of the information required to be included in response to the items of Schedule 13E-3.

While each of the Filing Persons acknowledges that the Mergers are a going private transaction for purposes of Rule 13e-3 under the Exchange Act, the filing of this Amended Transaction Statement shall not be construed as an admission by any Filing Person, or by any affiliate of a Filing Person, that the Company is “controlled” by any of the Filing Persons and/or their respective affiliates.

All information contained in, or incorporated by reference into, this Amended Transaction Statement concerning each Filing Person has been supplied by such Filing Person. No Filing Person, including the Company, is responsible for the accuracy of any information supplied by any other Filing Person.

Jefferies LLC has consented to the inclusion of its materials filed in the Proxy Statement and as Exhibits under Item 16 of this Schedule 13E-3.

Item 1. Summary Term Sheet
Regulation M-A Item 1001

The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGERS”

Item 2. Subject Company Information
Regulation M-A Item 1002

(a) *Name and address.* Focus Financial’s name, and the address and telephone number of its principal executive offices are:

Focus Financial Partners Inc.
875 Third Avenue, 28th Floor
New York, NY 10022
(646) 519-2456

(b) *Securities.* The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGERS”

“THE SPECIAL MEETING—Record Date and Quorum”

“OTHER IMPORTANT INFORMATION REGARDING THE COMPANY—Security Ownership of Certain Beneficial Owners and Management”

(c) *Trading market and price.* The information set forth in the Proxy Statement under the following caption is incorporated herein by reference:

“OTHER IMPORTANT INFORMATION REGARDING THE COMPANY—Market Price of Company Common Stock and Dividends”

(d) *Dividends.* The information set forth in the Proxy Statement under the following caption is incorporated herein by reference:

“OTHER IMPORTANT INFORMATION REGARDING THE COMPANY—Market Price of Company Common Stock and Dividends”

“THE MERGER AGREEMENT—Conduct of Our Business Pending the Mergers”

(e) *Prior public offerings.* The information set forth in the Proxy Statement under the following caption is incorporated herein by reference:

“OTHER IMPORTANT INFORMATION REGARDING THE COMPANY—Prior Public Offerings”

(f) *Prior stock purchases.* The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“OTHER IMPORTANT INFORMATION REGARDING THE COMPANY—Certain Transactions in the Shares of Company Common Stock”

Item 3. Identity and Background of Filing Person
Regulation M-A Item 1003

The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

(a) – (b) *Name and address; Business and background of entities.*

“SUMMARY TERM SHEET—Parties to the Mergers”

“PARTIES TO THE MERGERS”

“OTHER IMPORTANT INFORMATION REGARDING THE COMPANY—Directors and Executive Officers of the Company”

“OTHER IMPORTANT INFORMATION REGARDING THE PARENT ENTITIES”

“WHERE YOU CAN FIND MORE INFORMATION”

(c) *Business and background of natural persons.*

“OTHER IMPORTANT INFORMATION REGARDING THE COMPANY—Directors and Executive Officers of the Company”

“OTHER IMPORTANT INFORMATION REGARDING THE PARENT ENTITIES”

“WHERE YOU CAN FIND MORE INFORMATION”

Item 4. Terms of the Transaction
Regulation M-A Item 1004

(a) *Material terms.*

(1) *Tender offer.* Not applicable

(2) *Merger or similar transactions.*

(i) A brief description of the transaction; the information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGERS”

“SPECIAL FACTORS—Background of the Mergers”

“SPECIAL FACTORS—Effective Time of the Mergers”

“SPECIAL FACTORS—Payment of Merger Consideration”

“THE MERGER AGREEMENT—Conditions to the Mergers”

(ii) The consideration offered to security holders; the information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGERS”

“SPECIAL FACTORS—Payment of Merger Consideration”

“THE MERGER AGREEMENT—Treatment of Company Common Stock and Company Equity Awards”

(iii) The reasons for engaging in the transaction; the information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SPECIAL FACTORS—Reasons for the Mergers; Recommendation of the Board; Fairness of the Mergers”

“SPECIAL FACTORS—Position of the Parent Entities as to the Fairness of the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Company for the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Parent Entities for the Mergers”

“SPECIAL FACTORS—Plans for the Company After the Mergers”

“SPECIAL FACTORS—Opinion of Goldman Sachs & Co. LLC”

“SPECIAL FACTORS—Opinion of Jefferies LLC”

“SPECIAL FACTORS—Unaudited Prospective Financial Information of the Company”

“SPECIAL FACTORS—Certain Effects of the Mergers”

Annex B – Opinion of Goldman Sachs & Co. LLC

Annex C – Opinion of Jefferies LLC

(iv) The vote required for approval of the transaction; the information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGERS”

“THE MERGER AGREEMENT—Stockholders Meeting”

“THE SPECIAL MEETING—Vote Required”

(v) An explanation of any material differences in the rights of security holders as a result of the transaction, if material; the information set forth in the Proxy Statement under the following caption is incorporated herein by reference:

“SUMMARY TERM SHEET”

“SPECIAL FACTORS—Certain Effects of the Mergers”

(vi) A brief statement as to the accounting treatment of the transaction, if material; the information set forth in the Proxy Statement under the following caption is incorporated herein by reference:

“SPECIAL FACTORS—Accounting Treatment”

(vii) The federal income tax consequences of the transaction, if material; the information set forth in the Proxy Statement under the following caption is incorporated herein by reference:

“SPECIAL FACTORS—Material U.S. Federal Income Tax Consequences of the Mergers”

(c) *Different terms*. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGERS”

“SPECIAL FACTORS—Certain Effects of the Mergers”

“SPECIAL FACTORS—Interests of Executive Officers and Directors of the Company in the Mergers”

“THE MERGER AGREEMENT—Treatment of Company Common Stock and Company Equity Awards”

“THE SUPPORT AGREEMENT”

“TRA WAIVER AND EXCHANGE AGREEMENTS”

(d) *Appraisal rights*. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“SPECIAL FACTORS—Appraisal Rights”

(e) *Provisions for unaffiliated security holders.* The information set forth in the Proxy Statement under the following caption is incorporated herein by reference:

“SPECIAL FACTORS—Certain Effects of the Mergers”

(f) *Eligibility for listing or trading.* Not applicable.

Item 5. Past Contacts, Transactions, Negotiations and Agreements
Regulation M-A Item 1005

(a)(1) – (2) *Transactions.* The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“SPECIAL FACTORS—Background of the Mergers”

“SPECIAL FACTORS—Certain Effects of the Mergers”

“SPECIAL FACTORS—Interests of Executive Officers and Directors of the Company in the Mergers”

“THE MERGER AGREEMENT—Treatment of Company Common Stock and Company Equity Awards”

“OTHER IMPORTANT INFORMATION REGARDING THE COMPANY—Certain Transactions in the Shares of Company Common Stock”

(b) – (c) *Significant corporate events; Negotiations or contacts.* The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“SPECIAL FACTORS—Background of the Mergers”

“SPECIAL FACTORS—Reasons for the Mergers; Recommendation of the Board; Fairness of the Mergers”

“SPECIAL FACTORS—Position of the Parent Entities as to the Fairness of the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Company for the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Parent Entities for the Mergers”

“SPECIAL FACTORS—Interests of Executive Officers and Directors of the Company in the Mergers”

“SPECIAL FACTORS—Financing of the Mergers”

“SPECIAL FACTORS—Limited Guarantees”

“THE MERGER AGREEMENT”

“THE SUPPORT AGREEMENT”

“TRA WAIVER AND EXCHANGE AGREEMENTS”

Annex A—Agreement and Plan of Merger, dated as of February 27, 2023, by and among Ferdinand FFP Acquisition, LLC, Ferdinand FFP Merger Sub 1, Inc., Ferdinand FFP Merger Sub 2, LLC, Focus Financial Partners Inc. and Focus Financial Partners, LLC.

Annex D—Support Agreement, dated February 27, 2023, by and between Focus Financial Partners Inc. Ferdinand FFP Acquisition, LLC, Ferdinand FFP Ultimate Holdings, LP, Ferdinand FFP Parent, Inc., Trident FFP L.P., Trident VI, L.P., Trident VI Parallel Fund, L.P. and Trident VI DE Parallel Fund, L.P.

Annex E—Form of TRA Waiver and Exchange Agreement.

(e) *Agreements involving the subject company's securities.* The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGERS”

“SPECIAL FACTORS—Background of the Mergers”

“SPECIAL FACTORS—Plans for the Company After the Mergers”

“SPECIAL FACTORS—Financing of the Mergers”

“SPECIAL FACTORS—Limited Guarantees”

“THE MERGER AGREEMENT”

“THE SUPPORT AGREEMENT”

“TRA WAIVER AND EXCHANGE AGREEMENTS”

“THE SPECIAL MEETING—Vote Required”

“OTHER IMPORTANT INFORMATION REGARDING THE COMPANY—Certain Transactions in the Shares of Company Common Stock”

Annex A—Agreement and Plan of Merger, dated as of February 27, 2023, by and among Ferdinand FFP Acquisition, LLC, Ferdinand FFP Merger Sub 1, Inc., Ferdinand FFP Merger Sub 2, LLC, Focus Financial Partners Inc. and Focus Financial Partners, LLC.

Annex D—Support Agreement, dated February 27, 2023, by and between Focus Financial Partners, Inc. Ferdinand FFP Acquisition, LLC, Ferdinand FFP Ultimate Holdings, LP, Ferdinand FFP Parent, Inc., Trident FFP L.P., Trident VI, L.P., Trident VI Parallel Fund, L.P. and Trident VI DE Parallel Fund, L.P.

Annex E—Form of TRA Waiver and Exchange Agreement.

Item 6. Purposes of the Transaction, and Plans or Proposals.
Regulation M-A Item 1006

(b) *Use of securities acquired.* The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“SPECIAL FACTORS—Plans for the Company After the Mergers”

“SPECIAL FACTORS—Certain Effects of the Mergers”

“SPECIAL FACTORS—Certain Effects of the Mergers for Parent”

“SPECIAL FACTORS—Certain Effects on the Company if the Mergers Are Not Completed”

“SPECIAL FACTORS—Payment of Merger Consideration”

“SPECIAL FACTORS—Interests of Executive Officers and Directors of the Company in the Mergers”

“OTHER IMPORTANT INFORMATION REGARDING THE COMPANY—Market Price of Common Stock and Dividends”

“DELISTING AND DEREGISTRATION OF THE COMPANY’S CLASS A COMMON STOCK”

(c)(1) – (8) *Plans*. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGERS”

“SPECIAL FACTORS—Background of the Mergers”

“SPECIAL FACTORS—Reasons for the Mergers; Recommendation of the Board; Fairness of the Mergers”

“SPECIAL FACTORS—Position of the Parent Entities as to the Fairness of the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Company for the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Parent Entities for the Mergers”

“SPECIAL FACTORS—Plans for the Company After the Mergers”

“SPECIAL FACTORS—Certain Effects of the Mergers”

“SPECIAL FACTORS—Certain Effects of the Mergers for Parent”

“SPECIAL FACTORS—Certain Effects on the Company if the Mergers Are Not Completed”

“SPECIAL FACTORS—Interests of Executive Officers and Directors of the Company in the Mergers”

“SPECIAL FACTORS—Financing of the Mergers”

“SPECIAL FACTORS—Limited Guarantees”

“THE SUPPORT AGREEMENT”

“TRA WAIVER AND EXCHANGE AGREEMENTS”

“THE MERGER AGREEMENT—Effects of the Mergers; Directors and Officers; Articles of Incorporation; Bylaws”

“THE MERGER AGREEMENT—Treatment of Company Common Stock and Company Equity Awards”

“THE MERGER AGREEMENT—Conduct of Our Business Pending the Mergers”

“OTHER IMPORTANT INFORMATION REGARDING THE COMPANY—Market Price of Company Common Stock and Dividends”

“OTHER IMPORTANT INFORMATION REGARDING THE COMPANY—Directors and Executive Officers of the Company”

“DELISTING AND DEREGISTRATION OF THE COMPANY’S CLASS A COMMON STOCK”

Annex A—Agreement and Plan of Merger, dated as of February 27, 2023, by and among Ferdinand FFP Acquisition, LLC, Ferdinand FFP Merger Sub 1, Inc., Ferdinand FFP Merger Sub 2, LLC, Focus Financial Partners Inc. and Focus Financial Partners, LLC.

Annex D—Support Agreement, dated February 27, 2023, by and between Focus Financial Partners, Inc. Ferdinand FFP Acquisition, LLC, Ferdinand FFP Ultimate Holdings, LP, Ferdinand FFP Parent, Inc., Trident FFP L.P., Trident VI, L.P., Trident VI Parallel Fund, L.P. and Trident VI DE Parallel Fund, L.P.

Annex E—Form of TRA Waiver and Exchange Agreement.

Item 7. Purposes, Alternatives, Reasons and Effects
Regulation M-A Item 1013

(a) *Purposes.* The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGERS”

“SPECIAL FACTORS—Background of the Mergers”

“SPECIAL FACTORS—Reasons for the Mergers; Recommendation of the Board; Fairness of the Mergers”

“SPECIAL FACTORS—Position of the Parent Entities as to the Fairness of the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Company for the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Parent Entities for the Mergers”

“SPECIAL FACTORS—Plans for the Company After the Mergers”

“SPECIAL FACTORS—Certain Effects of the Mergers”

(b) *Alternatives.* The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SPECIAL FACTORS—Background of the Mergers”

“SPECIAL FACTORS—Reasons for the Mergers; Recommendation of the Board; Fairness of the Mergers”

“SPECIAL FACTORS—Position of the Parent Entities as to the Fairness of the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Company for the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Parent Entities for the Mergers”

“SPECIAL FACTORS—Opinion of Goldman Sachs & Co. LLC”

“SPECIAL FACTORS—Opinion of Jefferies LLC”

(c) *Reasons.* The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SPECIAL FACTORS—Background of the Mergers”

“SPECIAL FACTORS—Reasons for the Mergers; Recommendation of the Board; Fairness of the Mergers”

“SPECIAL FACTORS—Position of the Parent Entities as to the Fairness of the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Company for the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Parent Entities for the Mergers”

“SPECIAL FACTORS—Plans for the Company After the Mergers”

“SPECIAL FACTORS—Opinion of Goldman Sachs & Co. LLC”

“SPECIAL FACTORS—Opinion of Jefferies LLC”

“SPECIAL FACTORS—Unaudited Prospective Financial Information of the Company”

“SPECIAL FACTORS—Certain Effects of the Mergers”

Annex B – Opinion of Goldman Sachs & Co. LLC

Annex C – Opinion of Jefferies LLC

(d) *Effects*. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGERS”

“SPECIAL FACTORS—Background of the Mergers”

“SPECIAL FACTORS—Reasons for the Mergers; Recommendation of the Board; Fairness of the Mergers”

“SPECIAL FACTORS—Position of the Parent Entities as to the Fairness of the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Company for the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Parent Entities for the Mergers”

“SPECIAL FACTORS—Plans for the Company After the Mergers”

“SPECIAL FACTORS—Certain Effects of the Mergers”

“SPECIAL FACTORS—Certain Effects of the Mergers for Parent”

“SPECIAL FACTORS—Certain Effects on the Company if the Mergers Are Not Completed”

“SPECIAL FACTORS—Interests of Executive Officers and Directors of the Company in the Mergers”

“SPECIAL FACTORS—Material U.S. Federal Income Tax Consequences of the Mergers”

“SPECIAL FACTORS—Accounting Treatment”

“SPECIAL FACTORS—Financing of the Mergers”

“SPECIAL FACTORS—Fees and Expenses”

“SPECIAL FACTORS—Payment of Merger Consideration”

“THE MERGER AGREEMENT—Effects of the Mergers; Directors and Officers; Articles of Incorporation; Bylaws”

“THE MERGER AGREEMENT—Treatment of Common Stock and Company Equity Awards”

“THE MERGER AGREEMENT—Conduct of Our Business Pending the Mergers”

“TRA WAIVER AND EXCHANGE AGREEMENTS”

“OTHER IMPORTANT INFORMATION REGARDING THE COMPANY—Market Price of Company Common Stock and Dividends”

“DELISTING AND DEREGISTRATION OF THE COMPANY’S CLASS A COMMON STOCK”

Annex A—Agreement and Plan of Merger, dated as of February 27, 2023, by and among Ferdinand FFP Acquisition, LLC, Ferdinand FFP Merger Sub 1, Inc., Ferdinand FFP Merger Sub 2, LLC, Focus Financial Partners Inc. and Focus Financial Partners, LLC.

Annex E—Form of TRA Waiver and Exchange Agreement.

Item 8. Fairness of the Transaction
Regulation M-A Item 1014

(a) – (b) *Fairness; Factors considered in determining fairness.* The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGERS”

“SPECIAL FACTORS—Background of the Mergers”

“SPECIAL FACTORS—Reasons for the Mergers; Recommendation of the Board; Fairness of the Mergers”

“SPECIAL FACTORS—Position of the Parent Entities as to the Fairness of the Mergers”

“SPECIAL FACTORS—Opinion of Goldman Sachs & Co. LLC”

“SPECIAL FACTORS—Opinion of Jefferies LLC”

“SPECIAL FACTORS—Purpose and Reasons of the Company for the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Parent Entities for the Mergers”

“SPECIAL FACTORS—Certain Effects of the Mergers”

Annex B – Opinion of Goldman Sachs & Co. LLC

Annex C – Opinion of Jefferies LLC

(c) *Approval of security holders.* The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGERS”

“SPECIAL FACTORS—Reasons for the Mergers; Recommendation of the Board; Fairness of the Mergers”

“SPECIAL FACTORS—Position of the Parent Entities as to the Fairness of the Mergers”

“THE MERGER AGREEMENT—Stockholders Meeting”

“THE MERGER AGREEMENT—Conditions to the Mergers”

“THE SPECIAL MEETING”

Annex A—Agreement and Plan of Merger, dated as of February 27, 2023, by and among Ferdinand FFP Acquisition, LLC, Ferdinand FFP Merger Sub 1, Inc., Ferdinand FFP Merger Sub 2, LLC, Focus Financial Partners Inc. and Focus Financial Partners, LLC.

(d) *Unaffiliated representative*. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SPECIAL FACTORS—Background of the Mergers”

“SPECIAL FACTORS—Reasons for the Mergers; Recommendation of the Board; Fairness of the Mergers”

“SPECIAL FACTORS—Position of the Parent Entities as to the Fairness of the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Company for the Mergers”

“SPECIAL FACTORS—Certain Effects of the Mergers”

(e) *Approval of directors*. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGERS”

“SPECIAL FACTORS—Background of the Mergers”

“SPECIAL FACTORS—Reasons for the Mergers; Recommendation of the Board; Fairness of the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Company for the Mergers”

“SPECIAL FACTORS—Position of the Parent Entities as to the Fairness of the Mergers”

“SPECIAL FACTORS—Opinion of Goldman Sachs & Co. LLC”

“SPECIAL FACTORS—Opinion of Jefferies LLC”

“SPECIAL FACTORS—Interests of Executive Officers and Directors of the Company in the Mergers”

“THE MERGER (THE MERGER AGREEMENT PROPOSAL—PROPOSAL 1)”

(f) *Other offers*. Not applicable.

Item 9. Reports, Opinions, Appraisals and Negotiations
Regulation M-A Item 1015

(a) – (c) *Report, opinion or appraisal; Preparer and summary of the report, opinion or appraisal; Availability of documents*. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGERS”

“SPECIAL FACTORS—Background of the Mergers”

“SPECIAL FACTORS—Reasons for the Mergers; Recommendation of the Board; Fairness of the Mergers”

“SPECIAL FACTORS—Position of the Parent Entities as to the Fairness of the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Company for the Mergers”

“SPECIAL FACTORS—Opinion of Goldman Sachs & Co. LLC”

“SPECIAL FACTORS—Opinion of Jefferies LLC”

“WHERE YOU CAN FIND MORE INFORMATION”

Annex B – Opinion of Goldman Sachs & Co. LLC

Annex C – Opinion of Jefferies LLC

Discussion Materials of Goldman Sachs & Co. LLC for the Special Committee, dated November 16, 2022, is attached hereto as Exhibit (c)(1) and are incorporated herein by reference.

Discussion Materials of Goldman Sachs & Co. LLC for the Special Committee, dated November 23, 2022, is attached hereto as Exhibit (c)(2) and are incorporated herein by reference.

Discussion Materials of Goldman Sachs & Co. LLC for the Special Committee, dated December 14, 2022, is attached hereto as Exhibit (c)(3) and are incorporated herein by reference.

Discussion Materials of Goldman Sachs & Co. LLC for the Special Committee, dated December 16, 2022, is attached hereto as Exhibit (c)(4) and are incorporated herein by reference.

Discussion Materials of Goldman Sachs & Co. LLC for the Special Committee, dated February 25, 2023, is attached hereto as Exhibit (c)(5) and are incorporated herein by reference.

Discussion Materials of Goldman Sachs & Co. LLC for the Special Committee, dated February 26, 2023, is attached hereto as Exhibit (c)(6) and are incorporated herein by reference.

Discussion Materials of Jefferies LLC for the Board, dated January 4, 2023, is attached hereto as Exhibit (c)(8) and are incorporated herein by reference.

Discussion Materials of Jefferies LLC for the Special Committee, dated February 25, 2023, is attached hereto as Exhibit (c)(9) and are incorporated herein by reference.

Discussion Materials of Jefferies LLC for the Board, dated February 26, 2023, is attached hereto as Exhibit (c)(10) and are incorporated herein by reference.

The reports, opinions or appraisals referenced in this Item 9 will be made available for inspection and copying at the principal executive offices of Focus Financial during its regular business hours by any interested equity security holder of Focus Financial or representative who has been so designated in writing.

Item 10. Source and Amounts of Funds or Other Consideration
Regulation M-A Item 1007

(a) – (b) *Source of funds; Conditions.* The information set forth in the Proxy Statement under the following caption is incorporated herein by reference:

“SUMMARY TERM SHEET”

“SPECIAL FACTORS—Financing of the Mergers”

“SPECIAL FACTORS—Limited Guarantees”

“THE MERGER AGREEMENT—Equity Financing”

“THE MERGER AGREEMENT—Cooperation With Debt Financing”

Debt Commitment Letter, dated February 27, 2023, by and among Ferdinand FFP Acquisition, LLC, and Royal Bank of Canada, RBC Capital Markets, Truist Bank, Truist Securities, Inc., Citizens Bank, N.A., MUFG Bank, Ltd., MUFG Union Bank, N.A., MUFG Securities Americas Inc., Fifth Third Bank, National Association, Bank of Montreal, BMO Capital Markets Corp. and Capital One, National Association, is attached hereto as Exhibit (b)(1) and is incorporated herein by reference.

Equity Commitment Letter, dated February 27, 2023, by and between Clayton, Dubilier & Rice Fund XII, L.P. and Ferdinand FFP Acquisition, LLC, is attached hereto as Exhibit (b)(2) and is incorporated herein by reference.

Equity Commitment Letter, dated February 27, 2023, by and between Trident IX, L.P., Trident IX Parallel Fund, L.P., Trident IX Professionals Fund, L.P. and Ferdinand FFP Acquisition, LLC, is attached hereto as Exhibit (b)(3) and is incorporated herein by reference.

(c) *Expenses*. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“SPECIAL FACTORS—Fees and Expenses”

“THE MERGER AGREEMENT—Termination”

“THE MERGER AGREEMENT—Company Termination Fee”

“THE MERGER AGREEMENT—Expenses”

(d) *Borrowed funds*. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SPECIAL FACTORS—Financing of the Mergers”

“THE MERGER AGREEMENT—Cooperation with Debt Financing”

Debt Commitment Letter, dated February 27, 2023, by and among Ferdinand FFP Acquisition, LLC, and Royal Bank of Canada, RBC Capital Markets, Truist Bank, Truist Securities, Inc., Citizens Bank, N.A., MUFG Bank, Ltd., MUFG Union Bank, N.A., MUFG Securities Americas Inc., Fifth Third Bank, National Association, Bank of Montreal, BMO Capital Markets Corp. and Capital One, National Association, is attached hereto as Exhibit (b)(1) and is incorporated herein by reference.

Equity Commitment Letter, dated February 27, 2023, by and between Clayton, Dubilier & Rice Fund XII, L.P. and Ferdinand FFP Acquisition, LLC, is attached hereto as Exhibit (b)(1) and is incorporated herein by reference.

Equity Commitment Letter, dated February 27, 2023, by and between Trident IX, L.P., Trident IX Parallel Fund, L.P., Trident IX Professionals Fund, L.P. and Ferdinand FFP Acquisition, LLC, is attached hereto as Exhibit (b)(2) and is incorporated herein by reference.

Item 11. Interest in Securities of the Subject Company
Regulation M-A Item 1008

(a) *Securities ownership*. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SPECIAL FACTORS—Interests of Executive Officers and Directors of the Company in the Mergers”

“OTHER IMPORTANT INFORMATION REGARDING THE COMPANY—Security Ownership of Certain Beneficial Owners and Management”

(b) *Securities transactions*. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“OTHER IMPORTANT INFORMATION REGARDING THE COMPANY—Certain Transactions in the Shares of Company Common Stock”

Item 12. The Solicitation or Recommendation
Regulation M-A Item 1012

(d) *Intent to tender or vote in a going-private transaction.* The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGERS”

“SPECIAL FACTORS—Reasons for the Mergers; Recommendation of the Board; Fairness of the Mergers”

“SPECIAL FACTORS—Position of the Parent Entities as to the Fairness of the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Company for the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Parent Entities for the Mergers”

“SPECIAL FACTORS—Intent to Vote in Favor of the Mergers”

“THE MERGER AGREEMENT—Stone Point Vote”

“THE SPECIAL MEETING—Vote Required”

“THE SPECIAL MEETING—Existing Stockholders’ Obligation to Vote in Favor of the Mergers”

“THE SUPPORT AGREEMENT”

Annex D—Support Agreement, dated as of February 27, 2023 by and among Trident FFP L.P., Trident VI, L.P., Trident VI Parallel Fund, L.P., Trident VI DE Parallel Fund, L.P., Ferdinand FFP Ultimate Holdings, LP, Ferdinand FFP Parent, Inc., Focus Financial Partners Inc. and Ferdinand FFP Acquisition, LLC.

(e) *Recommendation of others.* The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGERS”

“SPECIAL FACTORS—Background of the Mergers”

“SPECIAL FACTORS—Reasons for the Mergers; Recommendation of the Board; Fairness of the Mergers”

“SPECIAL FACTORS—Position of the Parent Entities as to the Fairness of the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Company for the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Parent Entities for the Mergers”

Item 13. Financial Statements
Regulation M-A Item 1010

(a) *Financial information.* The audited consolidated financial statements of the Company for the fiscal years ended December 31, 2022 and 2021 are incorporated herein by reference to the Company’s [Annual Report on Form 10-K for the fiscal year ended December 31, 2022, filed on February 16, 2023](#) (see “Item 8. Financial Statements and Supplementary Data” beginning on page 49) and the unaudited consolidated financial statements of the Company for the quarterly period ended March 31, 2023 are incorporated by reference to the Company’s [Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2023](#), filed on May 4, 2023 (see “Item 1. Financial Statements” beginning on page 2).

The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SPECIAL FACTORS—Certain Effects of the Mergers”

“SPECIAL FACTORS—Unaudited Prospective Financial Information of the Company”

“OTHER IMPORTANT INFORMATION REGARDING THE COMPANY—Book Value per Share”

“WHERE YOU CAN FIND MORE INFORMATION”

(b) *Pro forma information.* Not applicable.

Item 14. Persons/Assets, Retained, Employed, Compensated or Used
Regulation M-A Item 1009

(a) – (b) *Solicitations or recommendations; Employees and corporate assets.* The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGERS”

“SPECIAL FACTORS—Background of the Mergers”

“SPECIAL FACTORS—Reasons for the Mergers; Recommendation of the Board; Fairness of the Mergers”

“SPECIAL FACTORS—Purpose and Reasons of the Company for the Mergers”

“SPECIAL FACTORS—Fees and Expenses”

“SPECIAL FACTORS—Interests of Executive Officers and Directors of the Company in the Mergers”

“THE SPECIAL MEETING—Solicitation of Proxies; Payment of Solicitation Expenses”

Item 15. Additional Information
Regulation M-A Item 1011

(b) *Golden Parachute Compensation.* The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“SUMMARY TERM SHEET”

“QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGERS—What am I being asked to vote on at the Special Meeting?”

“SPECIAL FACTORS—Certain Effects of the Mergers”

“SPECIAL FACTORS—Interests of Executive Officers and Directors of the Company in the Mergers—Golden Parachute Compensation”

“THE MERGER AGREEMENT—Treatment of Company Common Stock and Company Equity Awards”

“THE SPECIAL MEETING—Time, Place and Purpose of the Special Meeting”

“MERGER-RELATED EXECUTIVE COMPENSATION ARRANGEMENTS (THE MERGER-RELATED COMPENSATION PROPOSAL—PROPOSAL 3)”

(c) *Other material information.* The information set forth in the Proxy Statement, including all annexes thereto, is incorporated herein by reference.

Item 16. Exhibits
Regulation M-A Item 1016

(a)(1) Amendment No. 1 to the Preliminary Proxy Statement of Focus Financial Partners Inc. (the “Proxy Statement”) (incorporated herein by reference to the Schedule 14A filed concurrently with the SEC).

(a)(2) Form of Proxy Card (incorporated herein by reference to the Proxy Statement).

(a)(3) Letter to Focus Financial Partners Inc. Stockholders (incorporated herein by reference to the Proxy Statement).

(a)(4) Notice of Special Meeting of Stockholders (incorporated herein by reference to the Proxy Statement).

(a)(5) Press Release, dated February 27, 2023 (filed as Exhibit 99.1 to Focus Financial Partners Inc.’s Current Report on Form 8-K, filed February 27, 2023 and incorporated herein by reference).

(b)(1) ~~Debt Commitment Letter, dated February 27, 2023, by and among Ferdinand FFP Acquisition, LLC, and Royal Bank of Canada, RBC Capital Markets, Truist Bank, Truist Securities, Inc., Citizens Bank, N.A., 32 MUFG Bank, Ltd., MUFG Union Bank, N.A., MUFG Securities Americas Inc., Fifth Third Bank, National Association, Bank of Montreal, BMO Capital Markets Corp. and Capital One, National Association, is attached hereto as Exhibit (b)(1) and is incorporated herein by reference.~~

(b)(2) ~~Equity Commitment Letter, dated February 27, 2023, by and between Clayton, Dubilier & Rice Fund XII, L.P. and Ferdinand FFP Acquisition, LLC, is attached hereto as Exhibit (b)(2) and is incorporated herein by reference.~~

(b)(3) ~~Equity Commitment Letter, dated February 27, 2023, by and between Trident IX, L.P., Trident IX Parallel Fund, L.P., Trident IX Professionals Fund, L.P. and Ferdinand FFP Acquisition, LLC, is attached hereto as Exhibit (b)(3) and is incorporated herein by reference.~~

(c)(1) ~~Discussion Materials of Goldman Sachs & Co. LLC for the Special Committee, dated November 16, 2022.**~~

[\(c\)\(2\)¥ Discussion Materials of Goldman Sachs & Co. LLC for the Special Committee, dated November 23, 2022. **](#)

[\(c\)\(3\)Δ Discussion Materials of Goldman Sachs & Co. LLC for the Special Committee, dated December 14, 2022. **](#)

[\(c\)\(4\)Δ Discussion Materials of Goldman Sachs & Co. LLC for the Special Committee, dated December 16, 2022. **](#)

[\(c\)\(5\)¥ Discussion Materials of Goldman Sachs & Co. LLC for the Special Committee, dated February 25, 2023.](#)

[\(c\)\(6\)¥ Discussion Materials of Goldman Sachs & Co. LLC for the Special Committee, dated February 26, 2023.](#)

(c)(7) Opinion of Goldman Sachs & Co. LLC, dated February 27, 2023 (incorporated herein by reference to Annex B of the Proxy Statement).

[\(c\)\(8\)¥ Discussion Materials of Jefferies LLC for the Board, dated January 4, 2023.](#)

[\(c\)\(9\)+ Discussion Materials of Jefferies LLC for the Special Committee, dated February 25, 2023.](#)

[\(c\)\(10\)¥ Discussion Materials of Jefferies LLC for the Board, dated February 26, 2023.](#)

(c)(11) Opinion of Jefferies LLC, dated February 26, 2023 (incorporated herein by reference to Annex C of the Proxy Statement).

(d)(1) Agreement and Plan of Merger, dated as of February 27, 2023, by and among Ferdinand FFP Acquisition, LLC, Ferdinand FFP Merger Sub 1, Inc., Ferdinand FFP Merger Sub 2, LLC, Focus Financial Partners Inc. and Focus Financial Partners, LLC (incorporated herein by reference to Annex A of the Proxy Statement).

[\(d\)\(2\)¥ Limited Guarantee, dated February 27, 2023, by Clayton, Dubilier & Rice Fund XII, L.P. in favor of Focus Financial Partners Inc.](#)

[\(d\)\(3\)¥ Limited Guarantee, dated February 27, 2023, by Trident IX, L.P., Trident IX Parallel Fund, L.P. and Trident IX Professionals Fund, L.P. in favor of Focus Financial Partners Inc.](#)

(d)(4) Support Agreement, dated as of February 27, 2023 by and among Trident FFP L.P., Trident VI, L.P., Trident VI Parallel Fund, L.P., Trident VI DE Parallel Fund, L.P., Company, Parent and certain affiliates of Parent (incorporated herein by reference to Annex D of the Proxy Statement).

(d)(5) Form of TRA Waiver and Exchange Agreement (incorporated herein by reference to Annex E of the Proxy Statement).

[\(d\)\(6\)¥ Interim Investors Agreement, dated February 27, 2023, by and among Ferdinand FFP Ultimate Holdings, LP, its subsidiaries, Ferdinand FFP Acquisition, LLC and the other parties appearing on the signature pages thereto and any person that executes a joinder hereto in such capacity in accordance with the terms thereof.](#)

[107Δ Filing Fee Table.](#)

+ Filed herewith.

¥ Previously filed with the Schedule 13E-3 filed with the SEC on April 25, 2023.

Δ Amended copy filed herewith.

** Certain portions of this exhibit have been redacted and separately filed with the Securities and Exchange Commission pursuant to a request for confidential treatment.

SIGNATURE

After due inquiry and to the best of each of the undersigned's knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated as of May 26, 2023.

FOCUS FINANCIAL PARTNERS INC.

By: /s/ Ruediger Adolf

Name: Ruediger Adolf

Title: Chief Executive Officer and Chairman

FOCUS FINANCIAL PARTNERS, LLC

By: Focus Financial Partners, Inc., as Managing Member of Focus LLC

By: /s/ Ruediger Adolf

Name: Ruediger Adolf

Title: Chief Executive Officer and Chairman

FERDINAND FFP ACQUISITION, LLC

By: Ferdinand FFP Intermediate Holdings, LLC, its sole member

By: Ferdinand FFP Parent, Inc., its sole member

By: /s/ Rima Simson

Name: Rima Simson

Title: Vice President, Treasurer and Secretary

FERDINAND FFP MERGER SUB 1, INC.

By: /s/ Rima Simson

Name: Rima Simson

Title: Vice President, Treasurer and Secretary

FERDINAND FFP MERGER SUB 2, LLC

By: Ferdinand FFP Acquisition, LLC, its sole member

By: Ferdinand FFP Intermediate Holdings, LLC, its sole member

By: Ferdinand FFP Parent, Inc., its sole member

By: /s/ Rima Simson

Name: Rima Simson

Title: Vice President, Treasurer and Secretary

FERDINAND FFP INTERMEDIATE HOLDINGS, LLC

By: Ferdinand FFP Parent, Inc., its sole member

By: /s/ Rima Simson

Name: Rima Simson

Title: Vice President, Treasurer and Secretary

FERDINAND FFP ULTIMATE HOLDINGS, LP

By: Ferdinand FFP GP, LLC, its general partner

By: Clayton, Dubilier & Rice Fund XII, L.P., its sole member

By: CD&R Associates XII, L.P., its general partner

By: CD&R Investment Associates XII, Ltd., its general partner

By: /s/ Rima Simson

Name: Rima Simson

Title: Vice President, Treasurer and Secretary

FERDINAND FFP GP, LLC

By: Clayton, Dubilier & Rice Fund XII, L.P., its sole member

By: CD&R Associates XII, L.P., its general partner

By: CD&R Investment Associates XII, Ltd., its general partner

By: /s/ Rima Simson

Name: Rima Simson

Title: Vice President, Treasurer and Secretary

CLAYTON, DUBILIER & RICE FUND XII

By: /s/ Rima Simson

Name: Rima Simson

Title: Vice President, Treasurer and Secretary

CLAYTON, DUBILIER & RICE, LLC

By: /s/ Rima Simson

Name: Rima Simson

Title: Vice President, Treasurer and Secretary

TRIDENT FFP LP

By: Trident FFP GP LLC, its general partner

By: DW Trident VI, LLC, its member

By: /s/ Jacqueline Giammarco

Name: Jacqueline Giammarco

Title: Vice President

TRIDENT VI, L.P.

By: Stone Point Capital LLC, its manager

By: /s/ Jacqueline Giammarco

Name: Jacqueline Giammarco

Title: Managing Director

TRIDENT VI PARALLEL FUND, L.P.

By: Stone Point Capital LLC, its manager

By: /s/ Jacqueline Giammarco

Name: Jacqueline Giammarco

Title: Managing Director

TRIDENT VI DE PARALLEL FUND, L.P.

By: Stone Point Capital LLC, its manager

By: /s/ Jacqueline Giammarco

Name: Jacqueline Giammarco

Title: Managing Director

TRIDENT IX, L.P.

By: Stone Point Capital LLC, its manager

By: /s/ Jacqueline Giammarco

Name: Jacqueline Giammarco

Title: Managing Director

TRIDENT IX PARALLEL FUND, L.P.

By: Stone Point Capital LLC, its manager

By: /s/ Jacqueline Giammarco

Name: Jacqueline Giammarco

Title: Managing Director

TRIDENT IX PROFESSIONALS FUND, L.P.

By: Stone Point Capital LLC, its manager

By: /s/ Jacqueline Giammarco

Name: Jacqueline Giammarco

Title: Managing Director

TRIDENT FFP GP LLC

By: DW Trident VI, LLC, its member

By: /s/ Jacqueline Giammarco

Name: Jacqueline Giammarco

Title: Vice President

TRIDENT CAPITAL VI, L.P.

By: DW Trident VI, LLC, its general partner

By: /s/ Jacqueline Giammarco

Name: Jacqueline Giammarco

Title: Vice President

TRIDENT CAPITAL IX, L.P.

By: DW Trident GP, LLC, as its general partner

By: /s/ Jacqueline Giammarco

Name: Jacqueline Giammarco

Title: Vice President

STONE POINT GP, LTD.

By: /s/ Jacqueline Giammarco

Name: Jacqueline Giammarco

Title: Vice President

STONE POINT CAPITAL LLC

By: /s/ Jacqueline Giammarco

Name: Jacqueline Giammarco

Title: Vice President

Project Ferdinand Fairness Opinion

February 2023 / Confidential

Preliminary draft for discussion purposes only

Jefferies LLC
Member SIPC

The information provided in this document, including valuation discussions, represents the views of Jefferies Investment Banking. There is no assurance that the views expressed herein will be consistent with the views expressed by Jefferies Research or its Analysts. Nothing in this document should be understood as a promise or offer of favorable research coverage.

Jefferies

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Transaction Overview

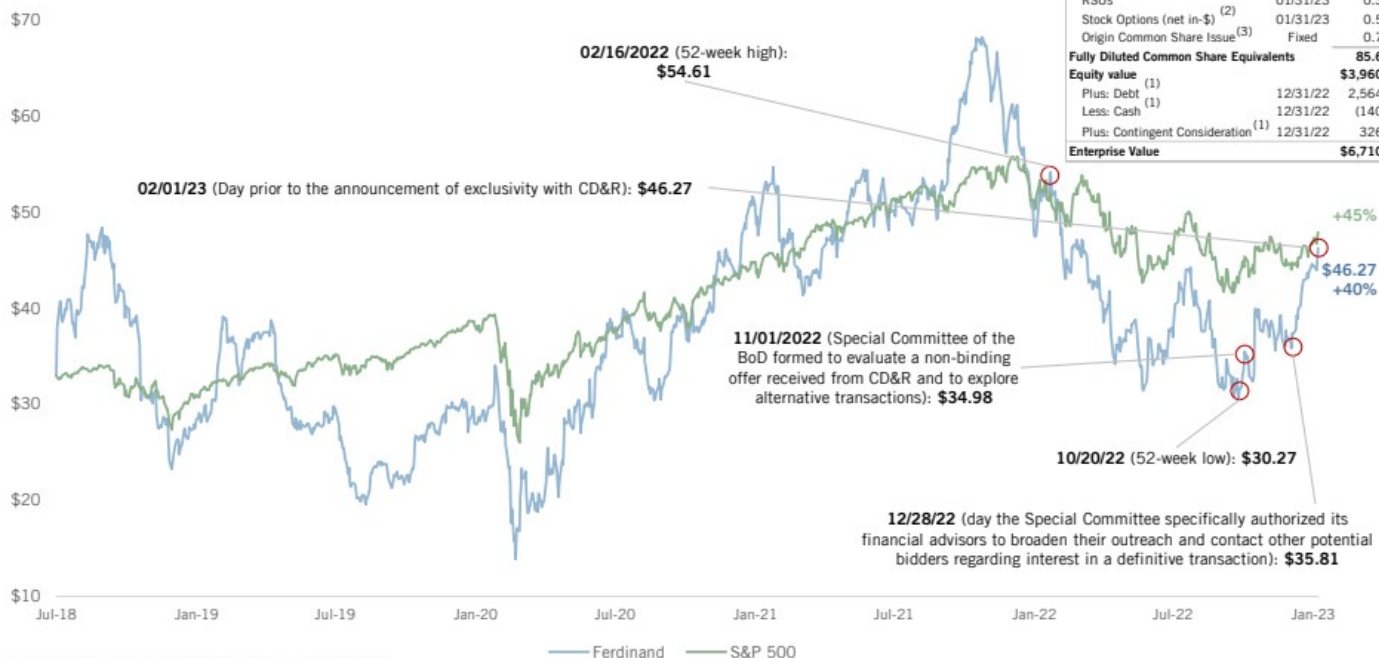
Ferdinand Public Market Overview

Share price as of February 1, 2023, the day prior to press release disclosing non-binding proposal and exclusivity agreement

Market Performance: IPO – Pre-announcement

Indexed to Ferdinand's IPO Price of \$33.00

Share Price / Mkt Cap	\$46.27 / 4.0bn
Enterprise Value	\$6.7bn
P / '23E EPS ⁽¹⁾	11.2x
EV / '23E EBITDA ⁽¹⁾	11.3x



\$ in millions, except per share amounts

Share price	As of	Data
Class A Common Stock	02/13/23	65.9
Class B Common Stock	02/13/23	11.8
LLC Restricted Common Units	01/31/23	0.3
LLC Incentive Units (net in-\$) ⁽²⁾	01/31/23	6.1
RSUs	01/31/23	0.3
Stock Options (net in-\$) ⁽²⁾	01/31/23	0.5
Origin Common Share Issue ⁽³⁾	Fixed	0.7
Fully Diluted Common Share Equivalents		85.6
Equity value ⁽¹⁾		\$3,960
Plus: Debt ⁽¹⁾	12/31/22	2,564
Less: Cash ⁽¹⁾	12/31/22	(140)
Plus: Contingent Consideration ⁽¹⁾	12/31/22	326
Enterprise Value		\$6,710

Source: Public filings, Capital IQ. Market data as of 02/01/2023.

Note: Market capitalization and enterprise value calculated using fully-diluted share count based on treasury stock method.

(1) Based on consensus estimates from Wall Street research as of 02/24/23. Debt, cash, and contingent consideration from Company's form 10-K as filed on 02/16/23, capitalization table is as of 01/31/23 as provided by management, except for Class As and Bs, which are as of 02/13/23 per 10-K. EBITDA represents Adjusted EBITDA per Company's key financial metric reporting methodology and EPS represents Adjusted Net Income Including Tax Adjustments Per Share per Company's key financial metric reporting methodology.

(2) Treats incentive units and options issued at IPO where vesting is according to price as if no Change-of-Control (Coc) occurs.

(3) Represents common equivalent shares to be issued on close of Origin acquisition in Q1'23.

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Transaction Overview

\$ in millions, except per share data		Treatment of IPO Incentive Units and Options	
		No CoC	Yes CoC
Stock price		\$53.00	\$53.00
Implied premium / (discount) to:			
	Data		
Current (02/24/23)	\$50.20	5.6%	5.6%
Close Prior to Exclusivity Agreement Announcement (02/01/23)	46.27	14.5%	14.5%
Close Prior to Broadening Outreach (12/28/22)	35.81	48.0%	48.0%
30-Trading Day VWAP	42.50	24.7%	24.7%
60-Trading Day VWAP	39.91	32.8%	32.8%
52-Week Low (10/20/22)	30.27	75.1%	75.1%
52-Week High (02/16/22)	54.61	(2.9%)	(2.9%)
All Time High (11/18/21)	68.21	(22.3%)	(22.3%)
Average Closing Price Since IPO	38.43	37.9%	37.9%
Median Price Target	49.50	7.1%	7.1%
Fully Diluted Common Share Equivalents		86.5	86.9
Equity Value		\$4,587	\$4,606
Plus: Debt at 12/31/22		2,564	2,564
Plus: Contingent Consideration at 12/31/22		326	326
Less: Cash at 12/31/22		(140)	(140)
Enterprise Value		\$7,337	\$7,356
Enterprise Value / Adjusted EBITDA	Actual	Data	
	2022A	\$537.5	13.7x
	2022A As Reported + Credit Agreement M&A Adjustment	560.8	13.1
	Management Forecast		
	2023E	\$628	11.7x
	2024E	792	9.3
	Wall Street Consensus		
	2023E	\$592	12.4x
	2024E	705	10.4
Price/Adjusted Net Income Including Tax Adjustments Per Share	Actual		
	2022A	\$4.39	12.1x
	Management Forecast		
	2023E	\$4.43	12.0x
	2024E	5.12	10.4
	Wall Street Consensus		
	2023E	\$4.14	12.8x
	2024E	4.83	11.0

Source: Management Forecast dated 11/28/22, Public filings, Capital IQ.

Note: 30-Trading Day VWAP, 60-Trading VWAP, 52-Week Low and High, All Time High, Average Closing Price Since IPO and Median Price Target as of or through 02/01/23 closing, the day prior to press release announcing non-binding proposal and exclusivity agreement. Market capitalization and enterprise value calculated using fully-diluted share count based on the treasury stock method. Adjusted EBITDA per Company's key financial metric reporting methodology and EPS represents Adjusted Net Income Including Tax Adjustments Per Share per Company's key financial metric reporting methodology.

Summary of Key Transaction Terms*

Transaction Overview	<ul style="list-style-type: none"> CD&R's acquisition vehicle ("Parent") will acquire Ferdinand by means of successive mergers of wholly-owned subsidiaries of Parent ("Merger Subs") (1) into Focus Financial Partners, LLC ("Ferdinand LLC"), a subsidiary of Ferdinand that holds all of the assets of Ferdinand and (2) into Ferdinand, with Ferdinand LLC and Ferdinand surviving as wholly-owned subsidiaries of Parent
Consideration	<ul style="list-style-type: none"> Ferdinand has an Up-C structure with Class A common stock (public) and Class B common stock (stapled to common units of Ferdinand LLC) Ferdinand stockholders (other than holders of rollover shares) will receive \$[●] in cash for each share of Class A common stock On the closing date and before the mergers, Ferdinand LLC will cause exchanges of vested common units of Ferdinand LLC into shares of Class A common stock of Ferdinand and unvested common units of Ferdinand LLC into restricted shares of Ferdinand, in accordance with Ferdinand LLC's LLC agreement Any other common units of Ferdinand LLC that are not rolled over will be canceled for no consideration and cease to exist Tax Receivables Agreements ("TRA") to be terminated at closing, with an agreed amount to be paid by Ferdinand in connection with such termination
Financing Sources	<ul style="list-style-type: none"> Parent to provide equity commitments at signing in an amount sufficient to pay the aggregate merger consideration and the amount required to be paid under the TRA at closing The acquisition is not subject to a financing condition (but Parent is not required to close until completion of a customary marketing period)
Key Conditions to the Merger	<ul style="list-style-type: none"> Adoption of the merger agreement by (1) a majority of the voting power of outstanding shares of Class A and Class B common stock, voting as a single class and (2) a majority of the voting power of the outstanding shares of Class A and Class B common stock held by the unaffiliated stockholders, voting as a single class [definition of "unaffiliated stockholders" TBD] HSR clearance and other specified non-US antitrust approvals Absence of any law or injunction prohibiting the transaction Accuracy of reps and warranties (generally subject to an MAE standard) and compliance with covenants in all material respects
Deal Protection	<ul style="list-style-type: none"> Go-shop period of 40 days following signing Customary no-shop obligation of Ferdinand commences following go-shop period, with standard fiduciary outs: <ul style="list-style-type: none"> The Ferdinand board is permitted to terminate the merger agreement (subject to payment of a termination fee) to accept a superior proposal The Ferdinand board is also permitted to change its recommendation in response to a superior proposal or intervening event Termination fee of 3.25% of transaction equity value (on a fully diluted basis) to be paid by Ferdinand to Parent in event of: (1) termination by Parent following a change in recommendation by the Ferdinand board, (2) termination by Ferdinand to accept a superior proposal or (3) entry by Ferdinand into a definitive agreement providing for an alternative transaction (or consummation of such a transaction) during a customary 12 month "tail" period following termination under specified circumstances A lower termination fee of 1.5% of transaction equity value is payable if Ferdinand terminates the merger agreement to accept a superior proposal either (1) during the go-shop period or (2) if the counterparty submitted an alternative proposal that the Ferdinand board determined to be a superior proposal during the go-shop period, within 50 days after signing
Termination Provisions	<ul style="list-style-type: none"> Outside date of [●] [TBD] Parent may terminate if the Ferdinand board changes its recommendation to vote in favor of the Merger Ferdinand may terminate in order to accept a superior proposal Other customary termination rights
Remedies Against Parent	<ul style="list-style-type: none"> Ferdinand is entitled to full specific performance of Parent's obligations under the merger agreement, including the obligation to consummate the merger Monetary damages payable by Parent, Merger Subs and their affiliates are capped at 6.5% of transaction equity value (on a fully diluted basis) The merger agreement does not include a reverse termination fee payable by Parent

* Based on Ferdinand's draft of the merger agreement dated February 22, 2023

Review of Management Provided Financial Forecast

Management Forecast Assumptions

Revenue Assumptions

- Revenue growth is driven by several factors:
 - Correlation to equities and fixed income markets
 - Non-market correlated revenue growth for RIAs of 5% annually
 - Organic growth of 4% annually
 - Certain subset of affiliates also have business manager fees which grow 7% annually
- Acquisitions assume the same equities, fixed income and non-market correlated growth assumptions as existing affiliates
 - With the remaining growth coming from organic growth and business manager fees

Market Growth

- Market growth assumptions form the basis for revenue throughout the projected period
- Investment baskets assume 60% equities / 40% fixed income which form a weighted average market growth rate based on below performance of asset classes:
 - Equities basket comprised of MSCI ex. US and S&P indices grow 2.5% in 2023 and 7% thereafter
 - Fixed income comprised of the AGG index and grows 4% in 2023 and beyond

Expense Assumptions

- SG&A and compensation grow 3% annually throughout the forecast for existing affiliates and new acquisitions
- Management fees automatically adjust with profitability of respective partner firms via contractual base and target earnings

M&A Expenditures

- M&A is based on assumed EBITDA acquired each year which increases from ~\$114 million in 2023 to ~\$138 million in 2027
- Capital deployed increases from ~\$880 million in 2023 to ~\$1.5B in 2027
- Blended purchase multiples (New Partners, Mergers, Connectus) of 10x in 2023 through 2024, and 11x in 2025 through 2027
 - 100% cash consideration for Mergers and Connectus, and 90% for New Partners
 - Purchase price is separated into upfront vs. deferred consideration where a portion of the EBITDA multiple is paid at transaction close

Source: Management Forecast dated 11/28/22, public filings.

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Management Forecast Assumptions (Cont'd)

Fixed Asset Purchases

- Assumes ~\$15 million in 2023 to ~\$30 million in 2027

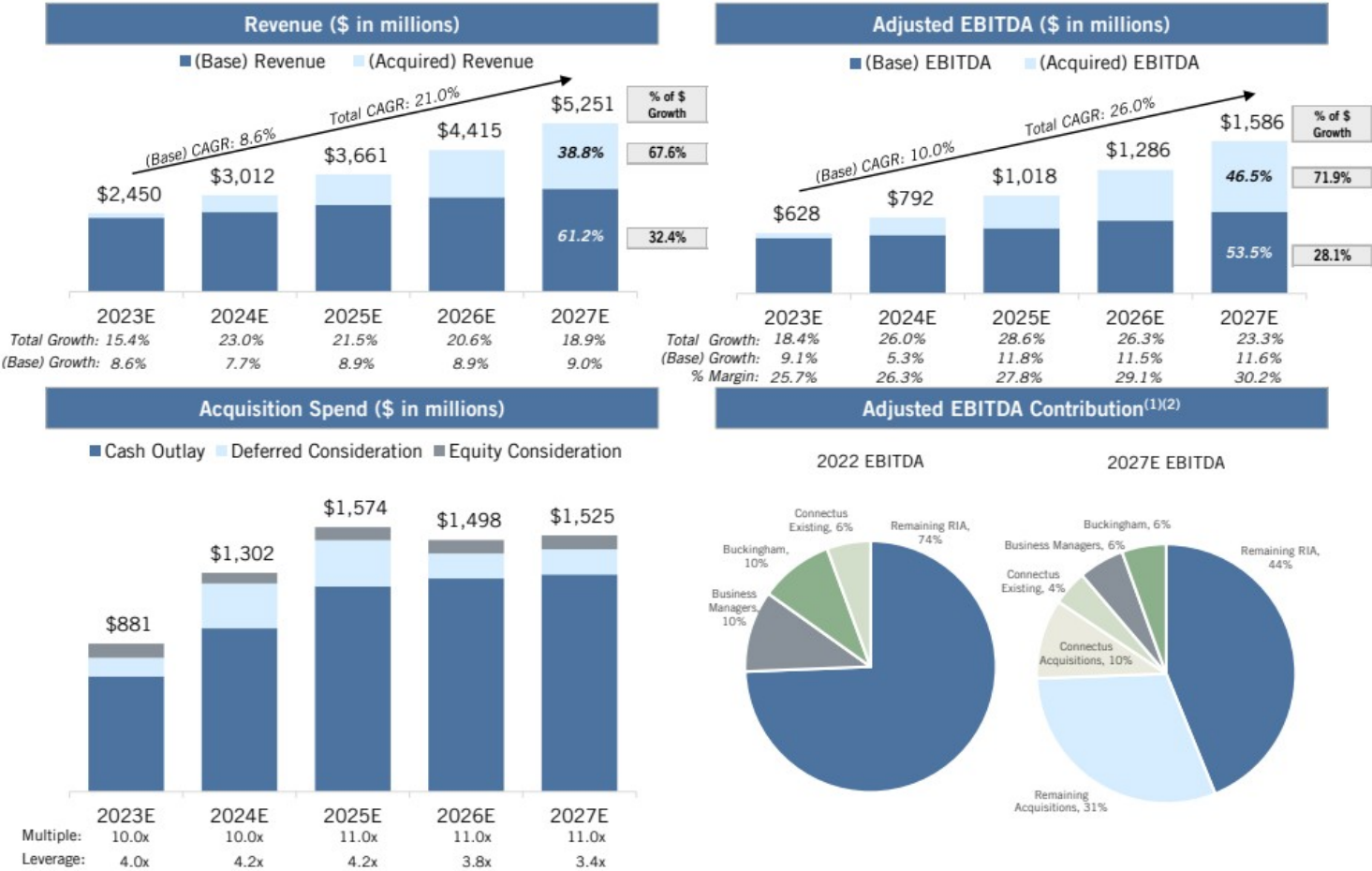
Purchase Intangibles Tax Benefit

- M&A targets are typically a purchase of assets that generate a step-up in tax basis for the Company offering significant future tax shield as the underlying intangible asset is amortized
- Model assumes existing and to be created (through future M&A) intangible assets are amortized over a 15-year period creating a cash tax benefit based on an assumed tax rate of 27%

Up-C Structure and Tax Receivable Agreement

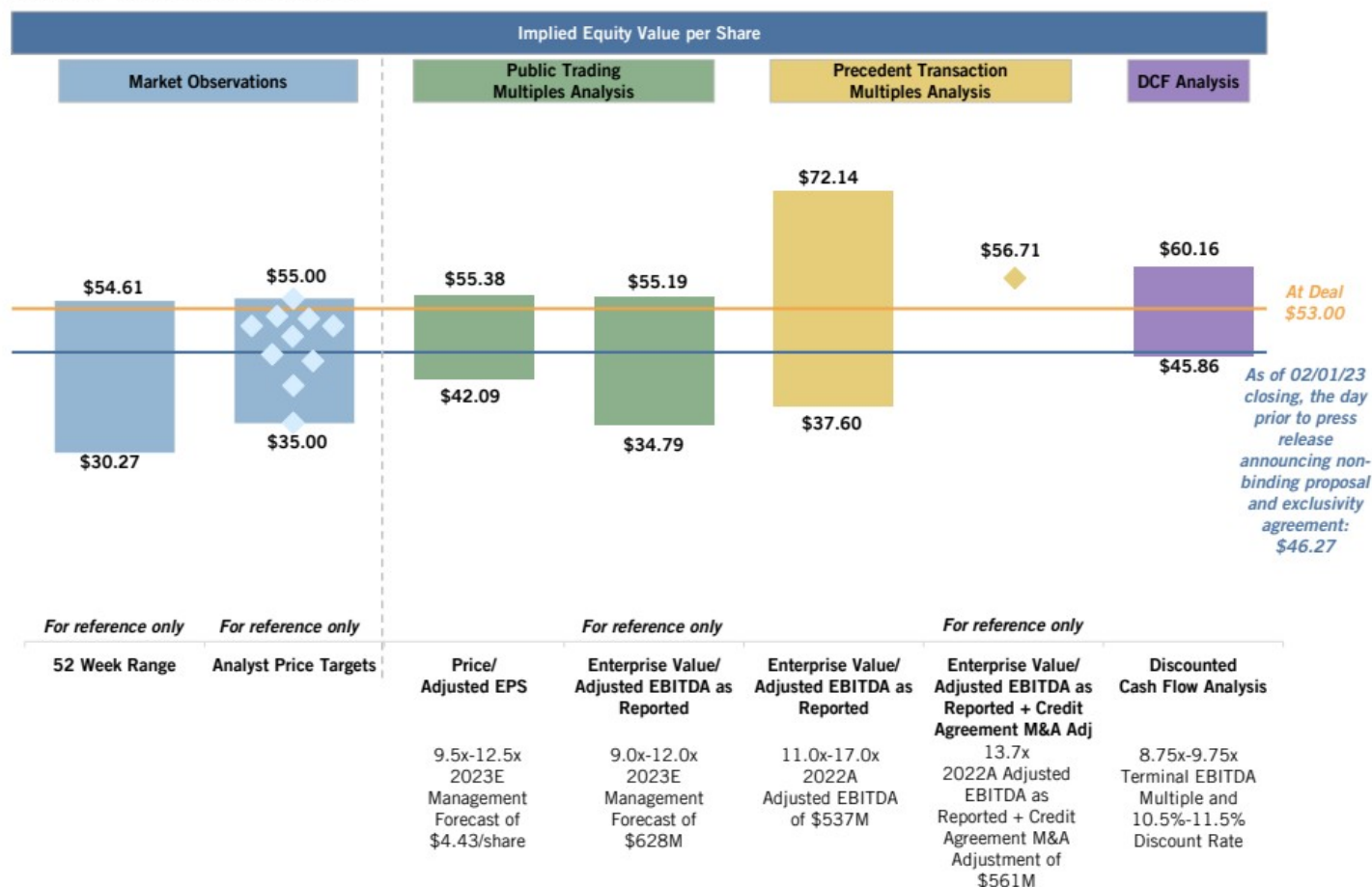
- Ferdinand went public via an "Up-C" structure in 2018 resulting in two common stock classes: Class A (vote and value) and Class B (vote only)
- The common units are exchangeable, one-for-one, into Class A shares. On exchange of a common unit, the corresponding Class B share is cancelled
- On exchange of common units into Class A shares, a tax benefit is created due to a step-up in basis
- Company is party to Tax Receivable Agreements ("TRAs") that pass along 85% of this cash tax benefit to TRA holders (predominantly, pre-IPO owners, including Stone Point and certain members of management)
- On a change-in-control, the TRAs can be terminated early by lump-sum payments to TRA holders pursuant to a pre-defined formula (essentially, a present value estimate of future obligations)
- Net benefit to Company of resulting step-up in basis (e.g., 100% of tax benefit minus 85% of tax benefit paid out to TRA holders) treated as a separately valued tax attribute in analysis according to:
 - Existing (e.g., TRAs created by previous common unit to Class A share exchanges) expected TRA payouts per management, and
 - Hypothetical (e.g., assumed exchange of remaining common units to Class A shares at \$53.00 per share) expected TRA payouts per management

Management Forecast Summary



Valuation Analysis

Summary Valuation Analysis



Source: Management Forecast dated 11/28/22, public filings, press releases and presentations, Capital IQ. Market data for Ferdinand as of the close on 02/01/23, the day prior to press release announcing non-binding proposal and exclusivity agreement.

Note: Based on capitalization table as of 01/31/23. Public trading multiples analysis and precedent transaction multiples analysis assume net debt and contingent consideration of \$2,750 as of 12/31/22. DCF analysis assumes net debt of \$2,424 at 12/31/22; deferred and contingent consideration is captured in enterprise value as and when paid through Management Forecast of cash flows on a present value basis. Adjusted EBITDA per Company's key financial metric reporting methodology and EPS represents Adjusted Net Income Including Tax Adjustments Per Share per Company's key financial metric reporting methodology.

(1) Represents discount rate applied to unlevered free cash flow; tax attributes (benefits of amortization of purchased intangibles and TRA) are discounted at a range of 11.4%-12.6%.

Analyst Price Targets and Methodologies

Price Targets		% Upside/ (Downside)	DCF	EV/ EBITDA	P/E	Valuation Methodology
Analyst 1 (01/9/2023)	\$55	19%	---	✓	---	▪ Rolling EV / EBITDA multiple predicated on the linear relationship between EBITDA growth and EV/EBITDA among 13 comparable stocks
Analyst 2 (01/11/2023)	\$52	12%	---	---	✓	▪ 11.5X 2024 cash EPS estimate ; meaningful multiple expansion of the market and peers
Analyst 3 (01/9/2022)	\$51	10%	---	---	✓	▪ 10x 2024 EPS ; no true public comps are RIA consolidators; closest wealth manager comps currently trade at 8-14x consensus EPS
Analyst 4 (01/27/2023)	\$50	8%	---	---	✓	▪ 12x CY23 EPS estimate ; no single good public peer; target multiple in line with a broad peer group's simple average as well as indicative of the company's sustained high leverage
Analyst 5 (01/24/2023)	\$50	8%	---	✓	---	▪ 9.7x 2024E EBITDA ▪ Would represent premium to Financial Advisor peers , currently trading...5x to 9x 2024E EBITDA
Analyst 6 (01/16/2023)	\$49	6%	---	---	✓	▪ 10.0x forward earnings multiple to \$4.89 adjusted 2024 EPS estimate
Analyst 7 (01/5/2023)	\$46	(1%)	---	---	✓	▪ 10-14x multiple on 2023 EPS estimate ; risks include lower equity markets, access to debt markets, and increased regulatory scrutiny
Analyst 8 (01/12/2023)	\$44	(5%)	---	---	✓	▪ 10.0x forward Q5-Q8 P / E multiple ; management highlighted that deal multiples have improved as rates have increased
Analyst 9 (01/5/2023)	\$41	(11%)	✓	---	✓	▪ Target P/E of 10.5x ; based on a P/E-derived fair value estimate supplemented by a DCF analysis
Analyst 10 (11/29/2022)	\$35	(24%)	---	✓	✓	▪ Triangulating P/E and EV/EBITDA ▪ Multiple haircut vs comps , reflecting limited disclosure on net new money flows & quarterly client asset trends
Closing price on 02/01/23: \$46.27		Median: 7%	Total: 1	3	8	
Median: \$49.50						

■ Buy Rating

■ Sell Rating

Source: Wall Street analyst research reports, Capital IQ. Price Targets as of 02/1/2023, the day prior to press release disclosing non-binding proposal and exclusivity agreement.
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Public Trading Analysis

(\$ in millions, except per share amounts)

	Company & Market Data				Valuation ⁽³⁾				Operational Metrics (for reference only)					
	Share Price 2/24/2023	Equity ⁽¹⁾ Market Cap	Enterprise ⁽²⁾ Value	52-Wk High % of	Enterprise Value / EBITDA ⁽⁴⁾		Price / EPS ⁽⁴⁾		Revenue Growth 22-'24 CAGR	EBITDA Growth 22-'24 CAGR	EBITDA Margin CY22	Net Leverage ⁽⁵⁾ CY22	Aggregate M&A Spend Since Ferdinand IPO	
Ferdinand @ Current ⁽⁶⁾														
Wall Street Consensus	\$46.27	\$3,960	\$6,710	84.7%	12.5x	11.3x	11.2x	9.6x	15.0%	14.5%	25.4%	4.5x	\$3,112	
Mgmt. Forecast	46.27	3,960	6,710	84.7%	12.5	10.7	10.4	9.0	19.1%	21.4%	25.4%	4.5	3,112	
Mgmt. Forecast + Credit Agmt M&A Adj	46.27	3,960	6,710	84.7%	12.0	9.7	10.4	9.0	19.1%	23.3%	26.5%	4.3	3,112	
Ferdinand @ Deal														
Wall Street Consensus	\$53.00	\$4,587	\$7,337	97.1%	13.7	12.4	12.8	11.0	15.0%	14.5%	25.4%	4.5x	3,112	
Mgmt. Forecast	53.00	4,587	7,337	97.1%	13.7	11.7	12.0	10.4	19.1%	21.4%	25.4%	4.5	3,112	
Mgmt. Forecast + Credit Agmt M&A Adj	53.00	4,587	7,337	97.1%	13.1	10.6	12.0	10.4	19.1%	23.3%	26.5%	4.3	3,112	
Independent Broker Dealers														
LPL Financial	\$247.30	\$20,054	\$21,924	91.1%	13.5x	8.9x	12.5x	11.8x	12.3%	24.5%	19.0%	1.1x	\$370	
Avantax	29.31	1,488	1,224	97.0%	NM	10.8	NM	NM	9.5%	33.1%	10.9%	NM	268	
				Mean	13.5x	9.9x	12.5x	11.8x	10.9%	28.8%	15.0%	1.1x	\$319	
				Median	13.5x	9.9x	12.5x	11.8x	10.9%	28.8%	15.0%	1.1x	\$319	
TAMPs														
AssetMark	\$30.57	\$2,295	\$2,271	99.5%	11.6x	9.9x	14.9x	13.7x	11.3%	13.0%	43.5%	NM	\$179	
SEI	59.75	8,083	7,230	92.4%	12.0	12.7	16.0	14.3	0.2%	1.6%	30.3%	NM	160	
Envestnet	61.75	3,555	4,166	73.0%	19.0	16.5	29.0	22.0	9.1%	20.3%	17.7%	2.8	490	
				Mean	14.2x	13.1x	20.0x	16.7x	6.9%	11.6%	30.5%	2.8x	\$276	
				Median	12.0x	12.7x	16.0x	14.3x	9.1%	13.0%	30.3%	2.8x	\$179	
Multi-Affiliate Asset Managers														
AMG	\$158.78	\$6,132	\$8,238	87.9%	7.0x	7.5x	7.4x	6.5x	0.1%	(0.3%)	49.2%	1.8x	\$0	
Virtus	208.16	1,585	1,637	83.5%	5.2	5.7	8.1	7.1	6.3%	(0.0%)	40.6%	NM	427	
Artisan Partners	32.70	2,623	2,708	80.4%	6.8	7.5	10.2	9.5	0.5%	(1.5%)	40.5%	0.2	0	
CI Financial	11.24	2,125	4,863	71.1%	6.7	6.7	4.5	4.1	8.7%	2.8%	41.5%	3.8	1,516	
Victory	33.14	2,388	3,352	96.1%	7.9	7.9	7.2	6.5	2.1%	3.6%	49.8%	2.3	1,930	
				Mean	6.7x	7.1x	7.5x	6.7x	3.5%	0.9%	44.3%	2.0x	\$775	
				Median	6.8x	7.5x	7.4x	6.5x	2.1%	(0.0%)	41.5%	2.0x	\$427	
Bank-Regulated Wealth Firms (For Reference Only)														
Raymond James	\$107.77	\$24,147	\$21,278	85.5%			9.8x	8.8x	9.9%					
Stifel	66.72	8,110	7,084	89.5%			8.2	7.2	8.0%					
Charles Schwab	80.60	151,890	126,248	86.5%			17.9	14.5	9.5%					
				Mean			11.9x	10.2x	9.2%					
				Median			9.8x	8.8x	9.5%					

Source: Management Forecast dated 11/26/22, public filings, Capital IQ, Visible Alpha. Market data as of 02/24/23.

(1) Equity market capitalization calculated using fully-diluted share count based on the treasury stock method.

(2) Enterprise value equals fully diluted market capitalization plus debt (net of cash on balance sheet), preferred stock, and minority interest.

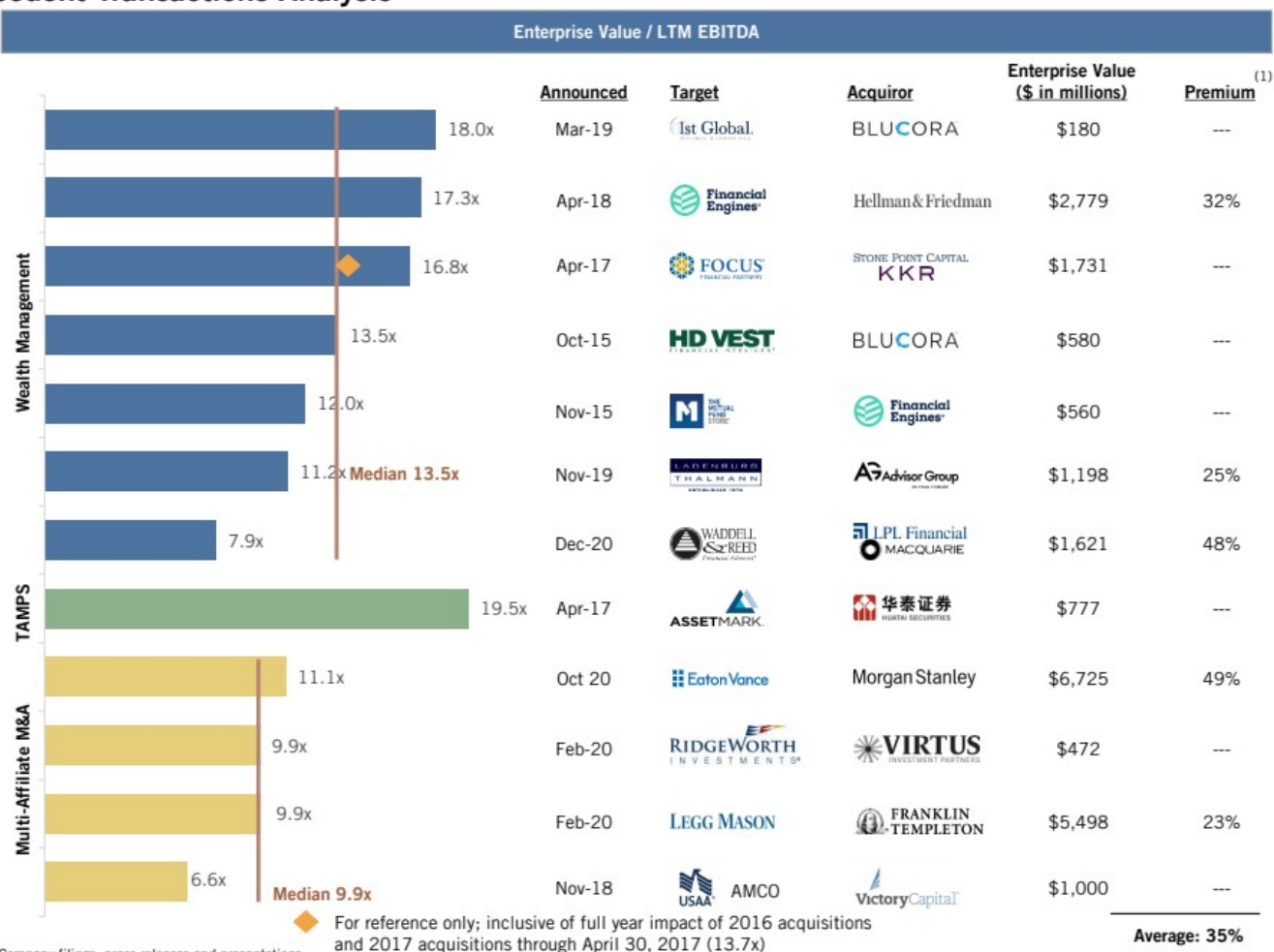
(3) Forward valuation multiples calculated using consensus estimate data, except for Avantax: as a function of Blucora spinning off its TaxAct business to become the wealth-management focused Avantax, there is limited research coverage of the new entity. Therefore, a Cantor Fitzgerald model of Blucora that projected the wealth management segment of the business independently is being used in this analysis.

(4) EV/EBITDA and CY24 P/EPS valuation metrics are for reference only. EBITDA and EPS has been normalized across the comp set to exclude stock-based compensation expense. For Ferdinand, underlying EBITDA is Adjusted EBITDA per Company's key financial metric reporting methodology and underlying EPS represents Adjusted Net Income Including Tax Adjustments Per Share per Company's key financial metric reporting methodology.

(5) Net Leverage calculated as Net Debt / EBITDA.

(6) Ferdinand @ Current represents share price as of the close on 02/01/23 the day prior to announcement of non-binding proposal and exclusivity agreement. Market Cap calculation treats incentive units and options issued at IPO where vesting is according to price as if no Change-of-Control (Coc) occurs.

Precedent Transactions Analysis



Source: Company filings, press releases and presentations.

Note: See 'Precedent Transactions Footnotes' slide in the appendix for further detail on calculations.

(1) Represents premium to unaffected stock price prior to announcement; "—" represents that data point is not available since the target was privately held.

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Management Forecast of Unlevered Free Cash Flow

\$ in millions, except per share data	Management Forecast FYE December, 31					Terminal Year
	2023E	2024E	2025E	2026E	2027E	
Revenue	\$2,450	\$3,012	\$3,661	\$4,415	\$5,251	\$5,251
% YoY Growth	15.4%	23.0%	21.5%	20.6%	18.9%	18.9%
Adjusted EBITDA	\$628	\$792	\$1,018	\$1,286	\$1,586	\$1,586
% Adjusted EBITDA Margin	25.7%	26.3%	27.8%	29.1%	30.2%	30.2%
Less: non-cash equity compensation expense	(33)	(31)	(40)	(52)	(60)	(60)
Adjusted EBITDA after non-cash equity compensation expense	\$596	\$761	\$978	\$1,234	\$1,526	\$1,526
Less: Depreciation and other amortization	(19)	(21)	(21)	(23)	(26)	(30)
Adjusted EBITA after non-cash equity compensation expense	\$576	\$740	\$957	\$1,212	\$1,500	\$1,497
Less: Taxes (27%)	(156)	(200)	(258)	(327)	(405)	(404)
Less: Amortization of intangibles	(287)	(332)	(381)	(429)	(469)	(469)
NOPAT	\$134	\$208	\$317	\$455	\$626	\$624
Plus: Amortization of intangibles	287	332	381	429	469	469
Plus: Depreciation and other amortization	19	21	21	23	26	30
Less: Increase in NWC (excluding deferred compensation paid)	19	4	5	8	8	0
Less: Capital expenditures	(16)	(17)	(21)	(25)	(30)	(30)
Unlevered Free Cash Flow (before Acquisition-related capital deployment)	\$443	\$549	\$705	\$891	\$1,100	\$1,093
Less: Acquisition-related capital deployment, of which is:	(\$881)	(\$1,302)	(\$1,574)	(\$1,498)	(\$1,525)	
Deferred consideration	(111)	(267)	(274)	(148)	(150)	
Upfront cash consideration	(686)	(972)	(1,222)	(1,269)	(1,293)	
Equity consideration	(84)	(63)	(78)	(81)	(83)	
Unlevered Free Cash Flow (after Acquisition-related capital deployment)	(\$438)	(\$753)	(\$869)	(\$607)	(\$424)	

■ For purposes of the preliminary discounted cash flow analysis:

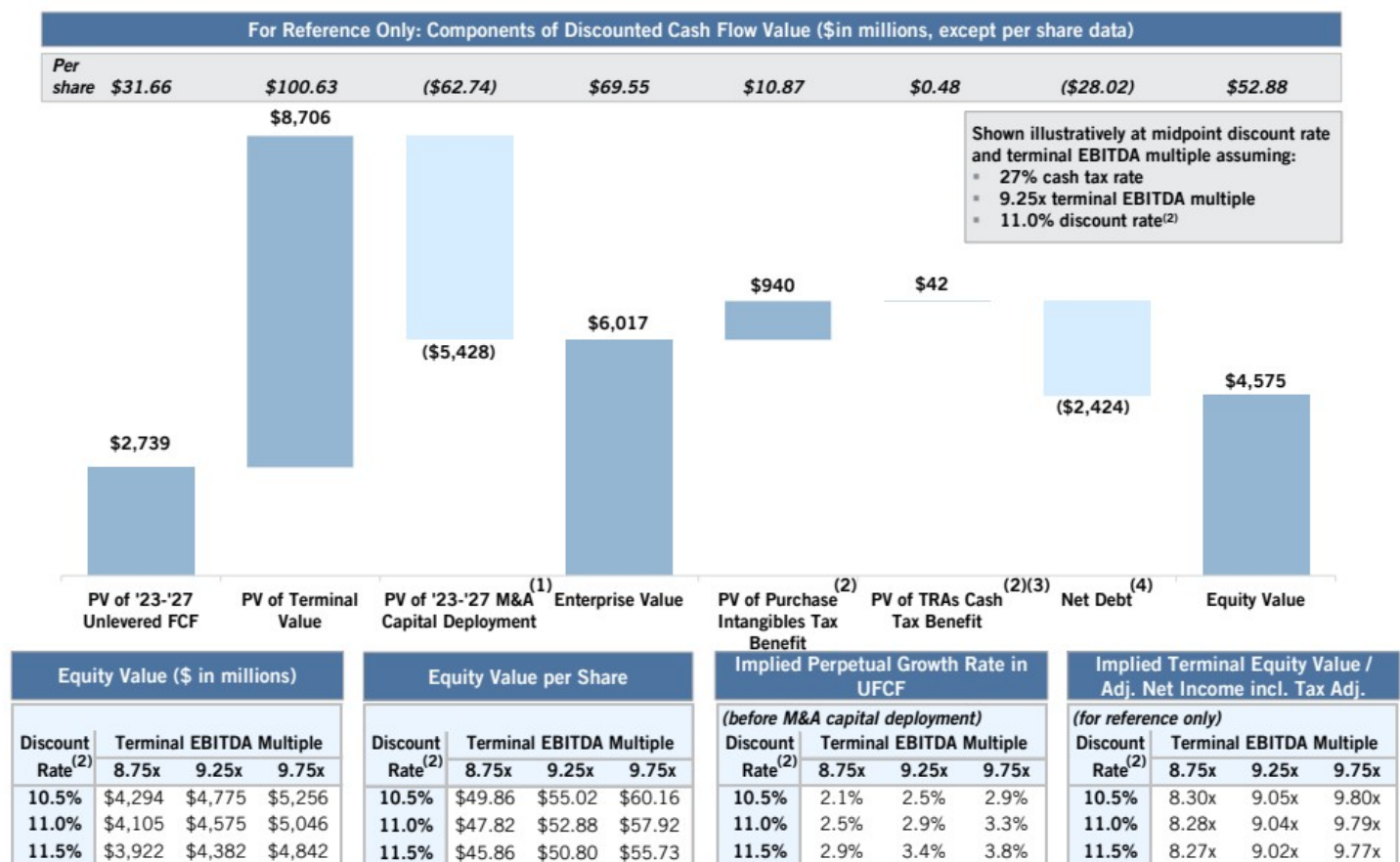
- Non-cash equity compensation expense is treated as a cash expense
- Portions of M&A capital deployment through equity consideration are treated as cash outflows in the year of acquisition; deferred consideration is as and when paid
- Deferred consideration on balance sheet at the end of 2027 of ~\$622M, of which ~\$68M (on a present value basis) that will be paid off in 2029, with the remaining \$554M estimated to be paid off on average, 4.5 years following 2027 (e.g., June 2032) per management
- Cash tax benefits associated with the amortization of purchased intangibles and the net benefit of the Tax Receivable Agreements are evaluated separately from the core business cash flows above

Source: Management Forecast dated 11/28/22.

Note: Adjusted EBITDA per Company's key financial metric reporting methodology.

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Discounted Cash Flow Analysis



Note: Represents present value as of 12/31/22 based on Management Forecast dated 11/28/22. Analysis utilizes mid-year convention to discount cash flows to present (except for the present value of TRA payments which are based on specific annual payment dates). "PV" means "Present Value".

(1) Figure includes PV of deferred and contingent considerations to be paid beyond 2027 (\$68 million PV as of 12/31/2022 and \$554 million to be paid 6/30/2032 with latter discounted at weighted average cost of capital).

(1) Figure includes PV of deferred and contingent considerations to be paid beyond 2027 (\$68 million) PV as of 12/31/2022 and \$534 million to be paid after 2032 with latter discounted at weighted average cost of capital.

(2) Tax attributes are discounted at implied cost of equity underlying selected discount rate range of 11.4 %-12.6 % and 12.0 % at the midpoint.

(S) In addition to existing liabilities, analysts consider the PV of newly created TRAs resulting from further exchanges of Class B shares into Class A shares in the future at the price of \$55.00 per share.

(4) Based on cash and debt outstanding as of 12/31/22 per company filings.

Discounted Cash Flow Analysis: Tax Attributes (Intangible Amortization)

Intangible Amortization Tax Benefits							
(\$ in millions)							
Year	Intangible Amort for Tax	Tax Rate	Cash Tax Benefit	Discount Period	PV of Cash Tax Benefit At Discount Rate of ⁽¹⁾		
					11.4%	12.0%	12.6%
2023E	\$264	27%	\$71	0.5	\$67	\$67	\$67
2024E	323	27%	87	1.5	74	74	73
2025E	397	27%	107	2.5	82	81	80
2026E	480	27%	129	3.5	89	87	85
2027E	561	27%	152	4.5	93	91	89
2028E	598	27%	161	5.5	89	87	84
2029E	595	27%	161	6.5	80	77	74
2030E	589	27%	159	7.5	71	68	65
2031E	575	27%	155	8.5	62	59	57
2032E	560	27%	151	9.5	54	52	49
2033E	537	27%	145	10.5	47	44	42
2034E	503	27%	136	11.5	39	37	35
2035E	483	27%	130	12.5	34	32	30
2036E	445	27%	120	13.5	28	26	24
2037E	377	27%	102	14.5	21	20	18
2038E	342	27%	92	15.5	17	16	15
2039E	279	27%	75	16.5	13	12	11
2040E	203	27%	55	17.5	8	8	7
2041E	119	27%	32	18.5	4	4	4
2042E	34	27%	9	19.5	1	1	1
Total	\$8,265		\$2,232		\$974	\$940	\$908

Note: Cash flows and tax rate represent Management Forecast as of 11/28/22.

(1) Tax attributes are discounted at implied cost of equity underlying selected discount rate range or 11.4%-12.6% and 12.0% at the midpoint.
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Discounted Cash Flow Analysis: Tax Attributes (TRA)

Existing Tax Receivable Agreement Flows

(\$ in millions)

Payment Date	TRA Pmt	TRA Pmt as % of Tax Benefit	Implied Company Gross Benefit	Less TRA Pmt	Implied Company Net Benefit	Discount Period as of 12/31/22	PV of Existing TRA Flows ⁽¹⁾ At Discount Rate of		
							11.4%	12.0%	12.6%
02/16/23	\$10	85%	\$11	(\$10)	\$2	0.13	\$2	\$2	\$2
04/15/23	12	85%	15	(12)	2	0.29	2	2	2
04/15/24	13	85%	15	(13)	2	1.29	2	2	2
04/15/25	13	85%	15	(13)	2	2.29	2	2	2
04/15/26	13	85%	16	(13)	2	3.29	2	2	2
04/15/27	14	85%	16	(14)	2	4.29	2	1	1
04/15/28	14	85%	16	(14)	2	5.30	1	1	1
04/16/29	23	85%	27	(23)	4	6.30	2	2	2
04/16/30	14	85%	17	(14)	3	7.30	1	1	1
04/16/31	15	85%	18	(15)	3	8.30	1	1	1
04/15/32	15	85%	18	(15)	3	9.30	1	1	1
04/16/33	15	85%	18	(15)	3	10.30	1	1	1
04/16/34	15	85%	18	(15)	3	11.30	1	1	1
04/16/35	15	85%	18	(15)	3	12.30	1	1	1
04/15/36	16	85%	19	(16)	3	13.30	1	1	1
04/16/37	9	85%	11	(9)	2	14.30	0	0	0
04/16/38	2	85%	3	(2)	0	15.30	0	0	0
04/16/39	1	85%	1	(1)	0	16.30	0	0	0
04/15/40	0	85%	0	(0)	0	17.30	0	0	0
04/16/41	0	85%	0	(0)	0	18.30	0	0	0
Total	\$230		\$271	(\$230)	\$41		\$21	\$20	\$20

Hypothetical Tax Receivable Agreement Flows

(\$ in millions)

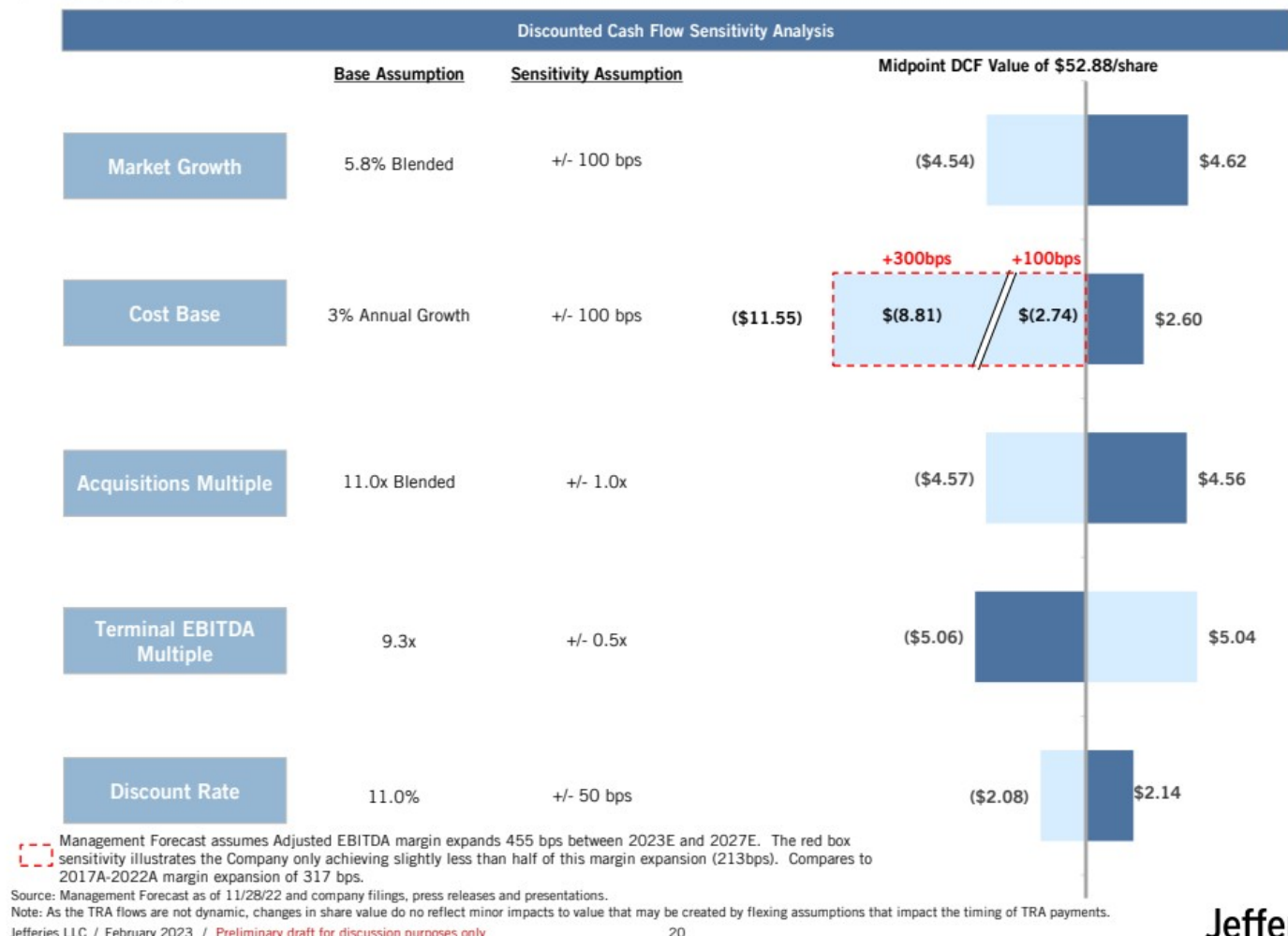
Payment Date	TRA Pmt	TRA Pmt as % of Tax Benefit	Implied Company Gross Benefit	Less TRA Pmt	Implied Company Net Benefit	Discount Period as of 12/31/22	PV of Existing TRA Flows ⁽¹⁾ At Discount Rate of		
							11.4%	12.0%	12.6%
02/13/23	\$0	85%	\$0	\$0	\$0	0.12	\$0	\$0	\$0
02/13/24	0	85%	0	0	0	1.12	0	0	0
04/15/24	15	85%	18	(15)	3	1.29	2	2	2
04/15/25	15	85%	18	(15)	3	2.29	2	2	2
04/15/26	16	85%	18	(16)	3	3.29	2	2	2
04/15/27	16	85%	19	(16)	3	4.29	2	2	2
04/14/28	16	85%	19	(16)	3	5.29	2	2	2
04/15/29	25	85%	30	(25)	4	6.29	2	2	2
04/15/30	17	85%	20	(17)	3	7.29	1	1	1
04/15/31	18	85%	21	(18)	3	8.29	1	1	1
04/14/32	18	85%	22	(18)	3	9.30	1	1	1
04/15/33	19	85%	22	(19)	3	10.30	1	1	1
04/15/34	20	85%	24	(20)	4	11.30	1	1	1
04/15/35	21	85%	24	(21)	4	12.30	1	1	1
04/14/36	22	85%	26	(22)	4	13.30	1	1	1
04/15/37	24	85%	28	(24)	4	14.30	1	1	1
04/15/38	28	85%	33	(28)	5	15.30	1	1	1
04/15/39	6	85%	8	(6)	1	16.30	0	0	0
04/14/40	1	85%	2	(1)	0	17.30	0	0	0
04/15/41	1	85%	1	(1)	0	18.30	0	0	0
Total	\$300		\$353	(\$300)	\$53		\$22	\$21	\$20

Note: For purposes of the hypothetical Tax Receivable Agreement flows, Management has indicated that we should assume the cash flows (underlying payment to TRA holders) assuming a \$53.00 exchange. Cash flows and tax rate represent Management Forecast of such flows as of 1/31/23.

(1) Tax attributes are discounted at implied cost of equity underlying selected discount rate range of 11.4%-12.6% and 12.0% at the midpoint.
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Discounted Cash Flow Sensitivity Analysis

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Appendix

Summary of Key Changes from Prior Presentation (for reference only)

Analysis	Metric	Prior Presentation (01/04/23)	Current Presentation
Observed Share Price (for reference only)	Current	\$37.27 (12/30/22)	\$46.27 (02/01/23)
	52-week low	\$30.27 (10/20/22)	\$30.27 (10/20/22)
	52-week high	\$62.24 (01/04/22)	\$54.61 (02/16/22)
Analyst Price Targets (for reference only)	Low	\$35.00	\$35.00
	High	\$57.00	\$55.00
	Median	\$46.00	\$49.50
Public Trading Analysis	Ferdinand	Price/CY23 EPS	8.9x
	IBDs	Price/CY23 EPS Range	11.1x (1 data point)
	TAMPs	Price/CY23 EPS Range	11.6x – 28.7x
	MAAMs	Price/CY23 EPS Range	4.2x – 11.5x
	Selected	Price/CY23 EPS Range	8.5x – 11.0x
Precedent Transaction Multiples Analysis	Wealth Mgmt	EV/LTM EBITDA Range	7.9x – 18.0x
	TAMPs	EV/LTM EBITDA Range	19.5x (1 data point)
	MAAMs M&A	EV/LTM EBITDA Range	6.6x – 11.1x
	Selected	EV/LTM EBITDA Range	11.0 – 17.0x
	2022 Adjusted EBITDA as Reported		\$531M (Estimated)
Discounted Cash Flow Analysis	Terminal EBITDA Multiple Range	8.5x – 9.5x	8.75x – 9.75x
	Discount Rate ⁽¹⁾	11.0% – 12.0%	10.5% – 11.5%
	Implied Perpetual Growth in UFCF Range	2.3% – 4.0%	2.1% – 3.8%
	Implied Terminal Equity Value/ANI + Tax Adj	---	8.27x – 9.80x
Discount Rate Components	Risk Free Rate	4.0%	4.1%
	Market Risk Premium	7.46%	7.17%
	Debt / Debt + Equity	15.0%	15.0%
	Selected Levered Beta Range	0.90 – 1.45	0.90 – 1.40
	Pre-tax Cost of Debt	7.6%	7.6%
Capitalization Table	As of	12/31/22	01/31/23
	IPO Units and Options	CoC Linear Interpolation	Stand-alone Linear Interpolation
Balance Sheet Items	Net Debt / Debt-Like	\$2,430 (Estimated at 12/31/22)	\$2,750M (Actual at 12/31/22), including \$326M of Contingent Consideration

(1) Represents discount rate applied to unlevered free cash flow; tax attributes are discounted at a range of 11.4%-12.6% (implied cost of equity) in current presentation.

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Precedent Transactions Footnotes

Note: Enterprise value for public targets represents offer price multiplied by diluted share count (calculated using TSM methodology) plus net debt and preferred shares. Enterprise value for private targets represents disclosed purchase price. EV/EBITDA excludes stock-based compensation ("SBC") expense from EBITDA calculation.

- A. Waddell & Reed LTM EBITDA calculated as LTM *Adjusted Operating Income* (as of 9/30/20) plus SBC and D&A expense.
- B. Ladenburg LTM EBITDA calculated as LTM *Adjusted EBITDA* as of 9/30/19.
- C. 1st Global LTM EBITDA calculated as 2018 *Core EBITDA* disclosed in Blucora Investor Presentation.
- D. Financial Engines LTM EV/EBITDA represents disclosed *Total EV / 2017 Adjusted EBITDA* per company merger proxy.
- E. Focus EV excludes contribution of SCS Financial. Focus LTM EBITDA calculated as 2016 *Adjusted EBITDA*.
- F. Mutual Fund Store LTM EV/EBITDA value disclosed in Financial Engines earnings transcript.
- G. HD Vest LTM EBITDA calculated as 2015E *Unlevered FCF* disclosed in Blucora Investor Presentation.
- H. AssetMark LTM EBITDA calculated as 2015 Adjusted EBITDA disclosed in Huatai filings.
- I. Eaton Vance LTM EBITDA calculated as LTM *Operating Income* (as of 9/30/20) plus SBC and D&A expense.
- J. Legg Mason EV includes retention payments to investment affiliates. Legg Mason LTM EBITDA calculated as LTM *Adjusted Operating Income* (as of 9/30/19) plus SBC and D&A expense.
- K. USAA EV excludes earn-out purchase price. USAA LTM EV/EBITDA represents disclosed *upfront purchase EBITDA multiple* per Victory earnings transcript.
- L. Ridgeworth LTM EBITDA calculated as 9/30/16 LTM Adjusted EBITDA as disclosed in Virtus Investor Presentation.

Ferdinand Weighted Average Cost of Capital

(\$ in millions)

Illustrative WACC Calculation		Beta Determination							
Discount Rate Summary			Adjusted 2-Yr Beta ⁽³⁾	Market Value of Equity ⁽⁶⁾	Total Debt ⁽⁷⁾	D/E	D/(D+E)	Unlevered 2-Yr Beta	Re-Levered 2-Yr Beta ⁽⁸⁾
		Company							
Risk-free Rate of Return (Rf) ⁽¹⁾	4.1%	LPL Financial	0.914	\$20,054.2	\$2,717.4	13.6%	11.9%	0.832	0.939
Equity Risk Premium (Rm-Rf) ⁽²⁾	7.17%	SEI	1.008	8,082.9	-	-	-	1.008	1.138
Levered Beta ⁽³⁾	0.9 - 1.4	AMG	1.342	6,132.4	2,535.3	41.3%	29.3%	1.031	1.164
Cost of Equity (Ke)	10.6% - 14.2%	Envestnet	1.016	3,554.5	852.6	24.0%	19.3%	0.865	0.976
		Artisan Partners	1.287	2,622.9	200.0	7.6%	7.1%	1.219	1.376
Pre-Tax Cost of Debt (Kd) ⁽⁴⁾	7.6%	Victory	1.071	2,388.1	1,002.0	42.0%	29.6%	0.820	0.925
Post-Tax Cost of Debt	5.5%	AssetMark	0.874	2,295.0	113.7	5.0%	4.7%	0.844	0.952
Debt/Total Cap Target ⁽⁵⁾	15.0%	Virtus	1.424	1,584.6	390.2	24.6%	19.8%	1.207	1.363
		Avantax	0.944	1,487.9	-	-	-	0.944	1.066
		Mean	1.098	\$5,355.8	\$867.9	17.6%	13.5%	0.974	1.100
Calculated Discount Rate	9.8% - 12.9%	Median	1.016	2,622.9	390.2	13.6%	11.9%	0.944	1.066
Selected Discount Rate	10.5% - 11.5%	Ferdinand	1.415	\$4,325.6	\$2,890.4	66.8%	40.1%	0.951	1.074
Implied Cost of Equity	11.4% - 12.6%	Ferdinand (As of 2/1)	1.430	\$3,959.8	\$2,890.4	73.0%	42.2%	0.933	1.053

Source: Capital IQ, Bloomberg, Duff & Phelps and Company filings.
Note: Data as of February 24, 2023.
Note: Go-forward tax rate of 27.0% based on Mgmt. assumption.
(1) Represents the 20-year US Treasury yield as of February 24, 2023.
(2) Duff & Phelps long-horizon expected risk premium (historical) as of February 24, 2023.
(3) Based on Bloomberg adjusted beta for the past two years on a weekly basis as of February 24, 2023.
(4) Weighted average cost of debt based on current market estimate.
(5) Debt to Total Capitalization based on target capital structure.
(6) Market value of equity based as of February 24, 2023.
(7) Total Debt based on latest Q4'22A company filings except AMK and ENV as of Q3'22A.
(8) Re-levered at Debt/Total Cap Target.

Implied Cost of Capital					
Debt/Capital Ratio	Cost of equity				
	10.3%	11.2%	12.1%	13.0%	13.9%
10.0%	9.8%	10.6%	11.4%	12.3%	13.1%
12.5%	9.7%	10.5%	11.3%	12.1%	12.9%
15.0%	9.6%	10.4%	11.1%	11.9%	12.6%
17.5%	9.5%	10.2%	11.0%	11.7%	12.4%
20.0%	9.4%	10.1%	10.8%	11.5%	12.2%

Implied Cost of Capital					
Pre-Tax Cost of Debt Rate	Cost of equity				
	10.3%	11.2%	12.1%	13.0%	13.9%
7.0%	9.5%	10.3%	11.1%	11.8%	12.6%
7.3%	9.6%	10.3%	11.1%	11.8%	12.6%
7.5%	9.6%	10.3%	11.1%	11.9%	12.6%
7.8%	9.6%	10.4%	11.1%	11.9%	12.7%
8.0%	9.6%	10.4%	11.2%	11.9%	12.7%

Income Statement Forecast

(\$ in millions, except per share amounts)

	Historical				Projected					CAGR
	2019A	2020A	2021A	2022A	2023E	2024E	2025E	2026E	2027E	'22E - '27E
Wealth Management Fees Revenue	\$1,150	\$1,286	\$1,717	\$2,056	\$2,369	\$2,929	\$3,576	\$4,329	\$5,163	
Other Revenue	69	75	81	87	81	83	85	87	89	
Total Revenue	\$1,218	\$1,361	\$1,798	\$2,143	\$2,450	\$3,012	\$3,661	\$4,415	\$5,251	19.6%
% Growth		11.7%	32.1%	19.2%	14.3%	23.0%	21.5%	20.6%	18.9%	
Compensation & Related Expenses	(413)	(454)	(560)	(699)	(796)	(942)	(1,090)	(1,259)	(1,445)	
Selling, General & Administrative	(233)	(236)	(298)	(376)	(409)	(493)	(571)	(660)	(759)	
Other One-Time Transaction Expenses (incl. in Comp and SG&A)	1	-	1	-	-	-	-	-	-	
Total Costs & Expenses	(\$645)	(\$690)	(\$856)	(\$1,076)	(\$1,205)	(\$1,435)	(\$1,661)	(\$1,920)	(\$2,204)	15.4%
Management Fees ⁽¹⁾	(305)	(349)	(491)	(530)	(618)	(787)	(983)	(1,212)	(1,464)	
Adjusted EBITDA (pre equity method)	\$269	\$322	\$451	\$537	\$627	\$790	\$1,016	\$1,284	\$1,584	24.1%
% Growth		19.5%	40.2%	19.2%	16.8%	25.9%	28.7%	26.3%	23.4%	
% Margin	22.1%	23.6%	25.1%	25.1%	25.6%	26.2%	27.8%	29.1%	30.2%	
Income from Equity Method Investments & Other Dividends	1	0	1	0	1	2	2	2	2	
Total Adjusted EBITDA	\$270	\$322	\$451	\$537	\$628	\$792	\$1,018	\$1,286	\$1,586	24.2%
% Growth		19.2%	40.3%	19.1%	16.9%	26.0%	28.6%	26.3%	23.3%	
% Margin	22.1%	23.6%	25.1%	25.1%	25.7%	26.3%	27.8%	29.1%	30.2%	
Adj. Net Income Excluding Tax Adjustments Per Share	\$1.96	\$2.46	\$3.36	\$3.62	\$3.59	\$4.14	\$5.46	\$7.32	\$9.36	20.9%
Tax Adjustments Per Share	\$0.42	\$0.47	\$0.56	\$0.77	\$0.84	\$0.98	\$1.16	\$1.37	\$1.57	

Source: Management Forecast dated 11/28/22.

(1) Represents payments to principals of affiliates firms consisting of EBPC in excess of Base Earnings up to Target Earnings plus a percentage of EBPC in excess of Target Earnings.

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Historical Trading Observations

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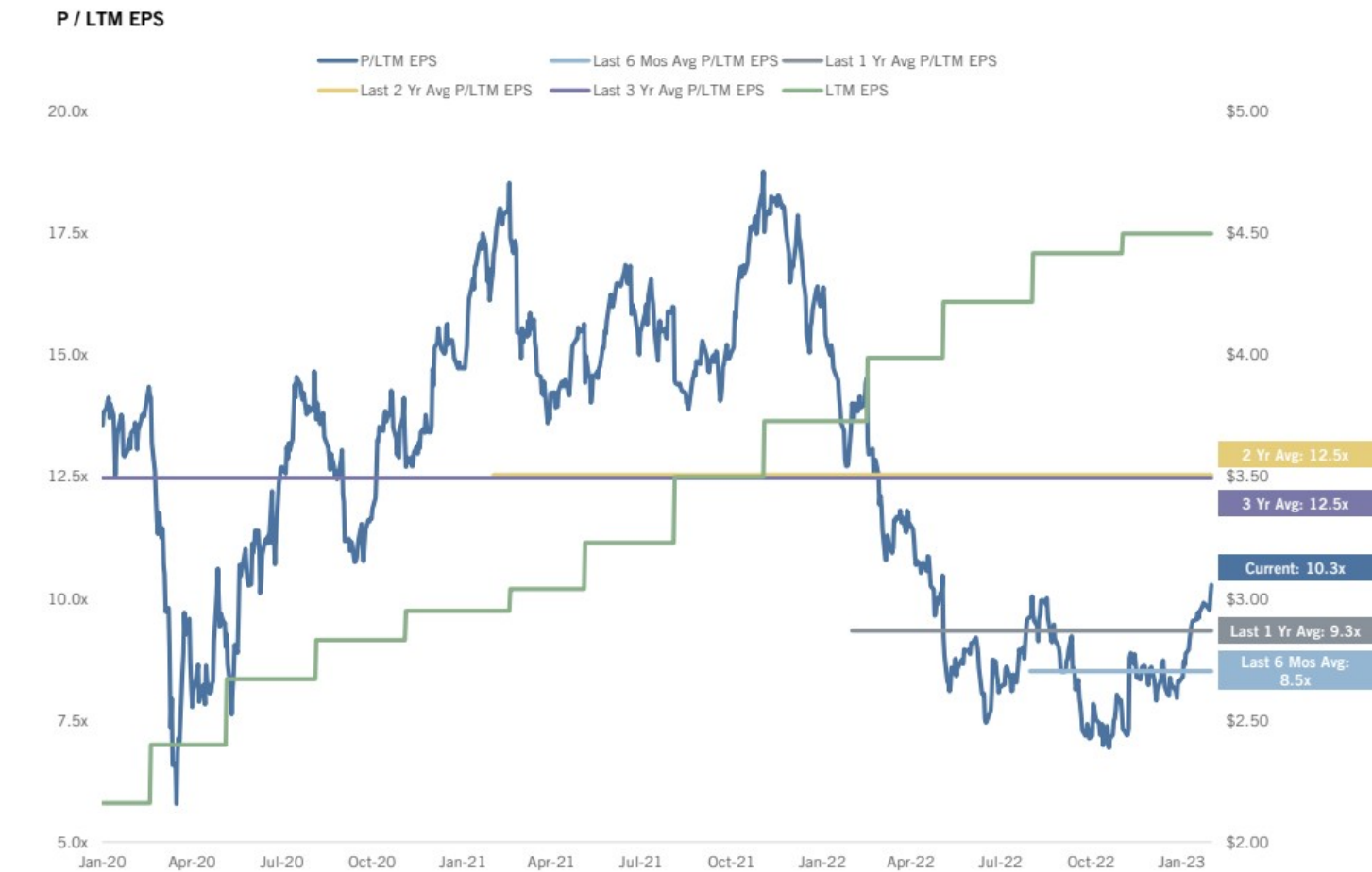
Source: Public filings, Capital IQ.

(1) Avantax excluded from IBDs composite after 12/30/22 due to skewing effects of TaxAct sale.

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Historical Ferdinand Trading Observations










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Source: Public filings, Capital IQ. Market data as of 02/01/23.
Note: EPS represents Adjusted Net Income Including Tax Adjustments Per Share per Company's key financial metric reporting methodology.
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Ferdinand is the Only Publicly Traded RIA Roll-Up Platform

Comparison of Business Models

	Ferdinand	Integrated Roll-Ups	Independent Broker Dealer ("IBD")
Ownership	<ul style="list-style-type: none"> Public 	<ul style="list-style-type: none"> Sponsor-backed (minority and majority) 	<ul style="list-style-type: none"> Public and sponsor-owned
Acquisition Economics and Deal Structure	<ul style="list-style-type: none"> Acquire substantially all assets but only 40-60% of Target economics Enter into management agreement with Target partners for multi-year term with non-competes Maintain a preferred position in Target economics (provides downside protection) 	<ul style="list-style-type: none"> Typically acquire 100% assets and economics, mix of cash and stock (majority cash) consideration ~25-50% deferred consideration based on asset retention and growth (provides downside protection) 	<ul style="list-style-type: none"> IBD platform acquisitions – acquire 100% assets and economics Advisor recruitment: offer multi-year forgivable loans to independent advisors to join BD
Level of Integration	<ul style="list-style-type: none"> Does not integrate; affiliates maintain brand and independence Offer value-add services to affiliates (including marketing, business development, and M&A expertise) Leverage platform scale through cash, credit and trust solutions to all affiliates 	<ul style="list-style-type: none"> Full systematic integration Standardized modular deliverables to ensure consistent client outcomes Integrated technology, systems and back-office 	<ul style="list-style-type: none"> Sometimes keep brand Full integration on back-end: tech-stack and solutions, back-office and support functions
Cost Synergies	<ul style="list-style-type: none"> Minimal post-acquisition cost synergies from new partner firms Able to capture cost synergies from acquisitions by partner firms 	<ul style="list-style-type: none"> Achieve post-acquisition cost synergies from technology, back-office and support function integration 	<ul style="list-style-type: none"> Achieve post-acquisition cost synergies from integration (high probability) Guaranteed revenue synergies from new advisor platform fees, cash spread
EBITDA Margins	<ul style="list-style-type: none"> ~25% 	<ul style="list-style-type: none"> ~30-50% 	<ul style="list-style-type: none"> ~10-20% Tend to be lower since advisor-generated revenue payout > 90%
Leverage	<ul style="list-style-type: none"> ~4.0x-4.5x 	<ul style="list-style-type: none"> ~5.0x-7.0x 	<ul style="list-style-type: none"> ~2.0x (public) - 4.5x (sponsor-owned)
Examples		   	<ul style="list-style-type: none"> Public   Private   

No Perfect Peer Set Exists for Ferdinand in the Public Markets

	Independent Broker Dealers ("IBDs")	Turnkey Asset Management Programs ("TAMPs")	Multi-Affiliate Asset Managers ("MAAMs")
Overview	<ul style="list-style-type: none"> Independent broker-dealers that serve licensed, independent financial advisors that conduct brokerage and fee-based services to clients Offers compliance, technology and cash management solutions to advisors 	<ul style="list-style-type: none"> TAMPs provide technology and investment solutions to wealth management community 	<ul style="list-style-type: none"> Traditional investment managers that manage mutual funds and institutional funds for individual and institutional clients Operate through separately branded investment affiliates (with investment autonomy) with varying levels of back-office and support services integration Trade at meaningful discount to more integrated peers
Revenue Sources	<ul style="list-style-type: none"> Advisor fees and commissions (paid by clients) Platform fees (paid by advisors) Spread income from insured bank sweep vehicles 	<ul style="list-style-type: none"> Asset-based and subscription-based revenues for access to technology platform 	<ul style="list-style-type: none"> Fund management fees
Similarities	<ul style="list-style-type: none"> Majority of gross revenue is derived from financial advisor services and is AUM-based and correlated to public markets Serves independent financial advisors 	<ul style="list-style-type: none"> Vital component of the wealth management ecosystem (benefit from same industry trends) Charge asset-based fees (in which assets are highly correlated to public markets) 	<ul style="list-style-type: none"> M&A driven/roll-up business model Revenue is AUM-based and highly correlated to public markets Use leverage capacity for new acquisitions
Key Differences	<ul style="list-style-type: none"> Interest rate sensitive; earn spread income on cash held in client brokerage accounts Financial advisors keep up to 90% of their fee and commission revenue Collect significant platform fees from advisors 	<ul style="list-style-type: none"> Technology companies that (for the most part) do not provide financial advice directly to individuals Financial advisors are the client Some SaaS like revenue streams 	<ul style="list-style-type: none"> Significantly higher client redemption rates and lower net flows Asset management sector generally lower organic growth compared to wealth management sector Higher scale threshold for affiliate acquisitions (overall less industry M&A)
Representative Companies	 LPL Financial  BLUCORA	 ASSETMARK.  SEI  ENVESTNET	 ARTISAN PARTNERS  VIRTUS  AMG  CI FINANCIAL  VictoryCapital

Project Ferdinand Fairness Opinion

February 2023 / Confidential

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Member SIPC

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Transaction Overview

Ferdinand Public Market Overview

Share price as of February 1, 2023, the day prior to press release disclosing non-binding proposal and exclusivity agreement

Market Performance: IPO – Pre-announcement



Source: Public filings, Capital IQ. Market data as of 02/01/2023.

Note: Market capitalization and enterprise value calculated using fully-diluted share count based on treasury stock method.

(1) Based on consensus estimates from Wall Street research as of 02/24/23. Debt, cash, and contingent consideration from Company's form 10-K as filed on 02/16/23, capitalization table is as of 02/24/23 as provided by management. EBITDA represents Adjusted EBITDA per Company's key financial metric reporting methodology and EPS represents Adjusted Net Income Including Tax Adjustments Per Share per Company's key financial metric reporting methodology.

(2) Treats incentive units and options issued at IPO where vesting is according to price as if no Change-of-Control (Coc) occurs.

(3) Represents common equivalent shares to be issued on close of Origin acquisition in Q1'23.

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Transaction Overview

\$ in millions, except per share data		Treatment of IPO Incentive Units and Options	
		No CoC	Yes CoC ⁽¹⁾
Stock price		\$53.00	\$53.00
Implied premium / (discount) to:			
	Data		
Current (02/24/23)	\$50.20	5.6%	5.6%
Close Prior to Exclusivity Agreement Announcement (02/01/23)	46.27	14.5%	14.5%
Close Prior to Broadening Outreach (12/28/22)	35.81	48.0%	48.0%
30-Trading Day VWAP ⁽²⁾	40.91	29.6%	29.6%
60-Trading Day VWAP ⁽²⁾	38.92	36.2%	36.2%
52-Week Low (10/20/22)	30.27	75.1%	75.1%
52-Week High (02/16/22)	54.61	(2.9%)	(2.9%)
All Time High (11/18/21)	68.21	(22.3%)	(22.3%)
Average Closing Price Since IPO	38.43	37.9%	37.9%
Median Price Target	49.50	7.1%	7.1%
Fully Diluted Common Share Equivalents		86.5	87.3
Equity Value		\$4,587	\$4,626
Plus: Debt at 12/31/22		2,564	2,564
Plus: Contingent Consideration at 12/31/22		326	326
Less: Cash at 12/31/22		(140)	(140)
Enterprise Value		\$7,337	\$7,377
Enterprise Value / Adjusted EBITDA	Actual		
	2022A		
	2022A As Reported + Credit Agreement M&A Adjustment		
	Management Forecast		
	2023E		
	2024E		
	Wall Street Consensus		
	2023E		
	2024E		
Price/Adjusted Net Income Including Tax Adjustments Per Share	Actual		
	2022A		
	Management Forecast		
	2023E		
	2024E		
	Wall Street Consensus		
	2023E		
	2024E		

Source: Management forecast dated 11/28/22, Public filings, Capital IQ.

Note: 30-Trading Day VWAP, 60-Trading Day VWAP, 52-Week Low and High, All Time High, Average Closing Price Since IPO and Median Price Target as of or through 02/01/23 closing, the day prior to press release announcing non-binding proposal and exclusivity agreement. Market capitalization and enterprise value calculated using fully-diluted share count based on the treasury stock method. Adjusted EBITDA per Company's key financial metric reporting methodology and EPS represents Adjusted Net Income Including Tax Adjustments Per Share per Company's key financial metric reporting methodology.

(1) For IPO incentive units and options held by non named executive officers (NEOs), vesting is according to implied interpolation at deal price between \$33.00 and \$110.00 per share as per management. For IPO incentive units held by NEOs, vesting is according to the NEO incentive unit waiver letter as per management.

(2) VWAP calculated as volume-weighted average of daily VWAPs from Capital IQ.

Summary of Key Transaction Terms*

Transaction Overview	<ul style="list-style-type: none"> CD&R's acquisition vehicle ("Parent") will acquire Ferdinand by means of successive mergers of wholly-owned subsidiaries of Parent ("Merger Subs") (1) into Focus Financial Partners, LLC ("Ferdinand LLC"), a subsidiary of Ferdinand that holds all of the assets of Ferdinand, and (2) into Ferdinand, with Ferdinand LLC and Ferdinand surviving as wholly-owned subsidiaries of Parent Stone Point Capital LLC ("Stone Point") and certain other equityholders of Ferdinand and Ferdinand LLC will roll over their shares and common units as part of the transaction
Consideration	<ul style="list-style-type: none"> Ferdinand has an Up-C structure with Class A common stock (public) and Class B common stock (stapled to common units of Ferdinand LLC) Ferdinand stockholders (other than holders of rollover shares) will receive \$53.00 in cash for each share of Class A common stock On the closing date and before the mergers, Ferdinand LLC will cause exchanges of vested common units of Ferdinand LLC into shares of Class A common stock of Ferdinand and unvested common units of Ferdinand LLC into restricted shares of Ferdinand, in accordance with Ferdinand LLC's LLC agreement Any other common units of Ferdinand LLC that are not rolled over will either remain outstanding or be canceled for no consideration and cease to exist Tax Receivable Agreements ("TRA") to be terminated at closing, with an agreed amount to be paid by Ferdinand in connection with such termination
Financing Sources	<ul style="list-style-type: none"> Parent to provide equity commitments at signing in an amount sufficient to pay the aggregate merger consideration and the amount required to be paid under the TRA at closing The acquisition is not subject to a financing condition (but Parent is not required to close until completion of a customary marketing period)
Key Conditions to the Merger	<ul style="list-style-type: none"> Adoption of the merger agreement by (1) a majority of the voting power of outstanding shares of Class A and Class B common stock, voting as a single class, and (2) a majority of the voting power of the outstanding shares of Class A and Class B common stock held by the unaffiliated stockholders (holders other than CD&R, Stone Point and their portfolio companies (excluding non-controlled stock) and officers of Ferdinand), voting as a single class. HSR clearance and other specified non-US antitrust approvals Absence of any law or injunction prohibiting the transaction Accuracy of reps and warranties (generally subject to an MAE standard) and compliance with covenants in all material respects
Deal Protection	<ul style="list-style-type: none"> Go-shop period of 40 days following signing Customary no-shop obligation of Ferdinand commences following go-shop period, with standard fiduciary outs: <ul style="list-style-type: none"> The Ferdinand board is permitted to terminate the merger agreement (subject to payment of a termination fee) to accept a superior proposal The Ferdinand board is also permitted to change its recommendation in response to a superior proposal or intervening event Termination fee of 3.25% of transaction equity value (on a fully diluted basis) to be paid by Ferdinand to Parent in event of: (1) termination by Parent following a change in recommendation by the Ferdinand board, (2) termination by Ferdinand to accept a superior proposal or (3) entry by Ferdinand into a definitive agreement providing for an alternative transaction (or consummation of such a transaction) during a customary 12 month "tail" period following termination under specified circumstances A lower termination fee of 1.5% of transaction equity value is payable if Ferdinand terminates the merger agreement to accept a superior proposal either (1) during the go-shop period or (2) if the counterparty submitted an alternative proposal that the Ferdinand board determined to be a superior proposal during the go-shop period, within 50 days after signing
Termination Provisions	<ul style="list-style-type: none"> Outside date of nine months after signing Parent may terminate if the Ferdinand board changes its recommendation to vote in favor of the Merger Ferdinand may terminate in order to accept a superior proposal Other customary termination rights
Remedies Against Parent	<ul style="list-style-type: none"> Ferdinand is entitled to full specific performance of Parent's obligations under the merger agreement, including the obligation to consummate the merger Monetary damages payable by Parent, Merger Subs and their affiliates are capped at 6.5% of transaction equity value (on a fully diluted basis) The merger agreement does not include a reverse termination fee payable by Parent

* Based on Ferdinand's draft of the merger agreement dated February 25, 2023

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Review of Management Provided Financial Forecast

Management Forecast Assumptions

Revenue Assumptions	<ul style="list-style-type: none"> ■ Revenue growth is driven by several factors: <ul style="list-style-type: none"> – Correlation to equities and fixed income markets – Non-market correlated revenue growth for RIAs of 5% annually – Organic growth of 4% annually – Certain subset of affiliates also have business manager fees which grow 7% annually ■ Acquisitions assume the same equities, fixed income and non-market correlated growth assumptions as existing affiliates <ul style="list-style-type: none"> – With the remaining growth coming from organic growth and business manager fees
Market Growth	<ul style="list-style-type: none"> ■ Market growth assumptions form the basis for revenue throughout the projected period ■ Investment baskets assume 60% equities / 40% fixed income which form a weighted average market growth rate based on below performance of asset classes: <ul style="list-style-type: none"> – Equities basket comprised of MSCI ex. US and S&P indices grow 2.5% in 2023 and 7% thereafter – Fixed income comprised of the AGG index and grows 4% in 2023 and beyond
Expense Assumptions	<ul style="list-style-type: none"> ■ SG&A and compensation grow 3% annually throughout the forecast for existing affiliates and new acquisitions ■ Management fees automatically adjust with profitability of respective partner firms via contractual base and target earnings
M&A Expenditures	<ul style="list-style-type: none"> ■ M&A is based on assumed EBITDA⁽¹⁾ acquired each year which increases from ~\$114 million in 2023 to ~\$138 million in 2027 ■ Capital deployed increases from ~\$880 million in 2023 to ~\$1.5B in 2027 ■ Blended purchase multiples (New Partners, Mergers, Connectus) of 10x in 2023 through 2024, and 11x in 2025 through 2027 <ul style="list-style-type: none"> – 100% cash consideration for Mergers and Connectus, and 90% for New Partners – Purchase price is separated into upfront vs. deferred consideration where a portion of the EBITDA multiple is paid at transaction close

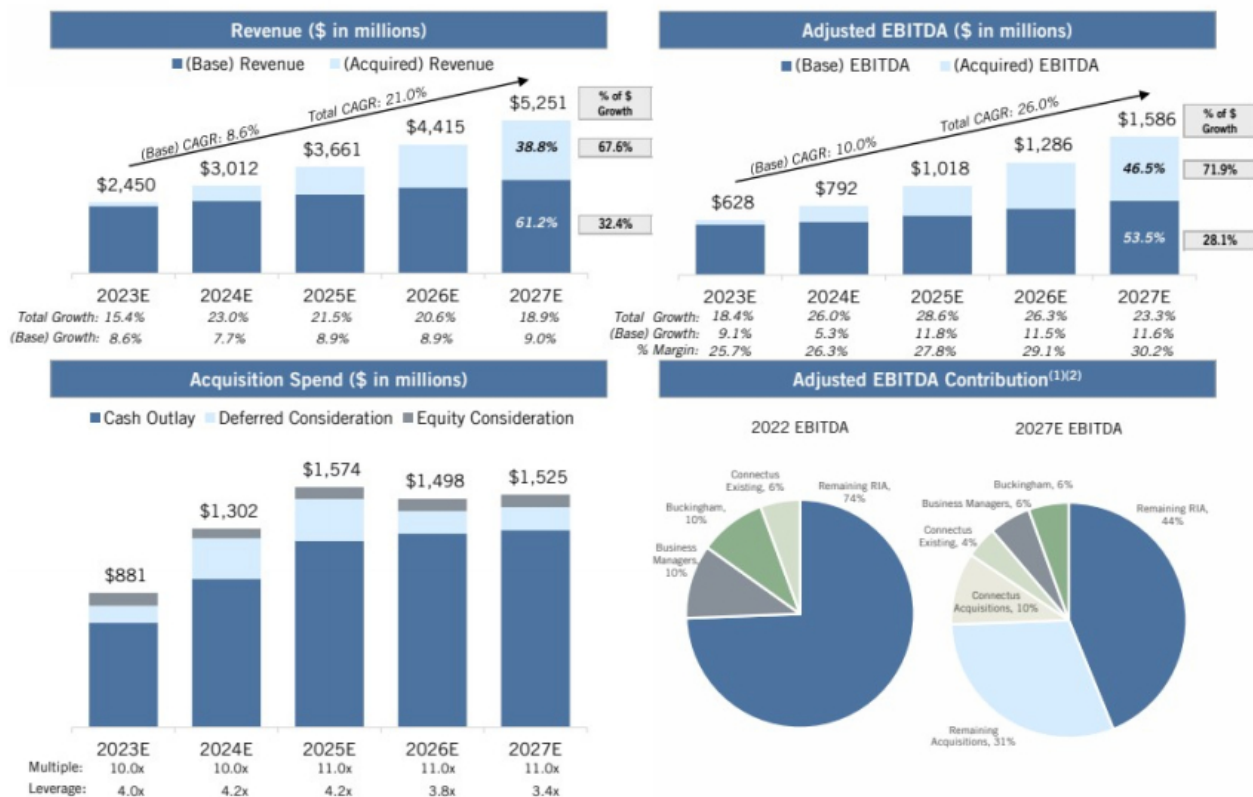
Source: Management Forecast dated 11/28/22, public filings.

(1) Acquired EBITDA in forecast is based on revenue minus expenses and management fees.
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Management Forecast Assumptions (Cont'd)

Fixed Asset Purchases	<ul style="list-style-type: none"> Assumes ~\$15 million in 2023 to ~\$30 million in 2027
Purchase Intangibles Tax Benefit	<ul style="list-style-type: none"> M&A targets are typically a purchase of assets that generate a step-up in tax basis for the Company offering significant future tax shield as the underlying intangible asset is amortized Model assumes existing and to be created (through future M&A) intangible assets are amortized over a 15-year period creating a cash tax benefit based on an assumed tax rate of 27% per management forecast
Up-C Structure and Tax Receivable Agreement	<ul style="list-style-type: none"> Ferdinand went public via an "Up-C" structure in 2018 resulting in two common stock classes: Class A (vote and value) and Class B (vote only) The common units are exchangeable, one-for-one, into Class A shares. On exchange of a common unit, the corresponding Class B share is cancelled On exchange of common units into Class A shares, a tax benefit is created due to a step-up in basis Company is party to Tax Receivable Agreements ("TRAs") that pass along 85% of this cash tax benefit to TRA holders (predominantly, pre-IPO owners, including Stone Point and certain members of management) On a change-in-control, the TRAs can be terminated early by lump-sum payments to TRA holders pursuant to a pre-defined formula (essentially, a present value estimate of future obligations assuming all units are exchanged) Net benefit to Company of resulting step-up in basis (e.g., 100% of tax benefit minus 85% of tax benefit paid out to TRA holders) treated as a separately valued tax attribute in analysis according to: <ul style="list-style-type: none"> Existing (e.g., TRAs created by previous common unit to Class A share exchanges) expected TRA payouts per management, and Hypothetical (e.g., assumed exchange of remaining common units to Class A shares at \$53.00 per share) expected TRA payouts per management

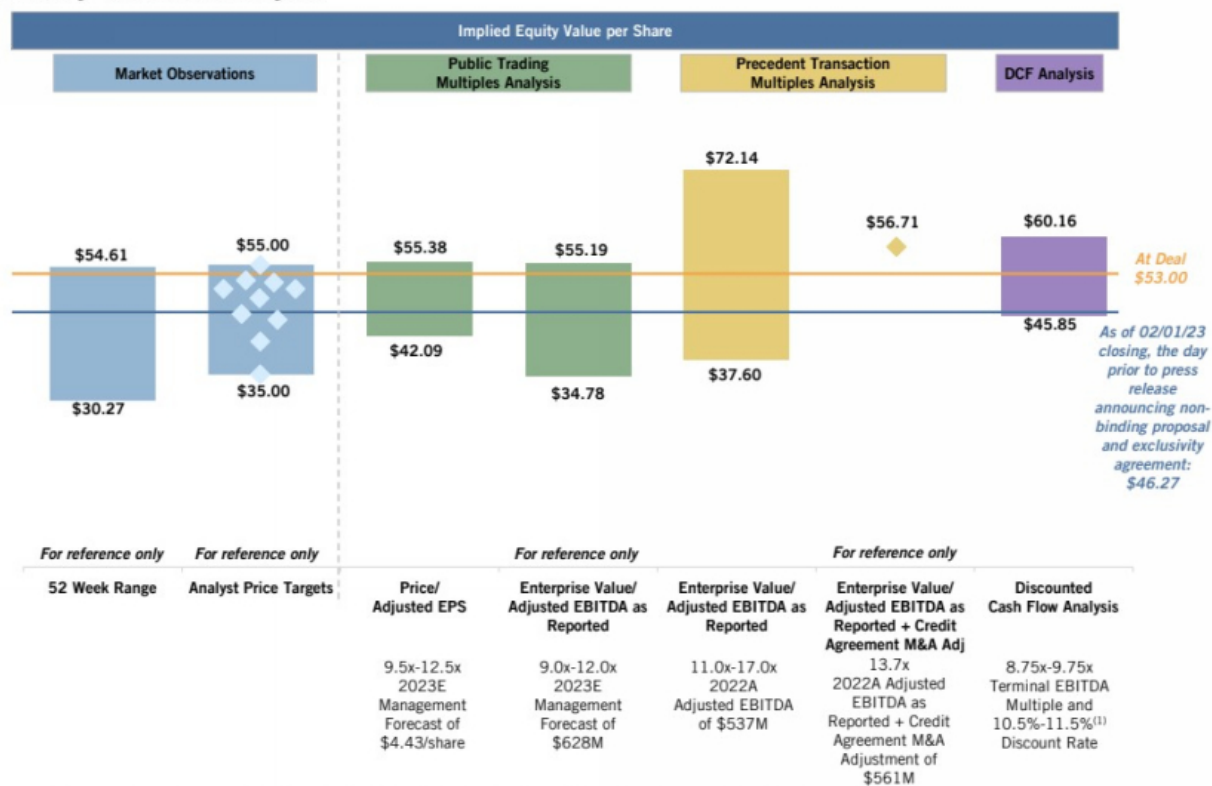
Management Forecast Summary



Source: Management Forecast dated 11/28/22. Adjusted EBITDA definition as defined in 2022 10K.
 (1) EBITDA splits calculated excluding Holdco and income from equity method investments.
 (2) Business Manager Affiliates: Gelfand, NKSFB, AGS and Provident.
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Valuation Analysis

Summary Valuation Analysis



Source: Management Forecast dated 11/28/22, public filings, press releases and presentations, Capital IQ. Market data for Ferdinand as of the close on 02/01/23, the day prior to press release announcing non-binding proposal and exclusivity agreement.

Note: Based on capitalization table as of 02/24/23. Public trading multiples analysis and precedent transaction multiples analysis assume net debt and contingent consideration of \$2,750 as of 12/31/22. DCF analysis assumes net debt of \$2,424 at 12/31/22; deferred and contingent consideration is captured in enterprise value as and when paid through Management Forecast of cash flows on a present value basis. Adjusted EBITDA per Company's key financial metric reporting methodology and EPS represents Adjusted Net Income Including Tax Adjustments Per Share per Company's key financial metric reporting methodology.

(1) Represents discount rate applied to unlevered free cash flow; tax attributes (benefits of amortization of purchased intangibles and TRA) are discounted at a range of 11.4%-12.6%.

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Analyst Price Targets and Methodologies

	Price Targets	% Upside/ (Downside)	DCF	EV/ EBITDA	P/E	Valuation Methodology
Analyst 1 (01/9/2023)	\$55	19%	---	✓	---	* Rolling EV / EBITDA multiple predicated on the linear relationship between EBITDA growth and EV/EBITDA among 13 comparable stocks
Analyst 2 (01/11/2023)	\$52	12%	---	---	✓	* 11.5X 2024 cash EPS estimate ; meaningful multiple expansion of the market and peers
Analyst 3 (01/9/2022)	\$51	10%	---	---	✓	* 10x 2024 EPS ; no true public comps are RIA consolidators; closest wealth manager comps currently trade at 8-14x consensus EPS
Analyst 4 (01/27/2023)	\$50	8%	---	---	✓	* 12x CY23 EPS estimate ; no single good public peer; target multiple in line with a broad peer group's simple average as well as indicative of the company's sustained high leverage
Analyst 5 (01/24/2023)	\$50	8%	---	✓	---	* 9.7x 2024E EBITDA * Would represent premium to Financial Advisor peers , currently trading...5x to 9x 2024E EBITDA
Analyst 6 (01/16/2023)	\$49	6%	---	---	✓	* 10.0x forward earnings multiple to \$4.89 adjusted 2024 EPS estimate
Analyst 7 (01/5/2023)	\$46	(1%)	---	---	✓	* 10-14x multiple on 2023 EPS estimate ; risks include lower equity markets, access to debt markets, and increased regulatory scrutiny
Analyst 8 (01/12/2023)	\$44	(5%)	---	---	✓	* 10.0x forward Q5-Q8 P / E multiple ; management highlighted that deal multiples have improved as rates have increased
Analyst 9 (01/5/2023)	\$41	(11%)	✓	---	✓	* Target P/E of 10.5x ; based on a P/E-derived fair value estimate supplemented by a DCF analysis
Analyst 10 (11/29/2022)	\$35	(24%)	---	✓	✓	* Triangulating P/E and EV/EBITDA * Multiple haircut vs comps , reflecting limited disclosure on net new money flows & quarterly client asset trends
Closing price on 02/01/23: \$46.27 Median: \$49.50		Median: 7%	Total: 1	3	8	

■ Buy Rating ■ Sell Rating

Source: Wall Street analyst research reports, Capital IQ. Price Targets as of 02/01/23, the day prior to press release disclosing non-binding proposal and exclusivity agreement.
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Public Trading Analysis

(\$ in millions, except per share amounts)

	Company & Market Data				Valuation ⁽¹⁾				Operational Metrics (for reference only)				
	Share Price 2/24/2023	Equity ⁽¹⁾ Market Cap	Enterprise ⁽²⁾ Value	52-Wk High %	Enterprise Value / EBITDA ⁽⁴⁾		Price / EPS ⁽⁴⁾		Revenue Growth 22-'24 CAGR	EBITDA Growth 22-'24 CAGR	EBITDA Margin CY22	Net Leverage ⁽⁵⁾ CY22	Aggregate M&A Spend Since Ferdinand IPO
Ferdinand @ Current ⁽⁶⁾													
Wall Street Consensus	\$46.27	\$3,960	\$6,711	84.7%	12.5x	11.3x	11.2x	9.6x	15.0%	14.5%	25.4%	4.5x	\$3,112
Mgmt. Forecast	46.27	3,960	6,711	84.7%	12.5	10.7	10.4	9.0	19.1%	21.4%	25.4%	4.5	3,112
Mgmt. Forecast + Credit Agmt M&A Adj	46.27	3,960	6,711	84.7%	12.0	9.7	10.4	9.0	19.1%	23.3%	26.5%	4.3	3,112
Ferdinand @ Deal ⁽⁷⁾													
Wall Street Consensus	\$53.00	\$4,587	\$7,337	97.1%	13.7	12.4	12.8	11.0	15.0%	14.5%	25.4%	4.5x	3,112
Mgmt. Forecast	53.00	4,587	7,337	97.1%	13.7	11.7	12.0	10.4	19.1%	21.4%	25.4%	4.5	3,112
Mgmt. Forecast + Credit Agmt M&A Adj	53.00	4,587	7,337	97.1%	13.1	10.6	12.0	10.4	19.1%	23.3%	26.5%	4.3	3,112
Independent Broker Dealers													
LPL Financial	\$247.30	\$20,054	\$21,924	91.1%	13.5x	8.9x	12.5x	11.8x	12.3%	24.5%	19.0%	1.1x	\$370
Avantax	29.31	1,488	1,224	97.0%	NM	10.8	NM	NM	9.5%	33.1%	10.9%	NM	268
				Mean	13.5x	9.9x	12.5x	11.8x	10.9%	28.8%	15.0%	1.1x	\$319
				Median	13.5x	9.9x	12.5x	11.8x	10.9%	28.8%	15.0%	1.1x	\$319
TAMPs													
AssetMark	\$30.57	\$2,295	\$2,271	99.5%	11.6x	9.9x	14.9x	13.7x	11.3%	13.0%	43.5%	NM	\$179
SEI	59.75	8,083	7,230	92.4%	12.0	12.7	16.0	14.3	0.2%	1.6%	30.3%	NM	160
Investnet	61.75	3,555	4,166	73.0%	19.0	16.5	29.0	22.0	9.1%	20.3%	17.7%	2.8	490
				Mean	14.2x	13.1x	20.0x	16.7x	6.9%	11.6%	30.5%	2.8x	\$276
				Median	12.0x	12.7x	16.0x	14.3x	9.1%	13.0%	30.3%	2.8x	\$179
Multi-Affiliate Asset Managers													
AMG	\$158.78	\$6,132	\$8,238	87.9%	7.0x	7.5x	7.4x	6.5x	0.1%	(0.3%)	49.2%	1.8x	\$0
Virtus	208.16	1,585	1,637	83.5%	5.2	5.7	8.1	7.1	6.3%	(0.0%)	40.6%	NM	427
Artisan Partners	32.70	2,623	2,708	80.4%	6.8	7.5	10.2	9.5	0.5%	(1.5%)	40.5%	0.2	0
CI Financial	11.24	2,125	4,863	71.1%	6.7	6.7	4.5	4.1	8.7%	2.8%	41.5%	3.8	1,516
Victory	33.14	2,388	3,352	96.1%	7.9	7.9	7.2	6.5	2.1%	3.6%	49.8%	2.3	1,930
				Mean	6.7x	7.1x	7.5x	6.7x	3.5%	0.9%	44.3%	2.0x	\$775
				Median	6.8x	7.5x	7.4x	6.5x	2.1%	(0.0%)	41.5%	2.0x	\$427
Bank-Regulated Wealth Firms (For Reference Only)													
Raymond James	\$107.77	\$24,147	\$21,278	85.5%			9.8x	8.8x	9.9%				
Stifel	66.72	8,110	7,084	89.5%			8.2	7.2	8.0%				
Charles Schwab	80.60	151,890	126,248	86.5%			17.9	14.5	9.5%				
				Mean			11.9x	10.2x	9.2%				
				Median			9.8x	8.8x	9.5%				

Source: Management Forecast dated 11/28/22, public filings, Capital IQ, Visible Alpha. Market data as of 02/24/23.

(1) Equity market capitalization calculated using fully-diluted share count based on the treasury stock method.

(2) Enterprise value equals fully diluted market capitalization plus debt (net of cash on balance sheet), preferred stock, and minority interest.

(3) Forward valuation multiples calculated using consensus estimate data, except for Avantax: as a function of Blucora spinning off its TaxAct business to become the wealth-management focused Avantax, there is limited research coverage of the new entity. Therefore, a Cantor Fitzgerald model of Blucora that projected the wealth management segment of the business independently is being used in this analysis.

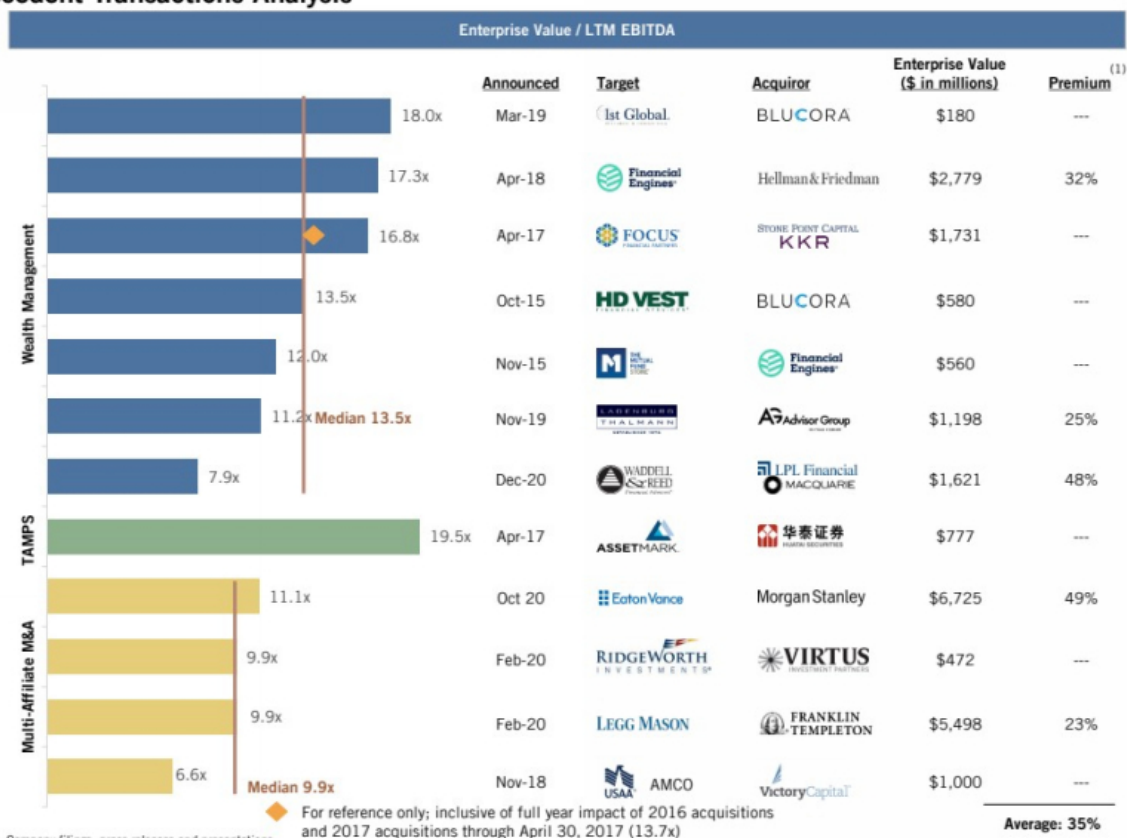
(4) EY/EBITDA and CY24 PIEPS valuation metrics are for reference only. EBITDA and EPS has been normalized across the comp set to exclude stock-based compensation expense. For Ferdinand, underlying EBITDA is Adjusted EBITDA per Company's key financial metric reporting methodology and underlying EPS represents Adjusted Net Income Including Tax Adjustments Per Share per Company's key financial metric reporting methodology.

(5) Net Leverage calculated as Net Debt / EBITDA.

(6) Ferdinand @ Current represents share price as of the close on 02/01/23 the day prior to announcement of non-binding proposal and exclusivity agreement. Market Cap calculation treats incentive units and options issued at IPO where vesting is according to price as if no Change-of-Control (CoC) occurs.

(7) Market Cap calculation treats incentive units and options issued at IPO where vesting is according to price as if no Change-of-Control (CoC) occurs.

Precedent Transactions Analysis



Source: Company filings, press releases and presentations.

Note: See "Precedent Transactions Footnotes" slide in the appendix for further detail on calculations.

(1) Represents premium to unaffected stock price prior to announcement; "—" represents that data point is not available since the target was privately held.

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Management Forecast of Unlevered Free Cash Flow

\$ in millions, except per share data	Management Forecast FYE December, 31					Terminal Year
	2023E	2024E	2025E	2026E	2027E	
Revenue	\$2,450	\$3,012	\$3,661	\$4,415	\$5,251	\$5,251
% YoY Growth	15.4%	23.0%	21.5%	20.6%	18.9%	18.9%
Adjusted EBITDA	\$628	\$792	\$1,018	\$1,286	\$1,586	\$1,586
% Adjusted EBITDA Margin	25.7%	26.3%	27.8%	29.1%	30.2%	30.2%
Less: non-cash equity compensation expense	(33)	(31)	(40)	(52)	(60)	(60)
Adjusted EBITDA after non-cash equity compensation expense	\$596	\$761	\$978	\$1,234	\$1,526	\$1,526
Less: Depreciation and other amortization	(19)	(21)	(21)	(23)	(26)	(30)
Adjusted EBITA after non-cash equity compensation expense	\$576	\$740	\$957	\$1,212	\$1,500	\$1,497
Less: Taxes (27%)	(156)	(200)	(258)	(327)	(405)	(404)
Less: Amortization of intangibles	(287)	(332)	(381)	(429)	(469)	(469)
NOPAT	\$134	\$208	\$317	\$455	\$626	\$624
Plus: Amortization of intangibles	287	332	381	429	469	469
Plus: Depreciation and other amortization	19	21	21	23	26	30
Less: Increase in NWC (excluding deferred compensation paid)	19	4	5	8	8	0
Less: Capital expenditures	(16)	(17)	(21)	(25)	(30)	(30)
Unlevered Free Cash Flow (before Acquisition-related capital deployment)	\$443	\$549	\$705	\$891	\$1,100	\$1,093
Less: Acquisition-related capital deployment, of which is:	(\$881)	(\$1,302)	(\$1,574)	(\$1,498)	(\$1,525)	
Deferred consideration	(111)	(267)	(274)	(148)	(150)	
Upfront cash consideration	(686)	(972)	(1,222)	(1,269)	(1,293)	
Equity consideration	(84)	(63)	(78)	(81)	(83)	
Unlevered Free Cash Flow (after Acquisition-related capital deployment)	(\$438)	(\$753)	(\$869)	(\$607)	(\$424)	

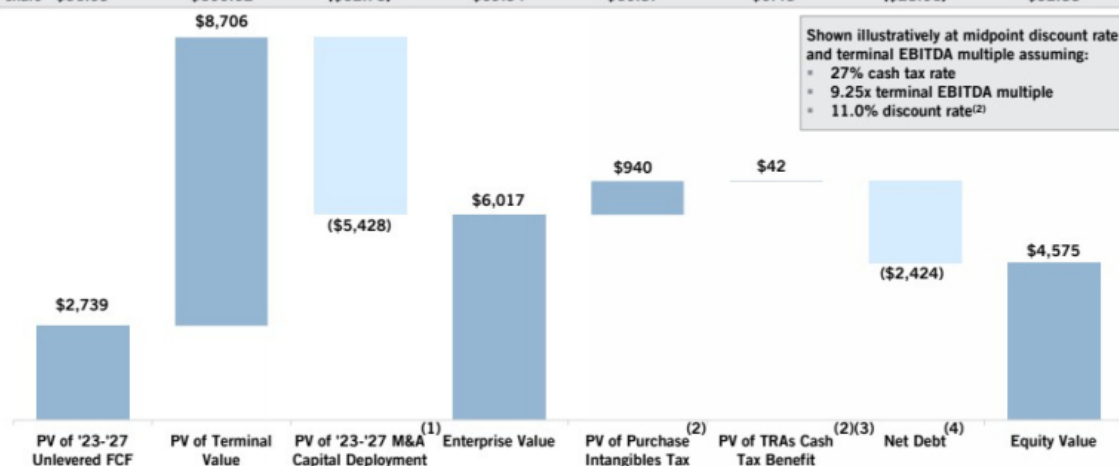
■ For purposes of the preliminary discounted cash flow analysis:

- Non-cash equity compensation expense is treated as a cash expense
- Portions of M&A capital deployment through equity consideration are treated as cash outflows in the year of acquisition; deferred consideration is as and when paid
- Deferred consideration on balance sheet at the end of 2027 of ~\$622M, of which ~\$68M (on a present value basis) that will be paid off in 2029, with the remaining \$554M estimated to be paid off on average, 4.5 years following 2027 (e.g., June 2032) per management
- Cash tax benefits associated with the amortization of purchased intangibles and the net benefit of the Tax Receivable Agreements are evaluated separately from the core business cash flows above

Source: Management Forecast dated 11/28/22.
Note: Adjusted EBITDA per Company's key financial metric reporting methodology.
Jefferies LLC / February 2023

Discounted Cash Flow Analysis

For Reference Only: Components of Discounted Cash Flow Value (\$in millions, except per share data)								
Per share	\$31.65	\$100.62	(\$62.73)	\$69.54	\$10.87	\$0.48	(\$28.01)	\$52.88



Equity Value (\$ in millions)				Equity Value per Share				Benefit Implied Perpetual Growth Rate in UFCF				Implied Terminal Equity Value / Adj. Net Income incl. Tax Adj.			
								(before M&A capital deployment)				(for reference only)			
Discount Rate ⁽²⁾	Terminal EBITDA Multiple			Discount Rate ⁽²⁾	Terminal EBITDA Multiple			Discount Rate ⁽²⁾	Terminal EBITDA Multiple			Discount Rate ⁽²⁾	Terminal EBITDA Multiple		
8.75x	9.25x	9.75x		8.75x	9.25x	9.75x		8.75x	9.25x	9.75x		8.75x	9.25x	9.75x	
10.5%	\$4,294	\$4,775	\$5,256	10.5%	\$49.85	\$55.02	\$60.16	10.5%	2.1%	2.5%	2.9%	10.5%	8.30x	9.05x	9.80x
11.0%	\$4,105	\$4,575	\$5,046	11.0%	\$47.82	\$52.88	\$57.92	11.0%	2.5%	2.9%	3.3%	11.0%	8.28x	9.04x	9.79x
11.5%	\$3,922	\$4,382	\$4,842	11.5%	\$45.85	\$50.80	\$55.73	11.5%	2.9%	3.4%	3.8%	11.5%	8.27x	9.02x	9.77x

Note: Represents present value as of 12/31/22 based on Management Forecast dated 11/28/22. Analysis utilizes mid-year convention to discount cash flows to present (except for the present value of TRA payments which are based on specific annual payment dates). "PV" means "Present Value".

(2) Tax attributes are discounted at implied cost of equity underlying selected discount rate range of 11.4%-12.6% and 12.0% at the midpoint.

(3) In addition to existing liabilities, analysis considers the PV of newly created TRA benefits resulting from further exchanges of Class B shares into Class A shares in the future at the price of \$53.00 per share.

(4) Based on cash and debt outstanding as of 12/31/22 per company filings.

Discounted Cash Flow Analysis: Tax Attributes (Intangible Amortization)

Intangible Amortization Tax Benefits							
(\$ in millions)							
Year	Intangible Amort for Tax	Tax Rate	Cash Tax Benefit	Discount Period	PV of Cash Tax Benefit At Discount Rate ⁽¹⁾ of		
					11.4%	12.0%	12.6%
2023E	\$264	27%	\$71	0.5	\$67	\$67	\$67
2024E	323	27%	87	1.5	74	74	73
2025E	397	27%	107	2.5	82	81	80
2026E	480	27%	129	3.5	89	87	85
2027E	561	27%	152	4.5	93	91	89
2028E	598	27%	161	5.5	89	87	84
2029E	595	27%	161	6.5	80	77	74
2030E	589	27%	159	7.5	71	68	65
2031E	575	27%	155	8.5	62	59	57
2032E	560	27%	151	9.5	54	52	49
2033E	537	27%	145	10.5	47	44	42
2034E	503	27%	136	11.5	39	37	35
2035E	483	27%	130	12.5	34	32	30
2036E	445	27%	120	13.5	28	26	24
2037E	377	27%	102	14.5	21	20	18
2038E	342	27%	92	15.5	17	16	15
2039E	279	27%	75	16.5	13	12	11
2040E	203	27%	55	17.5	8	8	7
2041E	119	27%	32	18.5	4	4	4
2042E	34	27%	9	19.5	1	1	1
Total	\$8,265		\$2,232		\$974	\$940	\$908

Note: Cash flows and tax rate represent Management Forecast as of 11/28/22.

(1) Tax attributes are discounted at implied cost of equity underlying selected discount rate range of 11.4%-12.6% and 12.0% at the midpoint.
Jefferies LLC / February 2023

Discounted Cash Flow Analysis: Tax Attributes (TRA)

Existing Tax Receivable Agreement Flows

(\$ in millions)

Payment Date	TRA Pmt	TRA Pmt	Implied	Less TRA Pmt	Implied	Discount	PV of		
		as % of Tax Benefit	Company Gross Benefit		Company Net Benefit	Period as of 12/31/22	Existing TRA Flows At Discount Rate of		
							11.4%	12.0%	12.6%
02/16/23	\$10	85%	\$11	(\$10)	\$2	0.13	\$2	\$2	\$2
04/15/23	12	85%	15	(12)	2	0.29	2	2	2
04/15/24	13	85%	15	(13)	2	1.29	2	2	2
04/15/25	13	85%	15	(13)	2	2.29	2	2	2
04/15/26	13	85%	16	(13)	2	3.29	2	2	2
04/15/27	14	85%	16	(14)	2	4.29	2	1	1
04/15/28	14	85%	16	(14)	2	5.30	1	1	1
04/16/29	23	85%	27	(23)	4	6.30	2	2	2
04/16/30	14	85%	17	(14)	3	7.30	1	1	1
04/16/31	15	85%	18	(15)	3	8.30	1	1	1
04/15/32	15	85%	18	(15)	3	9.30	1	1	1
04/16/33	15	85%	18	(15)	3	10.30	1	1	1
04/16/34	15	85%	18	(15)	3	11.30	1	1	1
04/16/35	15	85%	18	(15)	3	12.30	1	1	1
04/15/36	16	85%	19	(16)	3	13.30	1	1	1
04/16/37	9	85%	11	(9)	2	14.30	0	0	0
04/16/38	2	85%	3	(2)	0	15.30	0	0	0
04/16/39	1	85%	1	(1)	0	16.30	0	0	0
04/15/40	0	85%	0	(0)	0	17.30	0	0	0
04/16/41	0	85%	0	(0)	0	18.30	0	0	0
Total	\$230		\$271	(\$230)	\$41		\$21	\$20	\$20

Hypothetical Tax Receivable Agreement Flows

(\$ in millions)

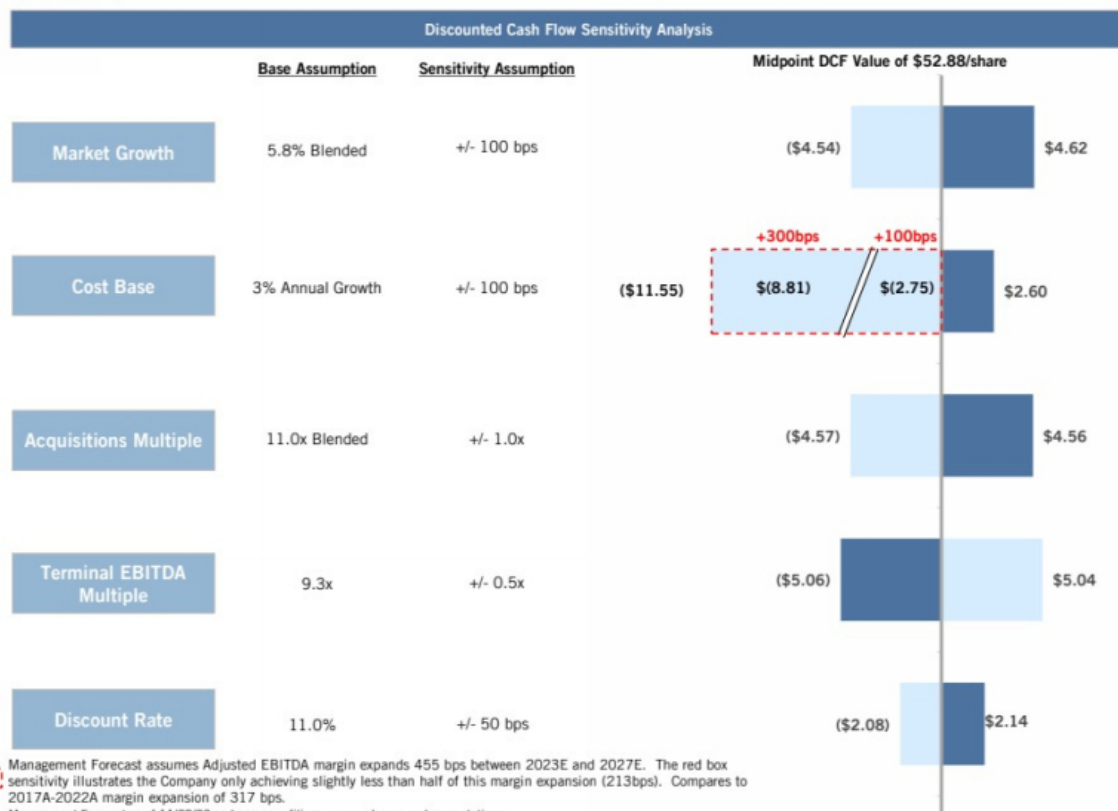
Payment Date	TRA Pmt	TRA Pmt	Implied		Implied	Discount	PV of		
		as % of	Company	Less	Company	Period	Existing TRA Flows		
		Tax	Gross	TRA	Net	as of	At Discount Rate of		
		Benefit	Benefit	Pmt	Benefit	12/31/22	11.4%	12.0%	12.6%
02/13/23	\$0	85%	\$0	\$0	\$0	0.12	\$0	\$0	\$0
02/13/24	0	85%	0	0	0	1.12	0	0	0
04/15/24	15	85%	18	(15)	3	1.29	2	2	2
04/15/25	15	85%	18	(15)	3	2.29	2	2	2
04/15/26	16	85%	18	(16)	3	3.29	2	2	2
04/15/27	16	85%	19	(16)	3	4.29	2	2	2
04/14/28	16	85%	19	(16)	3	5.29	2	2	2
04/15/29	25	85%	30	(25)	4	6.29	2	2	2
04/15/30	17	85%	20	(17)	3	7.29	1	1	1
04/15/31	18	85%	21	(18)	3	8.29	1	1	1
04/14/32	18	85%	22	(18)	3	9.30	1	1	1
04/15/33	19	85%	22	(19)	3	10.30	1	1	1
04/15/34	20	85%	24	(20)	4	11.30	1	1	1
04/15/35	21	85%	24	(21)	4	12.30	1	1	1
04/14/36	22	85%	26	(22)	4	13.30	1	1	1
04/15/37	24	85%	28	(24)	4	14.30	1	1	1
04/15/38	28	85%	33	(28)	5	15.30	1	1	1
04/15/39	6	85%	8	(6)	1	16.30	0	0	0
04/14/40	1	85%	2	(1)	0	17.30	0	0	0
04/15/41	1	85%	1	(1)	0	18.30	0	0	0
Total	\$300		\$353	(\$300)	\$53		\$22	\$21	\$20

Note: For purposes of the hypothetical Tax Receivable Agreement flows, Management has indicated that we should assume the cash flows (underlying payment to TRA holders) assuming a \$53.00 exchange. Cash flows and tax rate represent Management Forecast of such flows as of 1/31/23.

(1) Tax attributes are discounted at implied cost of equity underlying selected discount rate range or 11.4%-12.6% and 12.0% at the midpoint.
Jefferies LLC / February 2023

Discounted Cash Flow Sensitivity Analysis

For Reference Only



Management Forecast assumes Adjusted EBITDA margin expands 455 bps between 2023E and 2027E. The red box sensitivity illustrates the Company only achieving slightly less than half of this margin expansion (213bps). Compares to 2017A-2022A margin expansion of 317 bps.

Source: Management Forecast as of 11/28/22 and company filings, press releases and presentations.

Note: As the TRA flows are not dynamic, changes in share value do not reflect minor impacts to value that may be created by flexing assumptions that impact the timing of TRA payments.

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Appendix

Summary of Key Changes from Prior Presentation (for reference only)

Analysis	Metric	Prior Presentation (02/24/23)	Current Presentation
Observed Share Price (for reference only)	Current	\$46.27 (02/01/23)	No change
	52-week low	\$30.27 (10/20/22)	No change
	52-week high	\$54.61 (02/16/22)	No change
Analyst Price Targets (for reference only)	Low	\$35.00	No change
	High	\$55.00	No change
	Median	\$49.50	No change
Public Trading Analysis	Ferdinand	Price/CY23 EPS	11.2x
	IBDs	Price/CY23 EPS Range	12.5x (1 data point)
	TAMPs	Price/CY23 EPS Range	14.9x – 29.0x
	MAAMs	Price/CY23 EPS Range	4.5x – 10.2x
	Selected	Price/CY23 EPS Range	9.5x – 12.5x
Precedent Transaction Multiples Analysis	Wealth Mgmt	EV/LTM EBITDA Range	7.9x – 18.0x
	TAMPs	EV/LTM EBITDA Range	19.5x (1 data point)
	MAAMs M&A	EV/LTM EBITDA Range	6.6x – 11.1x
	Selected	EV/LTM EBITDA Range	11.0 – 17.0x
	2022 Adjusted EBITDA as Reported		\$537M (Actual)
Discounted Cash Flow Analysis	Terminal EBITDA Multiple Range	8.75x – 9.75x	No change
	Discount Rate ⁽¹⁾	10.5% – 11.5%	No change
	Implied Perpetual Growth in UFCF Range	2.1% – 3.8%	No change
	Implied Terminal Equity Value/ANI + Tax Adj	8.27x – 9.80x	No change
Discount Rate Components	Risk Free Rate	4.1%	No change
	Market Risk Premium	7.17%	No change
	Debt / Debt + Equity	15.0%	No change
	Selected Levered Beta Range	0.90 – 1.40	No change
	Pre-tax Cost of Debt	7.6%	No change
Capitalization Table	As of	01/31/23	02/24/23
	IPO Units and Options	Stand-alone Linear Interpolation	No change
Balance Sheet Items	Net Debt / Debt-Like	\$2,750M (Actual at 12/31/22), including \$326M of Contingent Consideration	No change

(1) Represents discount rate applied to unlevered free cash flow; tax attributes are discounted at a range of 11.4%-12.6% (implied cost of equity) in current presentation.
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Precedent Transactions Footnotes

Note: Enterprise value for public targets represents offer price multiplied by diluted share count (calculated using TSM methodology) plus net debt and preferred shares. Enterprise value for private targets represents disclosed purchase price. EV/EBITDA excludes stock-based compensation ("SBC") expense from EBITDA calculation.

- A. Waddell & Reed LTM EBITDA calculated as LTM *Adjusted Operating Income* (as of 9/30/20) plus SBC and D&A expense.
- B. Ladenburg LTM EBITDA calculated as LTM *Adjusted EBITDA* as of 9/30/19.
- C. 1st Global LTM EBITDA calculated as 2018 *Core EBITDA* disclosed in Blucora Investor Presentation.
- D. Financial Engines LTM EV/EBITDA represents disclosed *Total EV / 2017 Adjusted EBITDA* per company merger proxy.
- E. Focus EV excludes contribution of SCS Financial. Focus LTM EBITDA calculated as 2016 *Adjusted EBITDA*.
- F. Mutual Fund Store LTM EV/EBITDA value disclosed in Financial Engines earnings transcript.
- G. HD Vest LTM EBITDA calculated as 2015E *Unlevered FCF* disclosed in Blucora Investor Presentation.
- H. AssetMark LTM EBITDA calculated as 2015 Adjusted EBITDA disclosed in Huatai filings.
- I. Eaton Vance LTM EBITDA calculated as LTM *Operating Income* (as of 9/30/20) plus SBC and D&A expense.
- J. Legg Mason EV includes retention payments to investment affiliates. Legg Mason LTM EBITDA calculated as LTM *Adjusted Operating Income* (as of 9/30/19) plus SBC and D&A expense.
- K. USAA EV excludes earn-out purchase price. USAA LTM EV/EBITDA represents disclosed *upfront purchase EBITDA multiple* per Victory earnings transcript.
- L. Ridgworth LTM EBITDA calculated as 9/30/16 LTM Adjusted EBITDA as disclosed in Virtus Investor Presentation.

Ferdinand Weighted Average Cost of Capital

(\$ in millions)

Illustrative WACC Calculation		Beta Determination							
Discount Rate Summary		Company	Adjusted 2-Yr Beta ⁽³⁾	Market Value of Equity ⁽⁶⁾	Total Debt ⁽⁷⁾	D/E	D/(D+E)	Unlevered 2-Yr Beta	Re-Levered 2-Yr Beta ⁽⁸⁾
Risk-free Rate of Return (Rf) ⁽¹⁾	4.1%	LPL Financial	0.914	\$20,054.2	\$2,717.4	13.6%	11.9%	0.832	0.939
Equity Risk Premium (Rm-Rf) ⁽²⁾	7.17%	SEI	1.008	8,082.9	-	-	-	1.008	1.138
Levered Beta ⁽³⁾	0.9 - 1.4	AMG	1.342	6,132.4	2,535.3	41.3%	29.3%	1.031	1.164
Cost of Equity (Ke)	10.6% - 14.2%	Envestnet	1.016	3,554.5	852.6	24.0%	19.3%	0.865	0.976
		Artisan Partners	1.287	2,622.9	200.0	7.6%	7.1%	1.219	1.376
Pre-Tax Cost of Debt (Kd) ⁽⁴⁾	7.6%	Victory	1.071	2,388.1	1,002.0	42.0%	29.6%	0.820	0.925
Post-Tax Cost of Debt	5.5%	AssetMark	0.874	2,295.0	113.7	5.0%	4.7%	0.844	0.952
Debt/Total Cap Target ⁽⁵⁾	15.0%	Virtus	1.424	1,584.6	390.2	24.6%	19.8%	1.207	1.363
		Avantax	0.944	1,487.9	-	-	-	0.944	1.066
		Mean	1.098	\$5,355.8	\$867.9	17.6%	13.5%	0.974	1.100
		Median	1.016	2,622.9	390.2	13.6%	11.9%	0.944	1.066
Calculated Discount Rate	9.8% - 12.9%	Ferdinand	1.415	\$4,325.8	\$2,890.4	66.8%	40.1%	0.951	1.074
Selected Discount Rate	10.5% - 11.5%	Ferdinand (As of 2/1)	1.430	\$3,959.8	\$2,890.4	73.0%	42.2%	0.933	1.053
Implied Cost of Equity	11.4% - 12.6%								

Calculated Discount Rate	9.8% - 12.9%
Selected Discount Rate	10.5% - 11.5%
Implied Cost of Equity	11.4% - 12.6%

Implied Cost of Capital					
Debt/Capital Ratio	Cost of equity				
	10.3%	11.2%	12.1%	13.0%	13.9%
10.0%	9.8%	10.6%	11.4%	12.3%	13.1%
12.5%	9.7%	10.5%	11.3%	12.1%	12.9%
15.0%	9.6%	10.4%	11.1%	11.9%	12.6%
17.5%	9.5%	10.2%	11.0%	11.7%	12.4%
20.0%	9.4%	10.1%	10.8%	11.5%	12.2%

Implied Cost of Capital					
Pre-Tax Cost of Debt Rate	Cost of equity				
	10.3%	11.2%	12.1%	13.0%	13.9%
7.0%	9.5%	10.3%	11.1%	11.8%	12.6%
7.3%	9.6%	10.3%	11.1%	11.8%	12.6%
7.5%	9.6%	10.3%	11.1%	11.9%	12.6%
7.8%	9.6%	10.4%	11.1%	11.9%	12.7%
8.0%	9.6%	10.4%	11.2%	11.9%	12.7%

Source: Capital IQ, Bloomberg, Duff & Phelps and Company filings.
Note: Data as of February 24, 2023.

Note: Go-forward tax rate of 27.0% based on Mgmt. assumption.

(1) Represents the 20-year US Treasury yield as of February 24, 2023.

(2) Duff & Phelps long-horizon expected risk premium (historical) as of February 24, 2023.

(3) Based on Bloomberg adjusted beta for the past two years on a weekly basis as of February 24, 2023.

(4) Weighted average cost of debt based on current market estimate.

(5) Debt to Total Capitalization based on target capital structure.

(6) Market value of equity based as of February 24, 2023.

(7) Total Debt based on latest Q4'22A company filings except AMK and ENV as of Q3'22A.

(8) Re-levered at Debt/Total Cap Target.

Income Statement Forecast

(\$ in millions, except per share amounts)

	Historical				Projected					CAGR '22E - '27E
	2019A	2020A	2021A	2022A	2023E	2024E	2025E	2026E	2027E	
Wealth Management Fees Revenue	\$1,150	\$1,286	\$1,717	\$2,056	\$2,369	\$2,929	\$3,576	\$4,329	\$5,163	
Other Revenue	69	75	81	87	81	83	85	87	89	
Total Revenue	\$1,218	\$1,361	\$1,798	\$2,143	\$2,450	\$3,012	\$3,661	\$4,415	\$5,251	19.6%
% Growth		11.7%	32.1%	19.2%	14.3%	23.0%	21.5%	20.6%	18.9%	
Compensation & Related Expenses	(413)	(454)	(560)	(699)	(796)	(942)	(1,090)	(1,259)	(1,445)	
Selling, General & Administrative	(233)	(236)	(298)	(376)	(409)	(493)	(571)	(660)	(759)	
Other One-Time Transaction Expenses (incl. in Comp and SG&A)	1	-	1	-	-	-	-	-	-	
Total Costs & Expenses	(\$645)	(\$690)	(\$856)	(\$1,076)	(\$1,205)	(\$1,435)	(\$1,661)	(\$1,920)	(\$2,204)	15.4%
Management Fees ⁽¹⁾	(305)	(349)	(491)	(530)	(618)	(787)	(983)	(1,212)	(1,464)	
Adjusted EBITDA (pre equity method)	\$269	\$322	\$451	\$537	\$627	\$790	\$1,016	\$1,284	\$1,584	24.1%
% Growth		19.5%	40.2%	19.2%	16.8%	25.9%	28.7%	26.3%	23.4%	
% Margin	22.1%	23.6%	25.1%	25.1%	25.6%	26.2%	27.8%	29.1%	30.2%	
Income from Equity Method Investments & Other Dividends	1	0	1	0	1	2	2	2	2	
Total Adjusted EBITDA	\$270	\$322	\$451	\$537	\$628	\$792	\$1,018	\$1,286	\$1,586	24.2%
% Growth		19.2%	40.3%	19.1%	16.9%	26.0%	28.6%	26.3%	23.3%	
% Margin	22.1%	23.6%	25.1%	25.1%	25.7%	26.3%	27.8%	29.1%	30.2%	
Adj. Net Income Excluding Tax Adjustments Per Share	\$1.96	\$2.46	\$3.36	\$3.62	\$3.59	\$4.14	\$5.46	\$7.32	\$9.36	20.9%
Tax Adjustments Per Share	\$0.42	\$0.47	\$0.56	\$0.77	\$0.84	\$0.98	\$1.16	\$1.37	\$1.57	

Source: Management Forecast dated 11/28/22.

(1) Represents payments to principals of affiliates firms consisting of EBPC in excess of Base Earnings up to Target Earnings plus a percentage of EBPC in excess of Target Earnings.

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Historical Trading Observations

For Reference Only



Source: Public filings, Capital IQ.

(1) Asantax excluded from IBDs composite after 12/30/22 due to skewing effects of TaxAct sale.

Jefferies LLC / February 2023

Historical Ferdinand Trading Observations

For Reference Only












Source: Public filings, Capital IQ. Market data as of 02/01/23.
Note: EPS represents Adjusted Net Income Including Tax Adjustments Per Share per Company's key financial metric reporting methodology.
Jefferies LLC / February 2023











Jefferies

Ferdinand is the Only Publicly Traded RIA Roll-Up Platform

Comparison of Business Models

	Ferdinand	Integrated Roll-Ups	Independent Broker Dealer ("IBD")
Ownership	<ul style="list-style-type: none"> Public 	<ul style="list-style-type: none"> Sponsor-backed (minority and majority) 	<ul style="list-style-type: none"> Public and sponsor-owned
Acquisition Economics and Deal Structure	<ul style="list-style-type: none"> Acquire substantially all assets but only 40-60% of Target economics Enter into management agreement with Target partners for multi-year term with non-competes Maintain a preferred position in Target economics (provides downside protection) 	<ul style="list-style-type: none"> Typically acquire 100% assets and economics, mix of cash and stock (majority cash) consideration ~25-50% deferred consideration based on asset retention and growth (provides downside protection) 	<ul style="list-style-type: none"> IBD platform acquisitions – acquire 100% assets and economics Advisor recruitment: offer multi-year forgivable loans to independent advisors to join BD
Level of Integration	<ul style="list-style-type: none"> Does not integrate; affiliates maintain brand and independence Offer value-add services to affiliates (including marketing, business development, and M&A expertise) Leverage platform scale through cash, credit and trust solutions to all affiliates 	<ul style="list-style-type: none"> Full systematic integration Standardized modular deliverables to ensure consistent client outcomes Integrated technology, systems and back-office 	<ul style="list-style-type: none"> Sometimes keep brand Full integration on back-end: tech-stack and solutions, back-office and support functions
Cost Synergies	<ul style="list-style-type: none"> Minimal post-acquisition cost synergies from new partner firms Able to capture cost synergies from acquisitions by partner firms 	<ul style="list-style-type: none"> Achieve post-acquisition cost synergies from technology, back-office and support function integration 	<ul style="list-style-type: none"> Achieve post-acquisition cost synergies from integration (high probability) Guaranteed revenue synergies from new advisor platform fees, cash spread
EBITDA Margins	<ul style="list-style-type: none"> ~25% 	<ul style="list-style-type: none"> ~30-50% 	<ul style="list-style-type: none"> ~10-20% Tend to be lower since advisor-generated revenue payout > 90%
Leverage	<ul style="list-style-type: none"> ~4.0x-4.5x 	<ul style="list-style-type: none"> ~5.0x-7.0x 	<ul style="list-style-type: none"> ~2.0x (public) - 4.5x (sponsor-owned)
Examples		   	<ul style="list-style-type: none"> Public:   Private:   

No Perfect Peer Set Exists for Ferdinand in the Public Markets

	Independent Broker Dealers ("IBDs")	Turnkey Asset Management Programs ("TAMPs")	Multi-Affiliate Asset Managers ("MAAMs")
Overview	<ul style="list-style-type: none"> Independent broker-dealers that serve licensed, independent financial advisors that conduct brokerage and fee-based services to clients Offers compliance, technology and cash management solutions to advisors 	<ul style="list-style-type: none"> TAMPs provide technology and investment solutions to wealth management community 	<ul style="list-style-type: none"> Traditional investment managers that manage mutual funds and institutional funds for individual and institutional clients Operate through separately branded investment affiliates (with investment autonomy) with varying levels of back-office and support services integration Trade at meaningful discount to more integrated peers
Revenue Sources	<ul style="list-style-type: none"> Advisor fees and commissions (paid by clients) Platform fees (paid by advisors) Spread income from insured bank sweep vehicles 	<ul style="list-style-type: none"> Asset-based and subscription-based revenues for access to technology platform 	<ul style="list-style-type: none"> Fund management fees
Similarities	<ul style="list-style-type: none"> Majority of gross revenue is derived from financial advisor services and is AUM-based and correlated to public markets Serves independent financial advisors 	<ul style="list-style-type: none"> Vital component of the wealth management ecosystem (benefit from same industry trends) Charge asset-based fees (in which assets are highly correlated to public markets) 	<ul style="list-style-type: none"> M&A driven/roll-up business model Revenue is AUM-based and highly correlated to public markets Use leverage capacity for new acquisitions
Key Differences	<ul style="list-style-type: none"> Interest rate sensitive; earn spread income on cash held in client brokerage accounts Financial advisors keep up to 90% of their fee and commission revenue Collect significant platform fees from advisors 	<ul style="list-style-type: none"> Technology companies that (for the most part) do not provide financial advice directly to individuals Financial advisors are the client Some SaaS like revenue streams 	<ul style="list-style-type: none"> Significantly higher client redemption rates and lower net flows Asset management sector generally lower organic growth compared to wealth management sector Higher scale threshold for affiliate acquisitions (overall less industry M&A)
Representative Companies	 LPL Financial  BLUCORA	 ASSETMARK  SRI  ENVESTNET	 ARTISAN PARTNERS  AMD  CI FINANCIAL  VIRTUS  VictoryCapital

Calculation of Filing Fee Tables

SCHEDULE 13E-3

(Form Type)

Focus Financial Partners Inc.
Focus Financial Partners, LLC
Ferdinand FFP Merger Sub 1, Inc.
Ferdinand FFP Merger Sub 2, LLC
Ferdinand FFP Acquisition, LLC
Ferdinand FFP Intermediate Holdings, LLC
Ferdinand FFP Ultimate Holdings, LP
Ferdinand FFP GP, LLC
Clayton, Dubilier & Rice Fund XII
CD&R Associates XII, L.P.
CD&R Investment Associates XII, Ltd.
Clayton, Dubilier & Rice, LLC
Trident FFP LP
Trident VI, L.P.
Trident VI Parallel Fund, L.P.
Trident VI DE Parallel Fund, L.P.
Trident IX, L.P.
Trident IX Parallel Fund, L.P.
Trident IX Professionals Fund, L.P.
Trident FFP GP LLC
Trident Capital VI, L.P.
Trident Capital IX, L.P.
Stone Point GP, Ltd.
Stone Point Capital LLC

(Name of Registrant and Names of Persons Filing Statement)

Table 1: Transaction Valuation

	Proposed Maximum Aggregate Value of Transaction	Fee rate	Amount of Filing Fee
Fees to Be Paid	\$ 4,628,709,074.58 ⁽¹⁾⁽²⁾	0.0001102	\$ 510,083.74 ⁽²⁾
Fees Previously Paid	\$ 0		\$ 510,083.74
Total Transaction Valuation	\$ 4,628,709,074.58		
Total Fees Due for Filing			\$ 0
Total Fees Previously Paid			\$ 510,083.74
Total Fee Offsets			\$ 510,083.74 ⁽³⁾
Net Fee Due			\$ 0

Table 2: Fee Offset Claims and Sources

	Registrant or Filer Name	Form or Filing Type	File Number	Initial Filing Date	Filing Date	Fee Offset Claimed	Fee Paid with Fee Offset Source
Fee Offset Claims		PRER 14A	001-38604	May 26, 2023		\$ 510,083.74	
Fee Offset Sources	Focus Financial Partners Inc.	PRER 14A	001-38604		May 26, 2023		\$ 510,083.74 ⁽³⁾

- (1) Aggregate number of securities to which transaction applies: As of May 23, 2023, and taking into account adjustments triggered as a result of the transaction, the maximum number of shares of Class A Common Stock to which this transaction applies is estimated to be 88,694,714, which consists of the following securities that are entitled to receive the per share merger consideration noted in the following clauses: (a) 66,015,587 shares of Class A Common Stock entitled to receive the per share merger consideration of \$53.00; (b) 20,147,537 shares of Class A Common Stock underlying outstanding Focus LLC Units that are vested and, with respect to Incentive Units, have a per share Hurdle Amount that is less than \$53.00, which will be issued in the Vested Units Exchange and be entitled to receive the per share merger consideration of \$53.00; (c) 1,150,479 shares of Class A Common Stock underlying outstanding Company Options that are vested and have a per share exercise price that is less than \$53.00, which are entitled to receive the per share merger consideration of \$53.00 minus any applicable exercise price; (d) a maximum of 811,984 shares of Class A Common Stock underlying outstanding Company Options that are unvested and have a per share exercise price that is less than \$53.00, which will be converted into a contingent cash payment and may be entitled to receive the per share merger consideration of \$53.00 minus any applicable exercise price (assuming maximum achievement of all applicable performance conditions); (e) a maximum of 252,158 shares of Class A Common Stock underlying outstanding Company RSUs, which will be converted into a contingent cash payment and may be entitled to receive the per share merger consideration of \$53.00 (assuming maximum achievement of all applicable performance conditions) and (f) a maximum of 316,969 shares of Class A Common Stock underlying outstanding Focus LLC Units that are unvested and, with respect to Incentive Units, have a per share Hurdle Amount that is less than \$53.00, which will be converted into a contingent cash payment and may be entitled to receive the per share merger consideration of \$53.00 (assuming maximum achievement of all applicable performance conditions).
- (2) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined): Estimated solely for the purposes of calculating the filing fee, as of May 23, 2023 and taking into account adjustments triggered as a result of the transaction, the underlying value of the transaction was calculated based on the sum of (a) the product of 66,015,587 shares of Class A Common Stock and the per share merger consideration of \$53.00; (b) the product of 20,147,537 shares of Class A Common Stock underlying outstanding Focus LLC Units that are vested and, with respect to Incentive Units, have a per share Hurdle Amount that is less than \$53.00, and the per share merger consideration of \$53.00; (c) the product of 1,150,479 shares of Class A Common Stock underlying outstanding Company Options that are vested and have a per share exercise price that is less than \$53.00 and approximately \$19.93 (which is the difference between the per share merger consideration of \$53.00 and the weighted average exercise price of the Company Options that are vested and have a per share exercise price that is less than \$53.00); (d) the product of 811,984 shares of Class A Common Stock underlying Company Options that are unvested and have a per share exercise price that is less than \$53.00, and approximately \$11.04 (which is the difference between the per share merger consideration of \$53.00 and the weighted average exercise price of the Company Options that are unvested and have a per share exercise price that is less than \$53.00) (assuming the contingent cash payments in respect of the Company Options vest at maximum achievement of all applicable performance conditions); (e) the product of 252,158 shares of Class A Common Stock underlying outstanding Company RSUs and the per share merger consideration of \$53.00 (assuming the contingent cash payments in respect of Company RSUs vest at maximum achievement of all applicable performance conditions) and (f) the product of 316,969 shares of Class A Common Stock underlying outstanding Focus LLC Units that are unvested and, with respect to Incentive Units, have a per share Hurdle Amount that is less than \$53.00, and the per share merger consideration of \$53.00 (assuming the contingent cash payments in respect of the Focus LLC Units vest at maximum achievement of all applicable performance conditions). In accordance with Section 14(g) of the Exchange Act, the filing fee was determined by multiplying the sum calculated in the preceding sentence by 0.0001102.
- (3) Focus Financial Partners Inc. previously paid \$509,857.97 upon the filing of its Schedule 14A on April 24, 2023 and \$225.27 upon the filing of its Schedule 14A on May 26, 2023 in connection with the transaction reported hereby.
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