

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 3, 2022

SILVERCREST ASSET MANAGEMENT GROUP INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-35733
(Commission
File Number)

45-5146560
(IRS Employer
Identification No.)

1330 Avenue of the Americas, 38th Floor
New York, New York
(Address of principal executive offices)

10019
(Zip Code)

Registrant's telephone number, including area code: (212) 649-0600

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	Trading Symbol(s)	Name of each exchange on which registered:
Class A common stock, \$0.01 par value per share	SAMG	Nasdaq Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition

On November 3, 2022, Silvercrest Asset Management Group Inc. (the “Company”) issued a press release announcing certain consolidated financial and operating results for the three and nine months ended September 30, 2022. A copy of the press release is attached hereto as Exhibit 99.1, and is incorporated herein by reference.

The information furnished in this Form 8-K, including the exhibit hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date hereof, except as expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits

Exhibit Number	Description of Exhibit
99.1	Press Release of Silvercrest Asset Management Group Inc. dated November 3, 2022
104	Cover Page Interactive Data File (embedded within Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: November 3, 2022

Silvercrest Asset Management Group Inc.

By: /s/ Scott A. Gerard

Name: Scott A. Gerard

Title: Chief Financial Officer



SILVERCREST
ASSET MANAGEMENT GROUP

Silvercrest Asset Management Group Inc. Reports Q3 2022 Results

New York, NY – November 3, 2022 - Silvercrest Asset Management Group Inc. (NASDAQ: SAMG) (the “Company” or “Silvercrest”) today reported the results of its operations for the quarter ended September 30, 2022.

Business Update

Volatile market conditions continued to affect Silvercrest’s assets under management (“AUM”) in the third quarter of 2022. The firm’s discretionary AUM, which drives revenue, decreased to \$19.4 billion as of the end of the third quarter of 2022 from \$22.5 billion as of the end of the same period in 2021. The firm’s third quarter 2022 revenue decreased year-over-year to \$29.0 million from \$33.5 million. Total AUM now stands at \$27.4 billion. The firm’s quarterly Adjusted EBITDA¹ was approximately \$8.2 million, an annualized Adjusted EBITDA¹ run-rate of \$32.8 million. Silvercrest’s third quarter 2022 Adjusted EBITDA margin¹ was 28.1%, a healthy margin in light of declining AUM and associated revenue.

Silvercrest added relationships during the third quarter and new accounts partially offset outflows for taxes and rebalancing. Silvercrest’s suite of proprietary equity capabilities have maintained solid performance. Our sub-advisory relationships continued to add assets during the third quarter of 2022 and Silvercrest launched a Large Cap Value Unit Investment Trust (UIT).

Silvercrest repurchased approximately 286,000 shares of Class A common stock for approximately \$5.2 million during the third quarter.

Market volatility and uncertainty create long-term opportunities that typically benefit the high-quality of Silvercrest’s capabilities, and we look forward to more stable markets.

On November 1, 2022, the Company’s Board of Directors declared a quarterly dividend of \$0.18 per share of Class A common stock. The dividend will be paid on or about December 16, 2022 to shareholders of record as of the close of business on December 9, 2022.

Third Quarter 2022 Highlights

- Total AUM of \$27.4 billion, inclusive of discretionary AUM of \$19.4 billion and non-discretionary AUM of \$8.0 billion at September 30, 2022.
- Revenue of \$29.0 million.
- U.S. Generally Accepted Accounting Principles (“GAAP”) consolidated net income and net income attributable to Silvercrest of \$5 .6 million and \$3.4 million, respectively.
- Basic and diluted net income per share of \$0.35.
- Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (“EBITDA”)¹ of \$8.2 million.
- Adjusted net income¹ of \$5.0 million.
- Adjusted basic and diluted earnings per share^{1,2} of \$0.35 and \$0.34, respectively.

The table below presents a comparison of certain GAAP and non-GAAP (“Adjusted”) financial measures and AUM.

(in thousands except as indicated)	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2022	2021	2022	2021
Revenue	\$ 29,042	\$ 33,461	\$ 94,725	\$ 97,799
Income before other income (expense), net	\$ 7,102	\$ 8,181	\$ 34,441	\$ 21,211
Net income	\$ 5,643	\$ 6,354	\$ 27,512	\$ 16,350
Net income margin	19.4 %	19.0 %	29.0 %	16.7 %
Net income attributable to Silvercrest	\$ 3,433	\$ 3,723	\$ 16,771	\$ 9,610
Net income per basic and diluted share	\$ 0.35	\$ 0.38	\$ 1.70	\$ 0.99
Adjusted EBITDA ¹	\$ 8,172	\$ 10,345	\$ 27,585	\$ 30,430
Adjusted EBITDA Margin ¹	28.1 %	30.9 %	29.1 %	31.1 %
Adjusted net income ¹	\$ 5,039	\$ 6,607	\$ 17,489	\$ 19,530
Adjusted basic earnings per share ^{1,2}	\$ 0.35	\$ 0.46	\$ 1.22	\$ 1.35
Adjusted diluted earnings per share ^{1,2}	\$ 0.34	\$ 0.44	\$ 1.19	\$ 1.31
Assets under management at period end (billions)	\$ 27.4	\$ 31.0	\$ 27.4	\$ 31.0
Average assets under management (billions) ³	\$ 28.1	\$ 31.0	\$ 29.9	\$ 29.4
Discretionary assets under management (billions)	\$ 19.4	\$ 22.5	\$ 19.4	\$ 22.5

¹ Adjusted measures are non-GAAP measures and are explained and reconciled to the comparable GAAP measures in Exhibits 2 and 3.

² Adjusted basic and diluted earnings per share measures for the three and nine months ended September 30, 2022 are based on the number of shares of Class A common stock and Class B common stock outstanding as of September 30, 2022. Adjusted diluted earnings per share are further based on the addition of unvested restricted stock units, and non-qualified stock options to the extent dilutive at the end of the reporting period.

³ We have computed average AUM by averaging AUM at the beginning of the applicable period and AUM at the end of the applicable period.

AUM at \$27.4 Billion

Silvercrest’s discretionary assets under management decreased by \$3.1 billion, or 13.8%, to \$19.4 billion at September 30, 2022, from \$22.5 billion at September 30, 2021. The decrease was attributable to net client outflows of \$0.5 billion and market depreciation of \$2.6 billion. Silvercrest’s total AUM decreased by \$3.6 billion, or 11.6%, to \$27.4 billion at September 30, 2022, from \$31.0 billion at September 30, 2021. The decrease was attributable to market depreciation of \$5.0 billion, partially offset by net client inflows of \$1.4 billion.

Silvercrest’s discretionary assets under management decreased by \$1.0 billion, or 4.9%, to \$19.4 billion at September 30, 2022, from \$20.4 billion at June 30, 2022. The decrease was attributable to net client outflows of \$0.4 billion and market depreciation of \$0.6 billion. Silvercrest’s total AUM decreased by \$1.3 billion, or 4.5%, to \$27.4 billion at September 30, 2022, from \$28.7 billion at June 30, 2022. The decrease was attributable to net client outflows of \$0.3 billion and market depreciation of \$1.0 billion.

Third Quarter 2022 vs. Third Quarter 2021

Revenue decreased by \$4.4 million, or 13.2%, to \$29.0 million for the three months ended September 30, 2022, from \$33.5 million for the three months ended September 30, 2021. This decrease was driven by market depreciation and net client outflows in discretionary assets under management.

Total expenses decreased by \$3.4 million, or 13.2%, to \$21.9 million for the three months ended September 30, 2022, from \$25.3 million for the three months ended September 30, 2021. Compensation and benefits expense decreased by \$2.5 million, or 13.3%, to \$16.3 million for the three months ended September 30, 2022, from \$18.8 million for the three months ended September 30, 2021. The decrease was primarily attributable to a decrease in the accrual for bonuses of \$2.8 million partially offset by an increase in salaries and benefits of \$0.3 million primarily as a result of merit-based increases and newly hired staff. General and administrative expenses decreased by \$0.9 million, or 13.5%, to \$5.7 million for the three months ended September 30, 2022, from \$6.5 million for the three months ended September 30, 2021. This was primarily attributable to a decrease in the adjustment to the fair value of contingent consideration related to the acquisition of substantially all of the assets and assumed certain liabilities of Cortina Asset Management, LLC (“Cortina Acquisition”) of \$1.0 million and a decrease in trade errors of \$0.1 million, partially offset by an increase in travel and entertainment expenses of \$0.2 million due to the easing of restrictions related to the coronavirus pandemic.

Consolidated net income was \$5.6 million or 19.4% of revenue for the three months ended September 30, 2022, as compared to consolidated net income of \$6.4 million or 19.0% of revenue for the same period in the prior year. Net income attributable to Silvercrest was \$3.4 million, or \$0.35 per basic and diluted share for the three months ended September 30, 2022. Our Adjusted Net Income¹ was \$5.0 million, or \$0.35 per adjusted basic share and \$0.34 per adjusted diluted share² for the three months ended September 30, 2022.

Adjusted EBITDA¹ was \$8.2 million or 28.1% of revenue for the three months ended September 30, 2022, as compared to \$10.3 million or 30.9% of revenue for the same period in the prior year.

Nine Months Ended September 30, 2022 vs. Nine Months Ended September 30, 2021

Revenue decreased by \$3.1 million, or 3.1%, to \$94.7 million for the nine months ended September 30, 2022, from \$97.8 million for the nine months ended September 30, 2021. This decrease was driven by market depreciation partially offset by net client inflows.

Total expenses decreased by \$16.3 million, or 21.3%, to \$60.3 million for the nine months ended September 30, 2022, from \$76.6 million for the nine months ended September 30, 2021. Compensation and benefits expense decreased by \$2.0 million, or 3.6%, to \$52.9 million for the nine months ended September 30, 2022, from \$54.9 million for the nine months ended September 30, 2021. The decrease was primarily attributable to a decrease in the accrual for bonuses of \$3.0 million and a decrease in equity-based compensation expense of \$0.3 million due to a decrease in the number of vested and unvested restricted stock units and unvested non-qualified stock options outstanding, partially offset by an increase in salaries and benefits of \$1.3 million primarily as a result of merit-based increases and newly hired staff. General and administrative expenses decreased by \$14.3 million, or 66.0%, to \$7.4 million for the nine months ended September 30, 2022, from \$21.7 million for the nine months ended September 30, 2021. This was primarily attributable to a decrease in the adjustment to the fair value of contingent consideration related to the Cortina Acquisition of \$15.5 million, a decrease in occupancy and related costs of \$0.2 million primarily due to a decrease in cleaning and maintenance costs and a decrease in trade errors of \$0.3 million, partially offset by an increase in travel and entertainment expenses of \$0.8 million due to the easing of restrictions related to the coronavirus pandemic, an increase in professional fees of \$0.2 million, an increase in portfolio and systems expense of \$0.4 million, an increase in office expenses of \$0.1 million, an increase in charitable donations of \$0.1 million and an increase in sub-advisory referral fee expense of \$0.1 million.

Consolidated net income was \$27.5 million or 29.0% of revenue for the nine months ended September 30, 2022, as compared to consolidated net income of \$16.4 million or 16.7% of revenue for the same period in the prior year. Net income attributable to Silvercrest was \$16.8 million, or \$1.70 per basic and diluted share for the nine months ended September 30, 2022. Our Adjusted Net Income¹ was \$17.5 million, or \$1.22 per adjusted basic share and \$1.19 per adjusted diluted share² for the nine months ended September 30, 2022.

Adjusted EBITDA¹ was \$27.6 million or 29.1% of revenue for the nine months ended September 30, 2022, as compared to \$30.4 million or 31.1% of revenue for the same period in the prior year.

Liquidity and Capital Resources

Cash and cash equivalents were \$67.4 million at September 30, 2022, compared to \$85.7 million at December 31, 2021. As of September 30, 2022, there was \$6.3 million outstanding under our term loan with City National Bank and nothing outstanding on our revolving credit facility with City National Bank.

Silvercrest Asset Management Group Inc.'s total equity was \$87.1 million at September 30, 2022. We had 9,627,462 shares of Class A common stock outstanding and 4,667,695 shares of Class B common stock outstanding at September 30, 2022.

Non-GAAP Financial Measures

To provide investors with additional insight, promote transparency and allow for a more comprehensive understanding of the information used by management in its financial and operational decision-making, we supplement our consolidated financial statements presented on a basis consistent with GAAP with Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Adjusted Earnings Per Share, which are non-GAAP financial measures of earnings. These adjustments, and the non-GAAP financial measures that are derived from them, provide supplemental information to analyze our operations between periods and over time. Investors should consider our non-GAAP financial measures in addition to, and not as a substitute for, financial measures prepared in accordance with GAAP.

- EBITDA represents net income before provision for income taxes, interest income, interest expense, depreciation and amortization.
- We define Adjusted EBITDA as EBITDA without giving effect to the Delaware franchise tax, professional fees associated with acquisitions or financing transactions, gains on extinguishment of debt or other obligations related to

acquisitions, impairment charges and losses on disposals or abandonment of assets and leaseholds, client reimbursements and fund redemption costs, severance and other similar expenses, but including partner incentive allocations, prior to our initial public offering, as an expense. We feel that it is important to management and investors to supplement our consolidated financial statements presented on a GAAP basis with Adjusted EBITDA, a non-GAAP financial measure of earnings, as this measure provides a perspective of recurring earnings of the Company, taking into account earnings attributable to both Class A and Class B shareholders.

•Adjusted EBITDA Margin is calculated by dividing Adjusted EBITDA by total revenue. We feel that it is important to management and investors to supplement our consolidated financial statements presented on a GAAP basis with Adjusted EBITDA Margin, a non-GAAP financial measure of earnings, as this measure provides a perspective of recurring profitability of the Company, taking into account profitability attributable to both Class A and Class B shareholders.

•Adjusted Net Income represents recurring net income without giving effect to professional fees associated with acquisitions or financing transactions, losses on forgiveness of notes receivable from our principals, gains on extinguishment of debt or other obligations related to acquisitions, impairment charges and losses on disposals or abandonment of assets and leaseholds, client reimbursements and fund redemption costs, severance and other similar expenses, but including partner incentive allocations, prior to our initial public offering, as an expense. Furthermore, Adjusted Net Income includes income tax expense assuming a blended corporate rate of 26%. We feel that it is important to management and investors to supplement our consolidated financial statements presented on a GAAP basis with Adjusted Net Income, a non-GAAP financial measure of earnings, as this measure provides a perspective of recurring income of the Company, taking into account income attributable to both Class A and Class B shareholders.

•Adjusted Earnings Per Share represents Adjusted Net Income divided by the actual Class A and Class B shares outstanding as of the end of the reporting period for basic Adjusted Earnings Per Share, and to the extent dilutive, we add unvested restricted stock units and non-qualified stock options to the total shares outstanding to compute diluted Adjusted Earnings Per Share. As a result of our structure, which includes a non-controlling interest, we feel that it is important to management and investors to supplement our consolidated financial statements presented on a GAAP basis with Adjusted Earnings Per Share, a non-GAAP financial measure of earnings, as this measure provides a perspective of recurring earnings per share of the Company as a whole as opposed to being limited to our Class A common stock.

Conference Call

The Company will host a conference call on November 4, 2022, at 8:30 am (Eastern Time) to discuss these results. Hosting the call will be Richard R. Hough III, Chief Executive Officer and President and Scott A. Gerard, Chief Financial Officer. Listeners may access the call by dialing 1-844-836-8743 or for international listeners the call may be accessed by dialing 1-412-317-5723. An archived replay of the call will be available after the completion of the live call on the Investor Relations page of the Silvercrest website at <http://ir.silvercrestgroup.com/>.

Forward-Looking Statements and Other Disclosures

This release contains, and from time to time our management may make, forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, each as amended. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks, uncertainties and assumptions. These statements are only predictions based on our current expectations and projections about future events. Important factors that could cause actual results, level of activity, performance or achievements to differ materially from those indicated by such forward-looking statements include, but are not limited to: incurrence of net losses; fluctuations in quarterly and annual results; adverse economic or market conditions; our expectations with respect to future levels of assets under management, inflows and outflows; our ability to retain clients from whom we derive a substantial portion of our assets under management; our ability to maintain our fee structure; our particular choices with regard to investment strategies employed; our ability to hire and retain qualified investment professionals; the cost of complying with current and future regulation coupled with the cost of defending ourselves from related investigations or litigation; failure of our operational safeguards against breaches in data security, privacy, conflicts of interest or employee misconduct; our expected tax rate; and our expectations with respect to deferred tax assets, adverse economic or market conditions, including the continued adverse effects of the coronavirus pandemic; incurrence of net losses; adverse effects of management focusing on implementation of a growth strategy; failure to develop and maintain the Silvercrest brand; and other factors disclosed under “Risk Factors” in our annual report on Form 10-K for the year ended December 31, 2021, which is accessible on the SEC’s website at www.sec.gov. We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

About Silvercrest

Silvercrest was founded in April 2002 as an independent, employee-owned registered investment adviser. With offices in New York, Boston, Virginia, New Jersey, California and Wisconsin, Silvercrest provides traditional and alternative investment advisory and family office services to wealthy families and select institutional investors.

Silvercrest Asset Management Group Inc.

Contact: Richard Hough

212-649-0601

rhow@silvercrestgroup.com

Silvercrest Asset Management Group Inc.
Condensed Consolidated Statements of Operations
(Unaudited and in thousands, except share and per share amounts or as noted)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Revenue				
Management and advisory fees	\$ 27,949	\$ 32,248	\$ 91,500	\$ 94,435
Performance fees	—	86	2	86
Family office services	1,093	1,127	3,223	3,278
Total revenue	29,042	33,461	94,725	97,799
Expenses				
Compensation and benefits	16,271	18,758	52,901	54,882
General and administrative	5,669	6,522	7,383	21,706
Total expenses	21,940	25,280	60,284	76,588
Income before other (expense) income, net	7,102	8,181	34,441	21,211
Other (expense) income, net				
Other (expense) income, net	104	43	119	58
Interest income	8	1	12	5
Unrealized gain (loss)	(2)	—	(3)	—
Interest expense	(109)	(92)	(270)	(294)
Total other (expense) income, net	1	(48)	(142)	(231)
Income before provision for income taxes	7,103	8,133	34,299	20,980
Provision for income taxes	1,460	1,779	6,787	4,630
Net income	5,643	6,354	27,512	16,350
Less: net income attributable to non-controlling interests	(2,210)	(2,631)	(10,741)	(6,740)
Net income attributable to Silvercrest	\$ 3,433	\$ 3,723	\$ 16,771	\$ 9,610
Net income per share:				
Basic	<u>\$ 0.35</u>	<u>\$ 0.38</u>	<u>\$ 1.70</u>	<u>\$ 0.99</u>
Diluted	<u>\$ 0.35</u>	<u>\$ 0.38</u>	<u>\$ 1.70</u>	<u>\$ 0.99</u>
Weighted average shares outstanding:				
Basic	<u>9,815,157</u>	<u>9,670,054</u>	<u>9,856,908</u>	<u>9,661,610</u>
Diluted	<u>9,847,131</u>	<u>9,691,103</u>	<u>9,884,255</u>	<u>9,676,639</u>

Silvercrest Asset Management Group Inc.
Reconciliation of GAAP to non-GAAP (“Adjusted”) Adjusted EBITDA Measure
(Unaudited and in thousands, except share and per share amounts or as noted)

Adjusted EBITDA	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Reconciliation of non-GAAP financial measure:				
Net income	\$ 5,643	\$ 6,354	\$ 27,512	\$ 16,350
Provision for income taxes	1,460	1,779	6,787	4,630
Delaware Franchise Tax	50	50	150	150
Interest expense	109	92	270	294
Interest income	(8)	(1)	(12)	(5)
Depreciation and amortization	977	981	2,904	2,942
Equity-based compensation	285	345	789	807
Other adjustments (A)	(344)	745	(10,815)	5,262
Adjusted EBITDA	\$ 8,172	\$ 10,345	\$ 27,585	\$ 30,430
Adjusted EBITDA Margin	28.1 %	30.9 %	29.1 %	31.1 %

(A) Other adjustments consist of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Acquisition costs (a)	\$ 5	\$ 16	\$ 32	\$ 347
Severance	13	10	13	10
Other (b)	(362)	719	(10,860)	4,905
Total other adjustments	\$ (344)	\$ 745	\$ (10,815)	\$ 5,262

(a) For the three months ended September 30, 2022, represents professional fees of \$5 related to the acquisition of Cortina. For the nine months ended September 30, 2022, represents insurance costs of \$22 and professional fees of \$10 related to the acquisition of Cortina. For the three months ended September 30, 2021, represents insurance costs of \$11 and professional fees of \$5 related to the acquisition of Cortina. For the nine months ended September 30, 2021, represents equity-based compensation expense of \$300 related to restricted stock unit grants issued to two associates hired as part of the Cortina Acquisition in conjunction with their admission to Silvercrest L.P., insurance costs of \$34 and professional fees of \$14 related to the acquisition of Cortina.

(b) For the three months ended September 30, 2022, represents a fair value adjustment to the Cortina contingent purchase price consideration of (\$343), a fair value adjustment to the tax receivable agreement of (\$93), an ASC 842 rent adjustment of \$48 related to the amortization of property lease incentives and expenses related to obtaining of a business license of \$26. For the nine months ended September 30, 2022, represents a fair value adjustment to the Cortina contingent purchase price consideration of (\$10,943), a fair value adjustment to the tax receivable agreement of (\$93), an ASC 842 rent adjustment of \$144 related to the amortization of property lease incentives, expenses related to obtaining a business license of \$26 and expenses related to the Coronavirus pandemic of \$6. For the three months ended September 30, 2021, represents a fair value adjustment to the Cortina contingent purchase price consideration of \$670, an ASC 842 rent adjustment of \$48 related to the amortization of property lease incentives and expenses related to the Coronavirus pandemic of \$1. For the nine months ended September 30, 2021, represents a fair value adjustment to the Cortina contingent purchase price consideration of \$4,570, an ASC 842 rent adjustment of \$144 related to the amortization of property lease incentives and expenses related to the Coronavirus pandemic of \$191.

Silvercrest Asset Management Group Inc.
Reconciliation of GAAP to non-GAAP (“Adjusted”)
Adjusted Net Income and Adjusted Earnings Per Share Measures
(Unaudited and in thousands, except per share amounts or as noted)

Adjusted Net Income and Adjusted Earnings Per Share	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Reconciliation of non-GAAP financial measure:				
Net income	\$ 5,643	\$ 6,354	\$ 27,512	\$ 16,350
Consolidated GAAP Provision for income taxes	1,460	1,779	6,787	4,630
Delaware Franchise Tax	50	50	150	150
Other adjustments (A)	(344)	745	(10,815)	5,262
Adjusted earnings before provision for income taxes	6,809	8,928	23,634	26,392
Adjusted provision for income taxes:				
Adjusted provision for income taxes (26% assumed tax rate)	(1,770)	(2,321)	(6,145)	(6,862)
Adjusted net income	\$ 5,039	\$ 6,607	\$ 17,489	\$ 19,530
GAAP net income per share (B):				
Basic and diluted	<u>\$ 0.35</u>	<u>\$ 0.38</u>	<u>\$ 1.70</u>	<u>\$ 0.99</u>
Adjusted earnings per share/unit (B):				
Basic	<u>\$ 0.35</u>	<u>\$ 0.46</u>	<u>\$ 1.22</u>	<u>\$ 1.35</u>
Diluted	<u>\$ 0.34</u>	<u>\$ 0.44</u>	<u>\$ 1.19</u>	<u>\$ 1.31</u>
Shares/units outstanding:				
Basic Class A shares outstanding	9,627	9,653	9,627	9,653
Basic Class B shares/units outstanding	4,668	4,815	4,668	4,815
Total basic shares/units outstanding	<u>14,295</u>	<u>14,468</u>	<u>14,295</u>	<u>14,468</u>
Diluted Class A shares outstanding (C)	9,659	9,675	9,659	9,675
Diluted Class B shares/units outstanding (D)	5,041	5,239	5,041	5,239
Total diluted shares/units outstanding	<u>14,700</u>	<u>14,914</u>	<u>14,700</u>	<u>14,914</u>

(A) See A in Exhibit 2.

(B) GAAP earnings per share is strictly attributable to Class A shareholders. Adjusted earnings per share takes into account earnings attributable to both Class A and Class B shareholders.

(C) Includes 31,974 and 21,704 unvested restricted stock units at September 30, 2022 and 2021, respectively.

(D) Includes 120,772 and 170,854 unvested restricted stock units and 252,904 unvested non-qualified options at September 30, 2022 and 2021.

Silvercrest Asset Management Group Inc.
Condensed Consolidated Statements of Financial Condition
(Unaudited and in thousands)

	September 30, 2022	December 31, 2021
Assets		
Cash and cash equivalents	\$ 67,352	\$ 85,744
Investments	177	1,588
Receivables, net	9,417	8,850
Due from Silvercrest Funds	2,429	428
Furniture, equipment and leasehold improvements, net	5,040	5,257
Goodwill	63,675	63,675
Operating lease assets	22,839	26,130
Finance lease assets	372	247
Intangible assets, net	21,993	23,924
Deferred tax asset—tax receivable agreement	7,556	10,797
Prepaid expenses and other assets	4,239	2,678
Total assets	\$ 205,089	\$ 229,318
Liabilities and Equity		
Accounts payable and accrued expenses	\$ 2,977	\$ 19,820
Accrued compensation	29,001	41,707
Borrowings under credit facility	6,330	9,025
Operating lease liabilities	28,834	32,371
Finance lease liabilities	373	253
Deferred tax and other liabilities	9,603	9,334
Total liabilities	77,118	112,510
Commitments and Contingencies (Note 10)		
Equity		
Preferred Stock, par value \$0.01, 10,000,000 shares authorized; none issued and outstanding, as of September 30, 2022 and December 31, 2021	—	—
Class A common stock, par value \$0.01, 50,000,000 shares authorized; 9,946,054 and 9,627,462 shares issued and outstanding as of September 30, 2022, respectively; 9,902,184 and 9,869,101 shares issued and outstanding as of and December 31, 2021, respectively	99	99
Class B common stock, par value \$0.01, 25,000,000 shares authorized; 4,667,695 and 4,593,687 issued and outstanding, as of September 30, 2022 and December 31, 2021, respectively	46	45
Additional Paid-In Capital	53,232	52,936
Treasury Stock, at cost, 318,592 and 33,083 shares as of September 30, 2022 and December 31, 2021, respectively	(5,752)	(512)
Retained earnings	39,430	27,782
Total Silvercrest Asset Management Group Inc.'s equity	87,055	80,350
Non-controlling interests	40,916	36,458
Total equity	127,971	116,808
Total liabilities and equity	\$ 205,089	\$ 229,318

Silvercrest Asset Management Group Inc.
Total Assets Under Management
(Unaudited and in billions)

Total Assets Under Management:

	Three Months Ended September 30,			% Change from September 30, 2021	
	2022		2021		
Beginning assets under management	\$	28.7	\$	31.0	-7.4 %
Gross client inflows		1.1		1.2	-8.3 %
Gross client outflows		(1.4)		(1.4)	0.0 %
Net client flows		(0.3)		(0.2)	50.0 %
Market (depreciation)/appreciation		(1.0)		0.2	NM
Ending assets under management	\$	27.4	\$	31.0	-11.6 %

	Nine Months Ended September 30,			% Change from September 30, 2021	
	2022		2021		
Beginning assets under management	\$	32.3	\$	27.8	16.2 %
Gross client inflows		5.5		4.0	37.5 %
Gross client outflows		(5.2)		(4.6)	13.0 %
Net client flows		0.3		(0.6)	-150.0 %
Market (depreciation)/appreciation		(5.2)		3.8	-236.8 %
Ending assets under management	\$	27.4	\$	31.0	-11.6 %

NM = Not Meaningful

Silvercrest Asset Management Group Inc.
Discretionary Assets Under Management
(Unaudited and in billions)

Discretionary Assets Under Management:

	Three Months Ended September 30,			% Change from September 30, 2021
	2022	2021		
Beginning assets under management	\$ 20.4	\$ 22.9		-10.9 %
Gross client inflows	0.9	1.1		-18.2 %
Gross client outflows	(1.3)	(1.3)		0.0 %
Net client flows	(0.4)	(0.2)		100.0 %
Market depreciation	(0.6)	(0.2)		200.0 %
Ending assets under management	\$ 19.4	\$ 22.5		-13.8 %

	Nine Months Ended September 30,			% Change from September 30, 2021
	2022	2021		
Beginning assets under management	\$ 25.1	\$ 20.6		21.8 %
Gross client inflows	3.5	3.6		-2.8 %
Gross client outflows	(4.9)	(4.2)		16.7 %
Net client flows	(1.4)	(0.6)		133.3 %
Market (depreciation)/appreciation	(4.3)	2.5		-272.0 %
Ending assets under management	\$ 19.4	\$ 22.5		-13.8 %

Silvercrest Asset Management Group Inc.
 Non-Discretionary Assets Under Management
 (Unaudited and in billions)

Non-Discretionary Assets Under Management:

	Three Months Ended September 30,				% Change from September 30, 2021
	2022		2021		
Beginning assets under management	\$	8.3	\$	8.1	2.5 %
Gross client inflows		0.2		0.1	100.0 %
Gross client outflows		(0.1)		(0.1)	0.0 %
Net client flows		0.1		—	100.0 %
Market (depreciation)/appreciation		(0.4)		0.4	-200.0 %
Ending assets under management	\$	8.0	\$	8.5	-5.9 %

	Nine Months Ended September 30,				% Change from September 30, 2021
	2022		2021		
Beginning assets under management	\$	7.2	\$	7.2	0.0 %
Gross client inflows		2.0		0.4	400.0 %
Gross client outflows		(0.3)		(0.4)	-25.0 %
Net client flows		1.7		—	100.0 %
Market (depreciation)/appreciation		(0.9)		1.3	-169.2 %
Ending assets under management	\$	8.0	\$	8.5	-5.9 %

Silvercrest Asset Management Group Inc.
Assets Under Management
(Unaudited and in billions)

	Three Months Ended September 30,	
	2022	2021
Total AUM as of June 30,	\$ 28.686	\$ 31.028
Discretionary AUM:		
Total Discretionary AUM as of June 30,	\$ 20.426	\$ 22.865
New client accounts/assets (1)	0.073	0.050
Closed accounts (2)	(0.010)	(0.041)
Net cash inflow/(outflow) (3)	(0.507)	(0.234)
Non-discretionary to Discretionary AUM (4)	(0.001)	—
Market depreciation	(0.586)	(0.148)
Change to Discretionary AUM	(1.031)	(0.373)
Total Discretionary AUM at September 30,	19.395	22.492
Change to Non-Discretionary AUM (5)	(0.252)	0.298
Total AUM as of September 30,	\$ 27.403	\$ 30.953

	Nine Months Ended September 30,	
	2022	2021
Total AUM as of January 1,	\$ 32.320	\$ 27.819
Discretionary AUM:		
Total Discretionary AUM as of January 1,	\$ 25.073	\$ 20.650
New client accounts/assets (1)	0.257	0.287
Closed accounts (2)	(0.039)	(0.375)
Net cash inflow/(outflow) (3)	(1.633)	(0.575)
Non-discretionary to Discretionary AUM (4)	(0.004)	(0.007)
Market (depreciation)/appreciation	(4.259)	2.511
Change to Discretionary AUM	(5.678)	1.842
Total Discretionary AUM at September 30,	19.395	22.492
Change to Non-Discretionary AUM (5)	0.761	1.292
Total AUM as of September 30,	\$ 27.403	\$ 30.953

- (1)Represents new account flows from both new and existing client relationships.
(2)Represents closed accounts of existing client relationships and those that terminated.
(3)Represents periodic cash flows related to existing accounts.
(4)Represents client assets that converted to Discretionary AUM from Non-Discretionary AUM.
(5)Represents the net change to Non-Discretionary AUM.

Silvercrest Asset Management Group Inc.
Equity Investment Strategy Composite Performance^{1, 2}
As of September 30, 2022
(Unaudited)

PROPRIETARY EQUITY PERFORMANCE ^{1, 2}	ANNUALIZED PERFORMANCE					
	INCEPTION	1-YEAR	3-YEAR	5-YEAR	7-YEAR	INCEPTION
Large Cap Value Composite	4/1/02	-10.9	6.9	8.3	11.6	8.8
Russell 1000 Value Index		-11.4	4.4	5.3	8.2	6.9
Small Cap Value Composite	4/1/02	-10.7	6.0	4.1	8.4	9.8
Russell 2000 Value Index		-17.7	4.7	2.9	7.4	7.2
Smid Cap Value Composite	10/1/05	-15.4	4.1	3.9	8.8	8.7
Russell 2500 Value Index		-15.4	4.5	3.8	7.3	6.7
Multi Cap Value Composite	7/1/02	-15.4	5.2	5.8	9.6	8.9
Russell 3000 Value Index		-11.8	4.4	5.1	8.1	7.4
Equity Income Composite	12/1/03	-9.1	3.3	5.8	10.0	10.4
Russell 3000 Value Index		-11.8	4.4	5.1	8.1	7.5
Focused Value Composite	9/1/04	-17.5	2.1	3.4	8.0	9.0
Russell 3000 Value Index		-11.8	4.4	5.1	8.1	7.3
Small Cap Opportunity Composite	7/1/04	-17.7	8.1	8.0	10.8	10.4
Russell 2000 Index		-23.5	4.3	3.6	7.5	7.2
Small Cap Growth Composite	7/1/04	-30.5	12.9	10.9	13.6	10.3
Russell 2000 Growth Index		-29.3	2.9	3.6	7.1	7.5
Smid Cap Growth Composite	1/1/06	-36.6	11.9	12.1	13.7	10.2
Russell 2500 Growth Index		-29.4	4.8	6.3	8.8	8.5

¹ Returns are based upon a time weighted rate of return of various fully discretionary equity portfolios with similar investment objectives, strategies and policies and other relevant criteria managed by Silvercrest Asset Management Group LLC ("SAMG LLC"), a subsidiary of Silvercrest. Performance results are gross of fees and net of commission charges. An investor's actual return will be reduced by the advisory fees and any other expenses it may incur in the management of the investment advisory account. SAMG LLC's standard advisory fees are described in Part 2 of its Form ADV. Actual fees and expenses will vary depending on a variety of factors, including the size of a particular account. Returns greater than one year are shown as annualized compounded returns and include gains and accrued income and reinvestment of distributions. Past performance is no guarantee of future results. This piece contains no recommendations to buy or sell securities or a solicitation of an offer to buy or sell securities or investment services or adopt any investment position. This piece is not intended to constitute investment advice and is based upon conditions in place during the period noted. Market and economic views are subject to change without notice and may be untimely when presented here. Readers are advised not to infer or assume that any securities, sectors or markets described were or will be profitable. SAMG LLC is an independent investment advisory and financial services firm created to meet the investment and administrative needs of individuals with substantial assets and select institutional investors. SAMG LLC claims compliance with the Global Investment Performance Standards (GIPS®).

² The market indices used to compare to the performance of Silvercrest's strategies are as follows:
The Russell 1000 Index is a capitalization-weighted, unmanaged index that measures the 1000 largest companies in the Russell 3000. The Russell 1000 Value Index is a capitalization-weighted, unmanaged index that includes those Russell 1000 Index companies with lower price-to-book ratios and lower expected growth values.
The Russell 2000 Index is a capitalization-weighted, unmanaged index that measures the 2000 smallest companies in the Russell 3000. The Russell 2000 Value Index is a capitalization-weighted, unmanaged index that includes those Russell 2000 Index companies with lower price-to-book ratios and lower expected growth values.
The Russell 2500 Index is a capitalization-weighted, unmanaged index that measures the 2500 smallest companies in the Russell 3000. The Russell 2500 Value Index is a capitalization-weighted, unmanaged index that includes those Russell 2000 Index companies with lower price-to-book ratios and lower expected growth values.
The Russell 3000 Value Index is a capitalization-weighted, unmanaged index that measures those Russell 3000 Index companies with lower price-to-book ratios and lower forecasted growth.

