

2Q21 Earnings Presentation

July 28, 2021



Forward looking statements and non-GAAP financial measures

Forward-Looking Statements

Forward-looking statements include all statements that are not historical facts and can be identified by terms such as “will,” “could,” “expect,” “anticipated,” “believe,” “estimates,” “predicts,” “potential” or “continue,” the negative of these terms and other comparable terminology that conveys uncertainty of future events or outcomes. These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause actual results to differ materially from statements made in this presentation, including in relation to our ability to attract and retain advisors, the interest rate environment, shifting investor preferences, our financial performance, investments in new products, services and capabilities, our ability to execute strategic transactions and successfully integrate Voyant, general market, political, economic and business conditions, demand from our customers and end investors and our operating results. Other potential risks and uncertainties that could cause actual results to differ from the results predicted include, among others, those risks and uncertainties included under the captions “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the year ended December 31, 2020. Additional information will also be set forth in our Quarterly Report on Form 10-Q for the quarter ended June, 2021, which is expected to be filled, August 6 2021. All information provided in this presentation is based on information available to us as of the date of this presentation and any forward-looking statements contained herein are based on assumptions that we believe are reasonable as of this date. Undue reliance should not be placed on the forward-looking statements in this presentation, which are inherently uncertain. We undertake no duty to update this information unless required by law.

Use of Non-GAAP Financial Information

To supplement our financial information, which is prepared and presented in accordance with generally accepted accounting principles in the United States of America, or GAAP, we use non-GAAP financial measures: adjusted EBITDA, adjusted EBITDA margin and adjusted net income. The presentation of these non-GAAP financial metrics is not intended to be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. We believe that the presentation of non-GAAP financial information provides important supplemental information to management and investors regarding financial and business trends relating to our financial condition and results of operations. For further information regarding these non-GAAP measures, including the limitations thereof and reconciliations of each non-GAAP financial measure to its most directly comparable GAAP financial measure, please refer to our earnings release and Form 10-Q.

Key messages for today

- 1 Our strategy is working, evidenced by our **record results, ability to capture greater share of wallet** and **exceptional advisor satisfaction scores**.
- 2 **We are reframing our growth strategy around the advisor.** If the advisor and their client win, then AssetMark wins. If AssetMark wins, then its shareholders win.
- 3 Organic growth has accelerated every quarter since 2Q20. **Quarterly net flows are an all-time high**, up 16% quarter-over-quarter to \$2.2 billion. **Year-to-date annualized net flows are 11.2% of beginning-of-period platform assets**.
- 4 Earlier than anticipated interest rate hikes could **speed up revenue diversification and earnings growth**.
- 5 **Results highlighted by strong top and bottom-line metrics, record EBITDA; raising 2021 expectations.**

Our strategy is working...



Record Results

\$2.2b

Net flows in 2Q21

\$84.6b

Platform Assets

\$40.0m

2Q21 adjusted EBITDA



Share of Wallet Capture¹

~90%

Share Engaged Advisors'
TAMP Assets

~50%

Share Engaged Advisors'
Total Assets



Satisfied Advisors

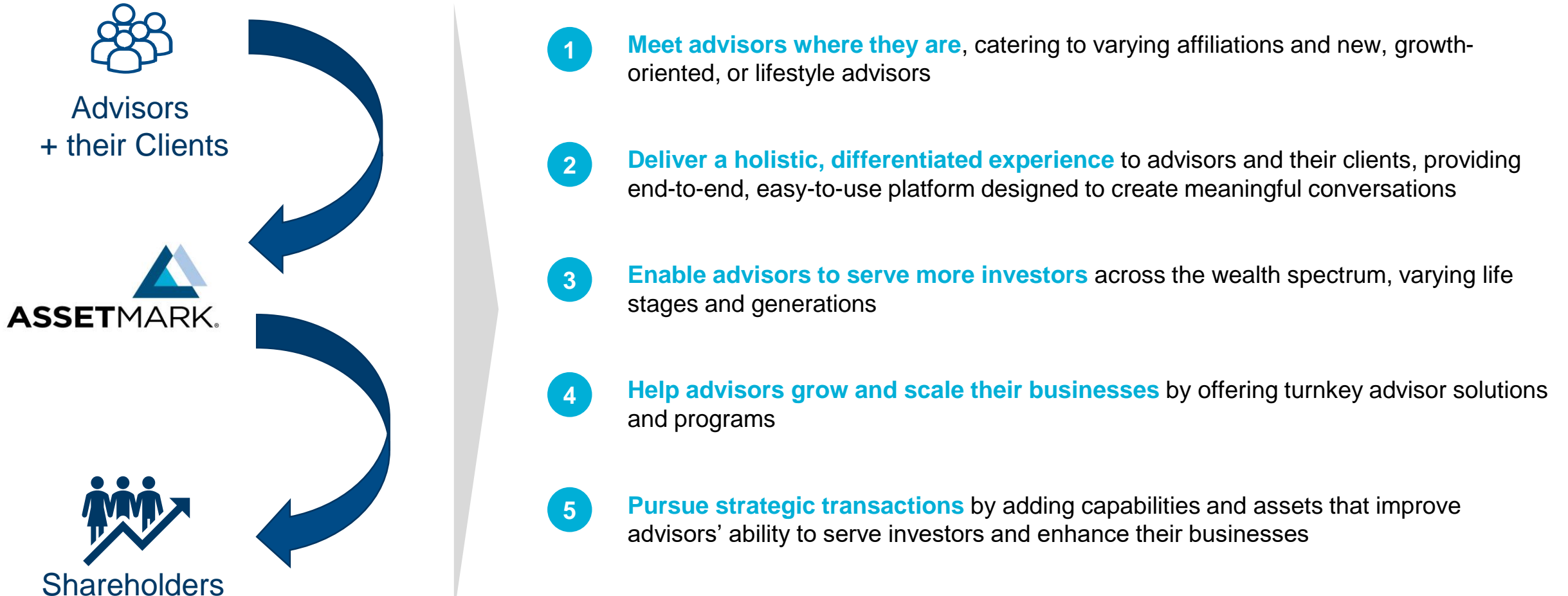
67 NPS

An all time high
and up 3 points y/y

¹ 2021 Share of Wallet Survey; internal estimates

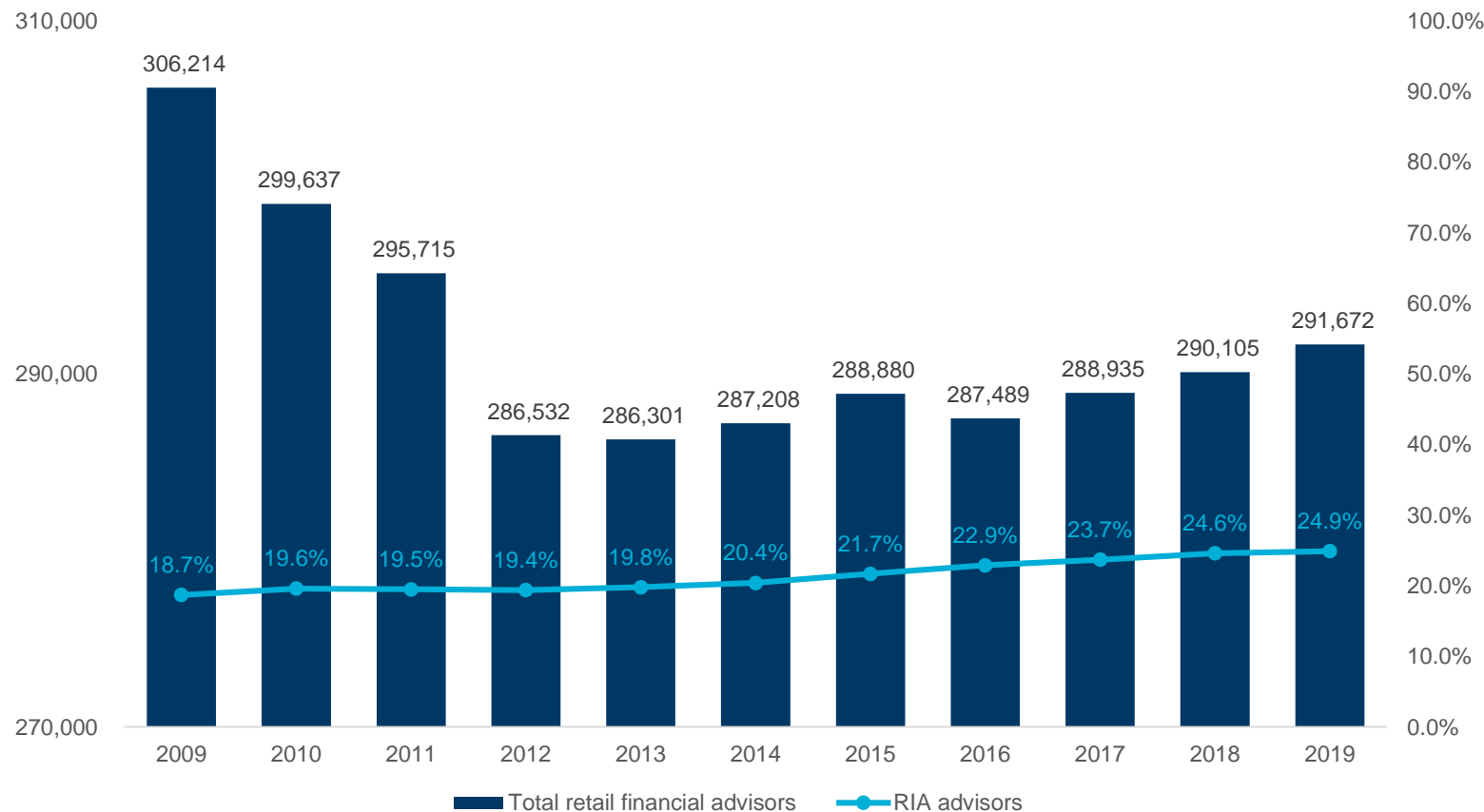
... and we are enhancing it by reframing it to center around the advisor

Focused on Advisors and their Journey



1 Meet advisors where they are

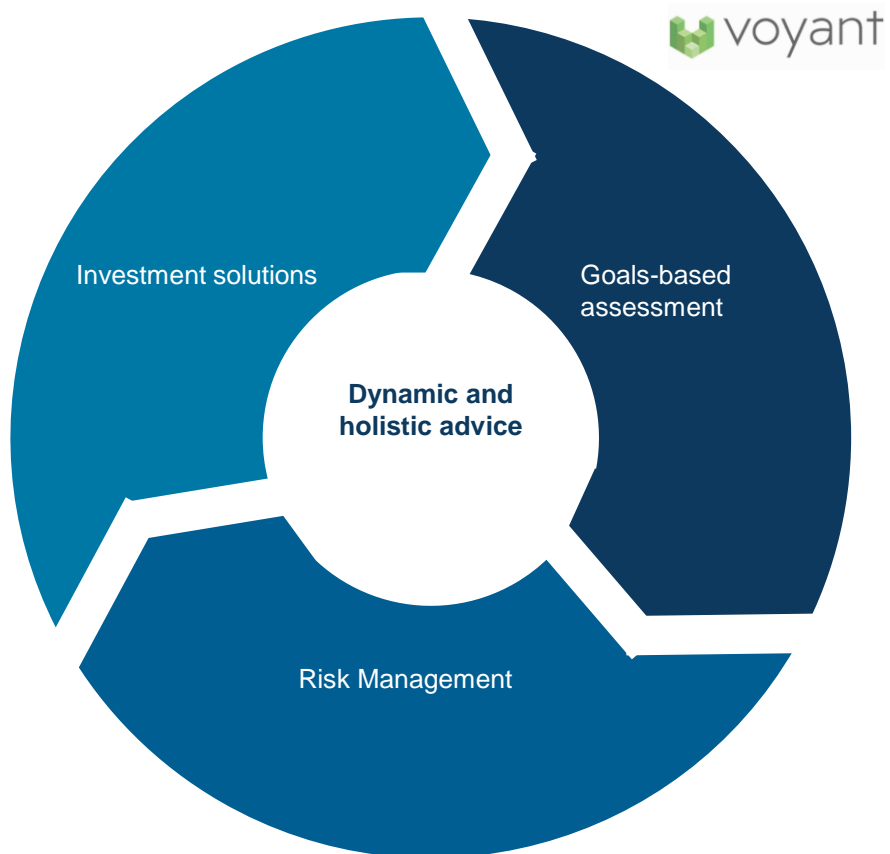
Total Advisor Headcount 2009-2019



- AMI is growing at the same rate as our existing platform
- AMI RIA Summit had 250+ advisors in attendance (1/3 were new lead opportunities)
- Building community of like minded RIAs

Sources: Cerulli, Meridian IQ, Investment Company Institute, Insured Retirement Institute, VARDS, Strategic Insight/SIMFUND, Investment News, Judy Diamond, Department of Labor, PLANSPONSOR, S&P Capital IQ MMD, Financial Planning, Financial Advisor Magazine, Investment Advisor Magazine, and Cerulli Associates, in partnership with the Investments & Wealth Institute, WAssociatesHealthManagement.com, and the Financial Planning Association® (FPA®)

2 Deliver a holistic, differentiated experience



In July, we closed on our acquisition of Voyant

Strategic Rationale

- Accelerates Financial Wellness vision and expands our ability to attract advisors in core and adjacent channels.
- Strengthens Voyant's standalone growth prospects. Voyant will benefit from AssetMark's knowhow, U.S. brand and relationships and strong financial position.
- Strong financial metrics and meaningful scale; immediately accretive to EPS; provides earnings and geographical diversification plus long runway for growth.

Voyant Update

- On track for 2021 revenue of \$20 million and adj. EBITDA of \$8 million.
- Voyant will be integrated into eWealthManager and go live in 2H21
- Income Planner, powered by Voyant, to launch in 2H21

Enable advisors to serve more investors

High-net-worth investors require a unique set of solutions...



Custom Investments

- Portfolios personalized for client's goals
- Transition planning and tax analysis
- Covered-call option strategies



Cash Management

- AssetMark Complete Cash Solutions
- Checking accounts
- Securities-backed lines of credit



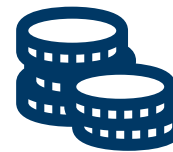
Wealth Transfer

- Trust administration
- Estate planning benefits
- Charitable giving

...AssetMark has been enhancing its compelling high net worth offering, especially around custom investment solutions



Added Savos Personal Portfolios and CIBC Private Wealth High-Net-Worth Solutions to AssetMark Platform (*September 2019 and December 2020*)



Launched AssetMark Alternative Investments by iCapital (*April 2021*)



Launching SMA program with tax loss harvesting capabilities (*second half 2021*)

Help advisors grow and scale their businesses



Technology

- Advisor Platform
- Business Tools



Investment Management

- Due Diligence
- Portfolio Management
- Rebalancing
- Tax Transition Planning



Personalized Services

- Administration
- Advisor Assistant Services



Business Solutions

- Business Consulting
- Financial Planning
- Marketing and Branding

Planned Enhanced Advisor Outsourcing Solutions

1

Tax Transition Planning

2

Advisor Assistant Services

3

Financial Planning

4

Marketing and Branding

- Outsourced CMO services
- Prospecting and Lead Generation

5 Pursue strategic transactions

Capabilities

Consolidation/Scale

Strategy

Deliver high impact capabilities to enable advisor practices and accelerate organic growth

Monetize at-scale infrastructure through buying AUM

Goals

- Accelerate revenue growth
- Expand addressable market
- Diversify revenue sources
- Capture revenue synergies

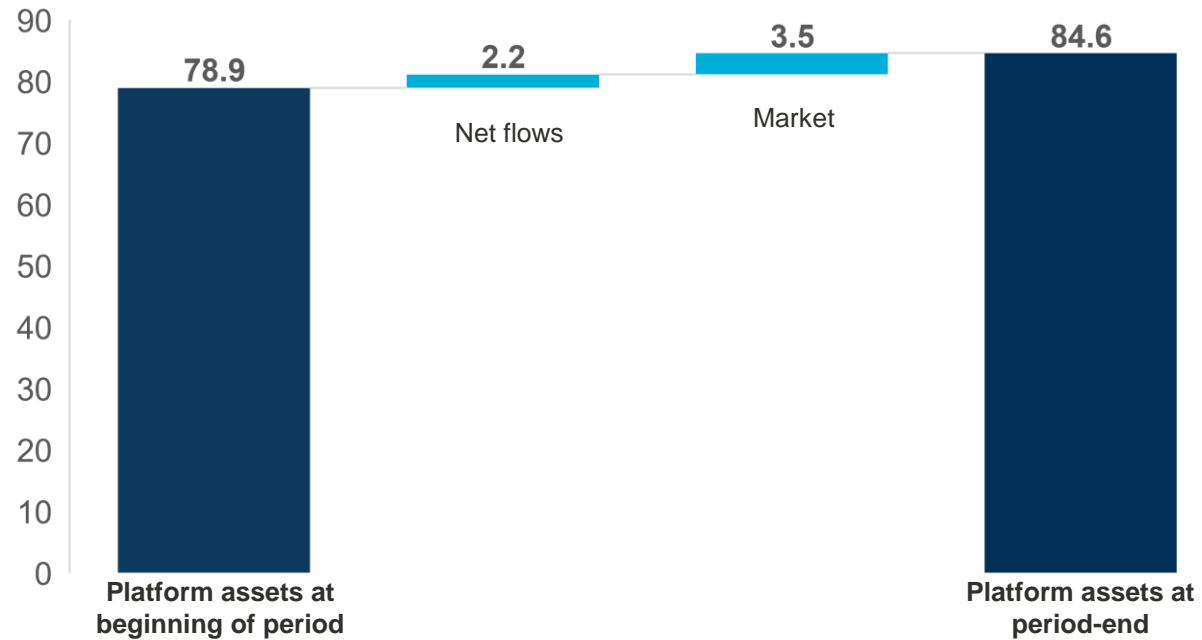
- Material earnings addition
- New financial advisor relationships
- Incremental production
- Low post-synergy adjusted EBITDA multiple



Platform assets – 2Q21 and 2021 YTD

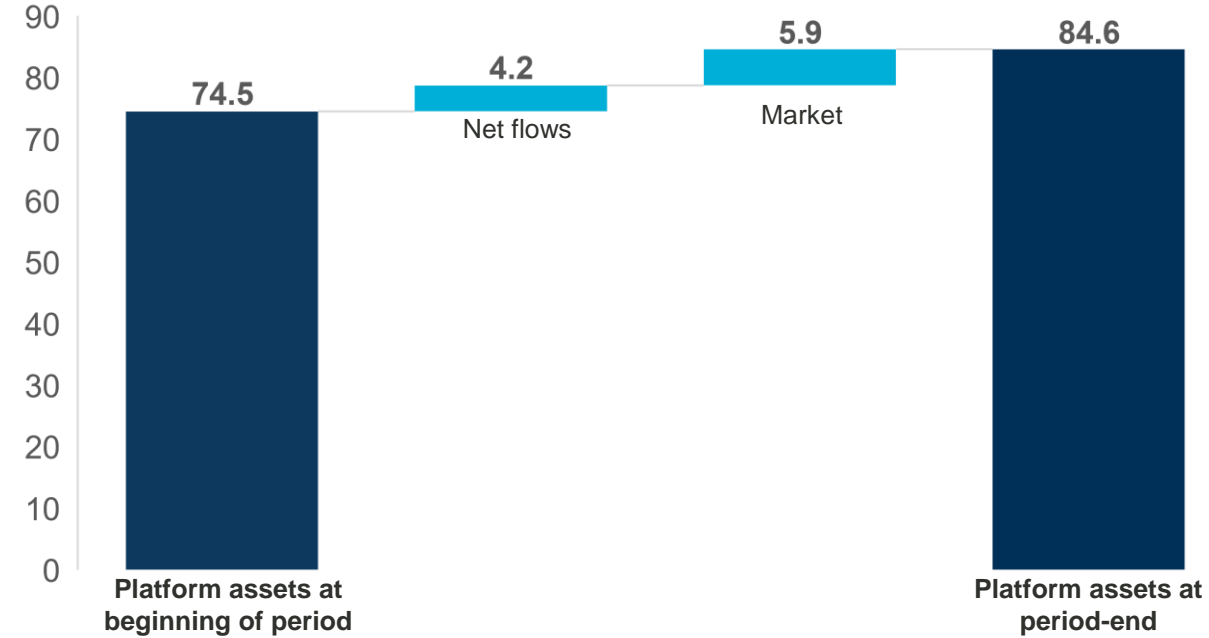
\$ billion

2Q21



\$ billion

2021 YTD



11.2% Net Flows as a % of Beginning-of-Period
Platform Assets²

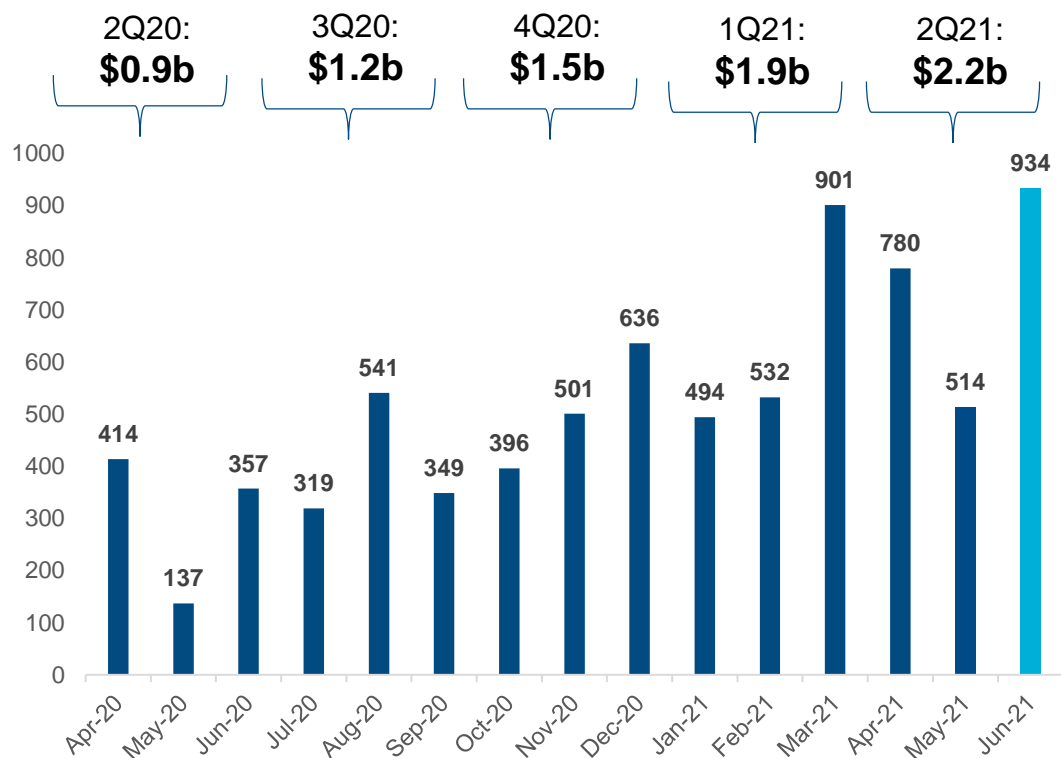
¹As of June 30, 2021.

²Calculated as annualized net flows of \$4.2 billion divided by beginning-of-period platform assets of \$74.5 billion as of January 1, 2021.

Organic growth has accelerated each quarter since 2Q20

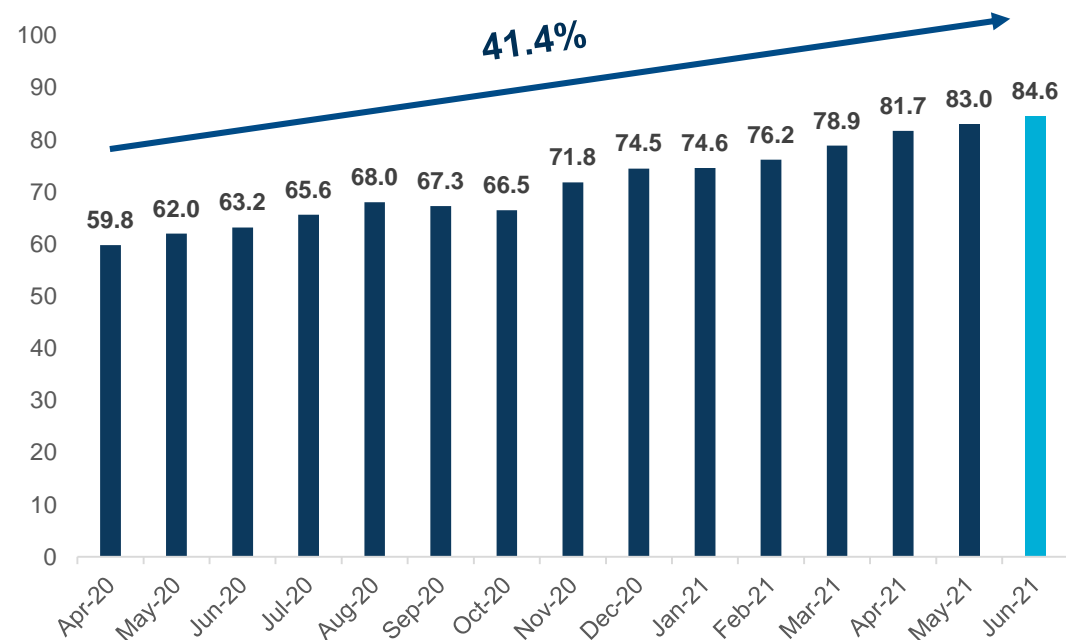
Net Flows (April 2020-June 2021)

\$ millions



Platform Assets (April 2020-June 2021)

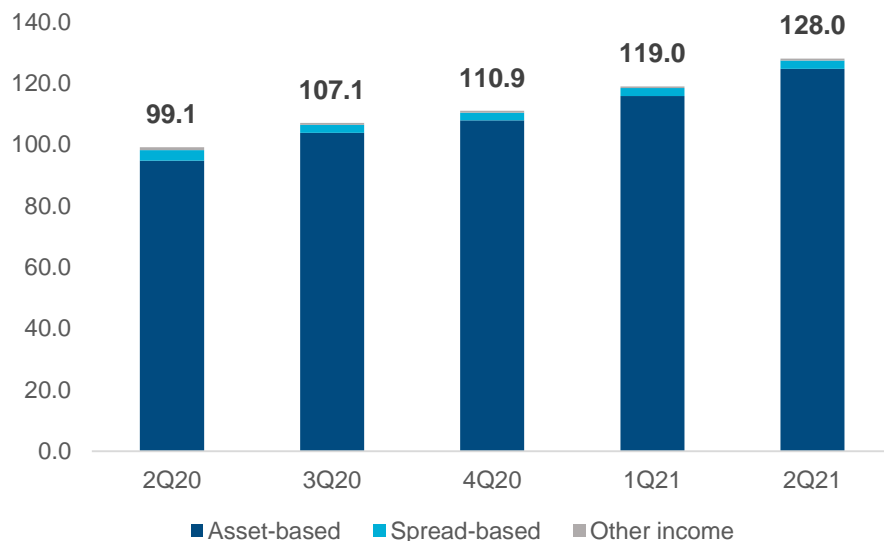
\$ billions



Second quarter results highlighted by strong top line numbers

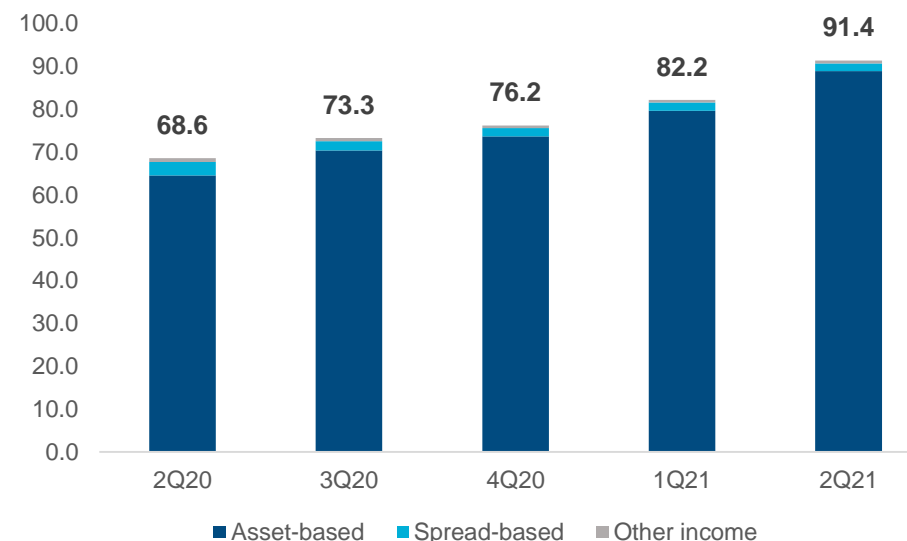
Total revenue (2Q20-2Q21)

\$ million



Net revenue (2Q20-2Q21)

\$ million



(dollars in millions)

	2Q20	2Q21	VPY
Total revenue	\$99.1	\$128.0	29.2%
Asset-based	94.7	124.7	31.7%
Spread-based	3.5	2.7	(24.7%)
Revenue less cost of revenue	\$68.6	\$91.4	33.1%
Asset-based	64.6	88.9	37.5%
Spread-based	3.1	1.8	(42.1%)

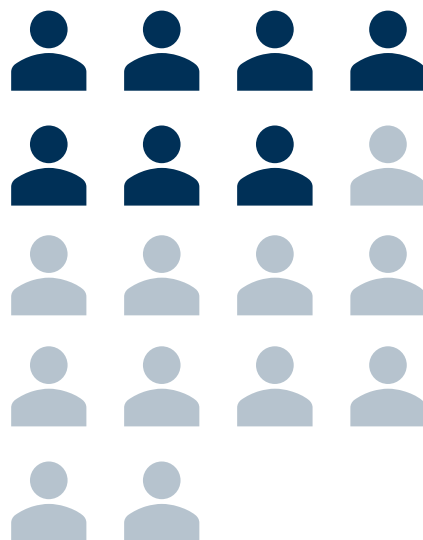
AssetMark set to benefit from earlier than anticipated interest rate hikes

June FOMC Meeting



Thirteen of 18 officials see at least one rate hike in 2023

March FOMC Meeting



Seven of 18 officials see at least one rate hike in 2023

25bps
Increase in Interest Rates

=

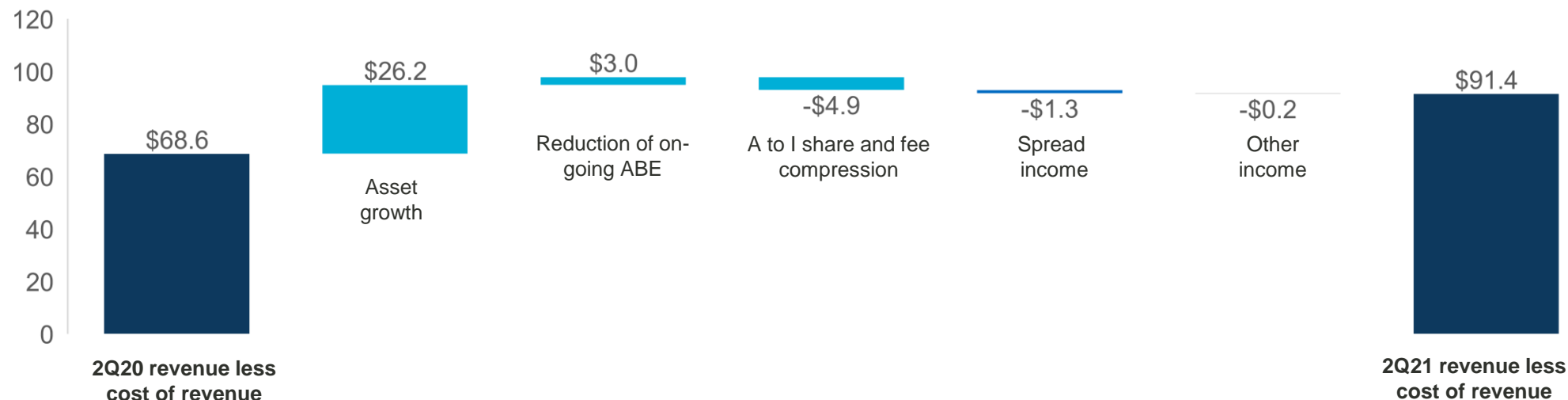
~\$5m

Spread based revenue less cost of revenue
calculated off average total cash at ATC in
2Q21

Earlier than anticipated interest rate hikes could speed up revenue diversification and earnings growth.

Revenue less cost of revenue – year-over-year comparison

In millions



**2Q20 Ann.
Net Yield
(49.0 bps)**

Asset Based (1.0 bps decline)

- \$26.2m increase due to a \$22.9b in billable asset growth and \$3.0m in reduction of on-going ABE, offset by:
- \$3.9m loss from 2Q20 conversion to lower cost mutual funds
 - \$1.0m from fee compression (represents ~0.6bps)

Spread Based (1.3 bps decline)

Decreased \$1.3m year-over-year driven by yield decline from 0.43% to 0.29%.

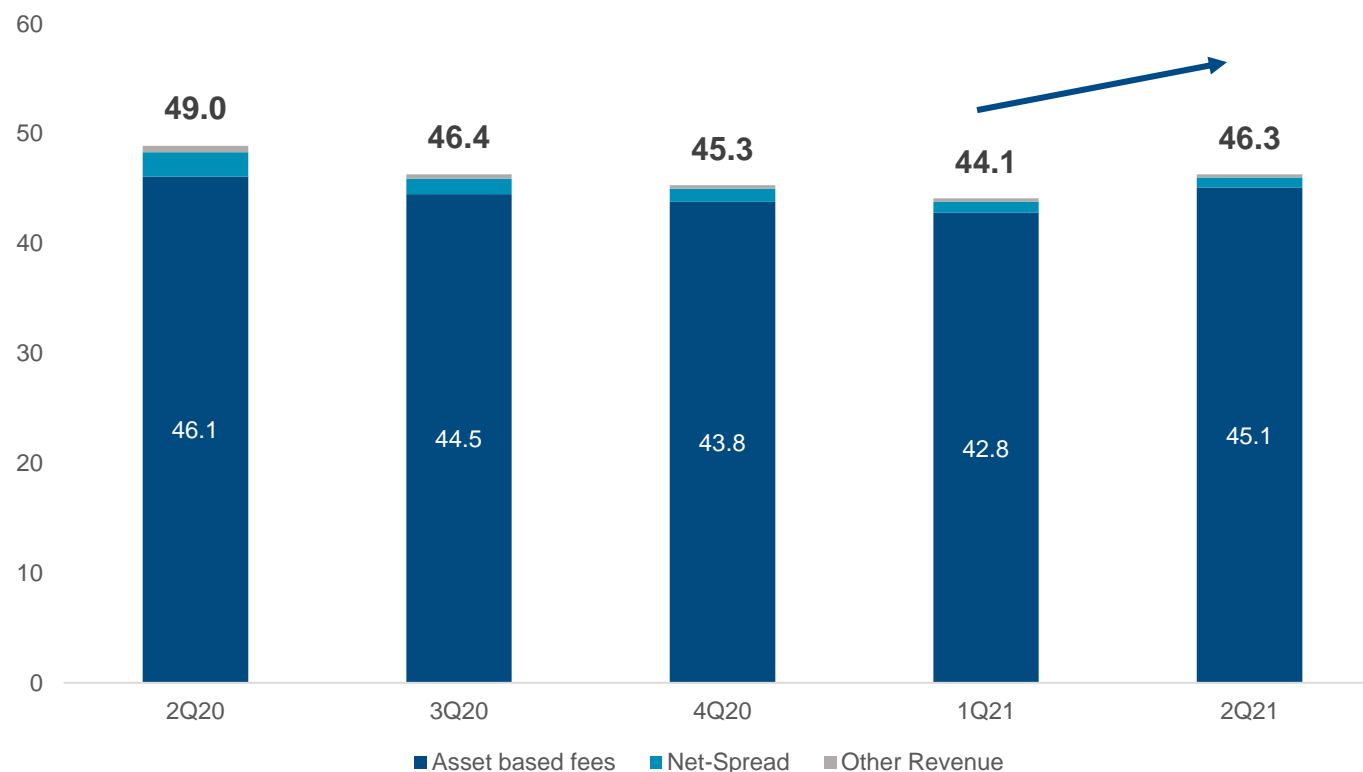
Other income (0.3 bps decline)

Decreased \$0.2m driven primarily by interest related income.

**2Q21 Ann.
Net Yield
(46.3 bps)**

Basis Points are calculated as net revenue divided by the beginning of period assets for the given quarter. See slide 21 for calculation.

Net yield trend analysis (2Q20-2Q21)



Net Yield Commentary

- 2Q21 net yield up 2.2 bps quarter over quarter driven by proactive measures to reduce on-going asset-based expenses.
- With the addition of Voyant in 3Q21, we expect the new net yield baseline to improve modestly in 3Q21.
- As we have communicated historically, we still expect a bp per year decline in asset-based fee yield as a result of mix shift.

Adjusted expenses down driven by expense management

(dollars in millions)	Reported Expenses		Adjusted Expenses			
	2Q20	2Q21	2Q20	2Q21	VPY (\$)	VPY (%)
Asset-based expenses	\$30.1	\$35.8	\$30.1	\$35.8	\$5.7	19.1%
Spread-based expenses	\$0.4	\$0.9	\$0.4	\$0.9	\$0.4	100.7%
Operating Expenses						19.1%
Employee compensation	\$45.4	\$39.4	\$28.1	\$31.5	\$3.4	12.3%
SG&A ¹	\$16.5	\$21.3	\$15.0	\$19.7	\$4.8	31.9%
Interest expense	\$1.5	\$0.8	\$1.5	\$0.8	(\$0.7)	(47.5%)
Depreciation and amortization	\$8.7	\$9.7	\$3.6	\$4.6	\$1.0	27.0%
Other expense	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	NM
Total	\$102.6	\$107.9	\$78.7	\$93.3	\$14.7	18.6%

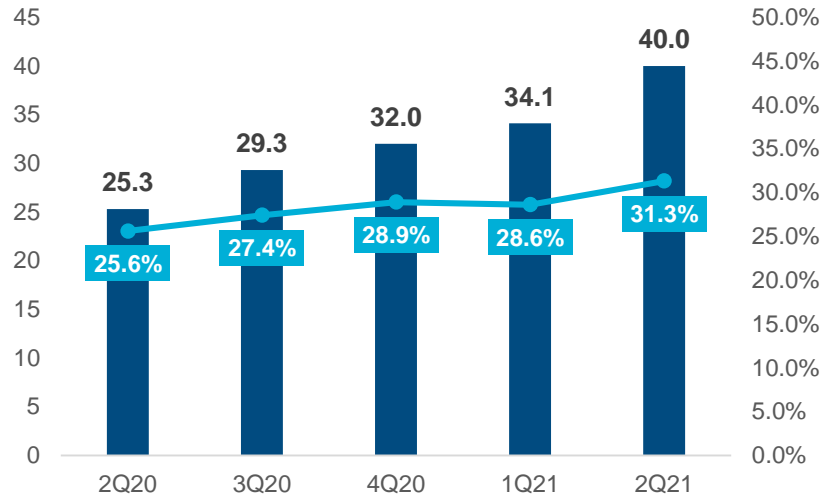
- Operating expenses were up 19.1% year-over-year driven by a 31.9% y/y increase in SG&A and a 12.3% y/y increase in employee compensation.
- The increase in employee compensation is driven by increased sales volume and headcount, up 10.2% y/y.

¹Includes general and operating expenses and professional fees
Note: Percentage variance based on actual numbers, not rounded results.

Record bottom line results

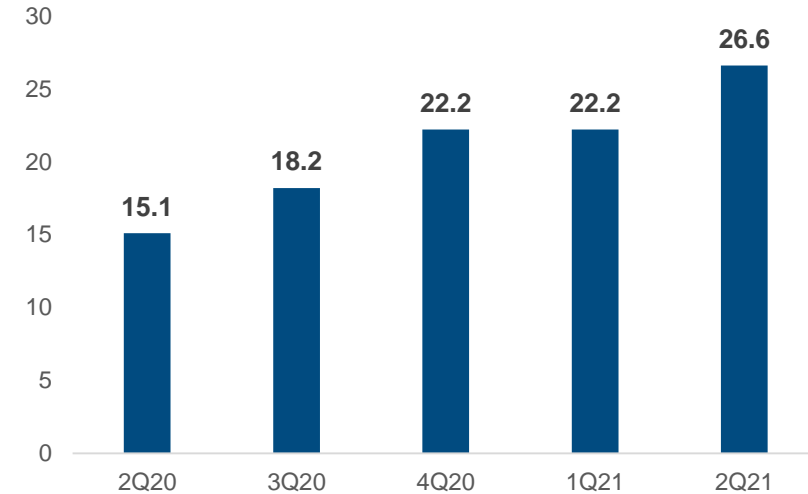
Adjusted EBITDA and Adjusted EBITDA Margin (2Q20-2Q21)

\$ million and %



Adjusted Net Income (2Q20-2Q21)

\$ million



(dollars in millions, except per share data)

Adjusted EBITDA

Adjusted EBITDA margin

Reported net income

Adjusted net income

Adjusted EPS¹

	2Q20	2Q21	VPY
Adjusted EBITDA	\$25.3	\$40.0	58.1%
<i>Adjusted EBITDA margin</i>	25.6%	31.3%	570 bps
Reported net income	(\$9.3)	\$10.0	NM
Adjusted net income	\$15.1	\$26.6	75.4%
<i>Adjusted EPS¹</i>	\$0.21	\$0.36	71.4%

¹Calculated using 2Q21 adjusted number of common shares outstanding, diluted of 73,457,000.

Revised outlook reflects scalability of business and Voyant acquisition

	2021 Growth Outlook <i>(as of 1Q21 earnings)</i>	2021 Revised Growth Outlook	Commentary
Platform assets	11.5-13.5%	18-20%	Targeting net flows as 10% of beginning of period platform assets plus modest market appreciation for the second half of the year.
Revenue less cost of revenue	18-21%	26-28%	Good momentum from 2020 and YTD market and net flows
Operating expenses	15-18%	20-22%	Revised number reflects incremental variable cost related to volumes. Disciplined expense growth will not outpace revenue growth.
Adjusted EBITDA	22-26%	35%+	EBITDA outlook reflects overall strong momentum through June 2021. Naturally dependent on the macro environment and US equity markets.

Based on growth outlook above, we are raising our 2021 adj. EBITDA margin expansion target to **250 bps**.

Note: 2021 expectations include the impact of Voyant's second half 2021 financials

Appendix

2Q21 net yield calculation

<i>(dollars in millions)</i>	2Q20	2Q21
Revenue less cost of revenue		
Asset-based	\$64.6	\$88.9
Spread-based	\$3.1	\$1.8
Other income	\$0.9	\$0.7
Total	\$68.6	\$91.4
Billable assets ¹	\$56,025	\$78,880
Annualized net yield	49.0 bps	46.3 bps

¹Billable assets for the quarter represent prior quarter's ending assets.

Adjusted expense reconciliation

(dollars in millions)	2Q20			2Q21			Adj. Expense VPY
	Expense	Total Adjustments	Adjusted Expense	Expense	Total Adjustments	Adjusted Expense	
Asset-based expenses	\$30.1	-	\$30.1	\$35.8	-	\$35.8	19.1%
Spread-based expenses	\$0.4	-	\$0.4	\$0.9	-	\$0.9	100.7%
Employee compensation	\$45.4	(\$17.3)	\$28.1	\$39.4	(\$7.9)	\$31.5	12.3%
SG&A ¹	\$16.5	(\$1.6)	\$15.0	\$21.3	(\$1.6)	\$19.7	31.9%
Interest expense	\$1.5	-	\$1.5	\$0.8	-	\$0.8	(47.5%)
Depreciation and amortization	\$8.7	(\$5.1)	\$3.6	\$9.7	(\$5.1)	\$4.6	27.0%
Other income	\$0.0	(\$0.0)	\$0.0	\$0.0	\$0.0	\$0.0	NM
Total	\$102.6	(\$23.9)	\$78.7	\$107.9	(\$14.7)	\$93.3	18.6%

¹Includes general and operating expenses and professional fees
Note: Percentage variance based on actual numbers, not rounded results.

Adjusted net income walk

<i>(dollars in millions)</i>	2Q20	2Q21
Revenue less cost of revenue	\$68.6	\$91.4
Operating expenses*	\$43.0	\$51.2
Interest expense	\$1.5	\$0.8
Depreciation and amortization*	\$3.6	\$4.6
Other expense	\$0.0	\$0.0
Income before income taxes	\$20.5	\$34.7
Provision for income tax*	\$5.3	\$8.2
Adjusted effective tax rate	26.0%	23.5%
Adjusted net income	\$15.1	\$26.6

2021 effective tax rate is 23.5%, lower than 26% in 2020 due to created tax efficiencies. We will true-up to the actual rate at year-end.

Note: Asterisk denotes line item numbers post adjustment