

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2023

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM TO

Commission File Number: 001-36869



**PJT Partners Inc.**

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

36-4797143  
(I.R.S. Employer  
Identification No.)

280 Park Avenue  
New York, New York 10017  
(Address of principal executive offices)(Zip Code)  
(212) 364-7810  
(Registrant's telephone number, including area code)

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, par value \$0.01 per share	PJT	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-Accelerated Filer	<input type="checkbox"/>	Smaller Reporting Company	<input type="checkbox"/>
		Emerging Growth Company	<input type="checkbox"/>

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of April 24, 2023, there were 24,800,541 shares of Class A common stock, par value \$0.01 per share, and 159 shares of Class B common stock, par value \$0.01 per share, outstanding.

## TABLE OF CONTENTS

	<u>Page</u>
<b>PART I. <u>FINANCIAL INFORMATION</u></b>	
<b>ITEM 1. <u>FINANCIAL STATEMENTS</u></b> .....	4
Unaudited Condensed Consolidated Financial Statements — March 31, 2023 and 2022:	
<u>Condensed Consolidated Statements of Financial Condition as of March 31, 2023 and December 31, 2022</u> .....	4
<u>Condensed Consolidated Statements of Operations for the Three Months Ended March 31, 2023 and 2022</u> .....	5
<u>Condensed Consolidated Statements of Comprehensive Income for the Three Months Ended March 31, 2023 and 2022</u> .....	6
<u>Condensed Consolidated Statements of Changes in Equity for the Three Months Ended March 31, 2023 and 2022</u> .....	7
<u>Condensed Consolidated Statements of Cash Flows for the Three Months Ended March 31, 2023 and 2022</u> .....	8
<u>Notes to Condensed Consolidated Financial Statements</u> .....	9
<b>ITEM 2. <u>MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u></b> .....	21
<b>ITEM 3. <u>QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK</u></b> .....	29
<b>ITEM 4. <u>CONTROLS AND PROCEDURES</u></b> .....	29
<b>PART II. <u>OTHER INFORMATION</u></b>	
<b>ITEM 1. <u>LEGAL PROCEEDINGS</u></b> .....	30
<b>ITEM 1A. <u>RISK FACTORS</u></b> .....	30
<b>ITEM 2. <u>UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS</u></b> .....	30
<b>ITEM 3. <u>DEFAULTS UPON SENIOR SECURITIES</u></b> .....	31
<b>ITEM 4. <u>MINE SAFETY DISCLOSURES</u></b> .....	31
<b>ITEM 5. <u>OTHER INFORMATION</u></b> .....	31
<b>ITEM 6. <u>EXHIBITS</u></b> .....	32
<b><u>SIGNATURES</u></b> .....	33

PJT Partners Inc. was formed in connection with certain merger and spin-off transactions whereby the financial and strategic advisory services, restructuring and reorganization advisory services and Park Hill Group businesses of Blackstone Inc. (“Blackstone” or our “former Parent”) were combined with PJT Capital LP, a financial advisory firm founded by Paul J. Taubman in 2013 (together with its then affiliates, “PJT Capital”), and the combined business was distributed to Blackstone’s unitholders to create PJT Partners Inc., a stand-alone, independent publicly traded company. Throughout this Quarterly Report on Form 10-Q, we refer to this transaction as the “spin-off.” PJT Partners Inc. is a holding company and its only material asset is its controlling equity interest in PJT Partners Holdings LP, a holding partnership that holds the Company’s operating subsidiaries, and certain cash and cash equivalents it may hold from time to time. As the sole general partner of PJT Partners Holdings LP, PJT Partners Inc. operates and controls all of the business and affairs of PJT Partners Holdings LP and its operating subsidiaries.

In this Quarterly Report on Form 10-Q, unless the context requires otherwise, the words “PJT Partners Inc.” refers to PJT Partners Inc., and “PJT Partners,” the “Company,” “we,” “us” and “our” refer to PJT Partners Inc., together with its consolidated subsidiaries, including PJT Partners Holdings LP and its operating subsidiaries.

### **Forward-Looking Statements**

Certain material presented herein contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Forward-looking statements include certain information concerning future results of operations, business strategies, acquisitions, financing plans, competitive position, potential growth opportunities, potential operating performance improvements, the effects of competition and the effects of future legislation or regulations. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words “believe,” “expect,” “opportunity,” “plan,” “intend,” “anticipate,” “estimate,” “predict,” “potential,” “continue,” “may,” “might,” “should,” “could” or the negative of these terms or similar expressions.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations, and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy, and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks, and changes in circumstances that are difficult to predict, many of which are outside our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not place undue reliance upon any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: (a) changes in governmental regulations and policies; (b) cyberattacks, security vulnerabilities, and internet disruptions, including breaches of data security and privacy leaks, data loss, and business interruptions; (c) failures of our computer systems or communication systems, including as a result of a catastrophic event and the use of remote work environments and virtual platforms; (d) the impact of catastrophic events, including business disruptions, pandemics, reductions in employment and an increase in business failures on (1) the U.S. and the global economy, (2) our employees and our ability to provide services to our clients and respond to their needs; (e) the failure of third-party service providers to perform their functions; and (f) volatility in the political and economic environment, including as a result of inflation, rising interest rates, international conflict, and instability in the banking system as a result of several recent bank failures.

Any of these factors, as well as such other factors discussed in the “Risk Factors” section of our Annual Report on Form 10-K for the year ended December 31, 2022, filed with the United States Securities and Exchange Commission (“SEC”), as such factors may be updated from time to time in our periodic filings with the SEC, accessible on the SEC’s website at [www.sec.gov](http://www.sec.gov), could cause our results to differ materially from those expressed in forward-looking statements. There may be other risks and uncertainties that we are unable to predict at this time or that are not currently expected to have a material adverse effect on our business. Any such risks could cause our results to differ materially from those expressed in forward-looking statements.

### **Website Disclosure**

We use our website ([www.pjtpartners.com](http://www.pjtpartners.com)) as a channel of distribution of Company information. The information we post may be deemed material. Accordingly, investors should monitor the website, in addition to following our press releases, SEC filings and public conference calls and webcasts. In addition, you may automatically receive e-mail alerts and other information about PJT Partners when you enroll your e-mail address by visiting the “Investor Relations” page of our website at [ir.pjtpartners.com](http://ir.pjtpartners.com). Although we refer to our website in this report, the contents of our website are not included or incorporated by reference into this report. All references to our website in this report are intended to be inactive textual references only.

**PART I. FINANCIAL INFORMATION**

**ITEM 1. FINANCIAL STATEMENTS**

**PJT Partners Inc.**  
**Condensed Consolidated Statements of Financial Condition (Unaudited)**  
**(Dollars in Thousands, Except Share and Per Share Data)**

	March 31, 2023	December 31, 2022
<b>Assets</b>		
Cash and Cash Equivalents	\$ 93,541	\$ 173,235
Investments (at fair value)	4,998	50,242
Accounts Receivable (net of allowance for credit losses of \$2,253 and \$1,945 at March 31, 2023 and December 31, 2022, respectively)	319,559	317,751
Intangible Assets, Net	16,650	17,880
Goodwill	172,725	172,725
Furniture, Equipment and Leasehold Improvements, Net	30,803	30,693
Operating Lease Right-of-Use Assets	114,630	119,025
Other Assets	136,326	99,929
Deferred Tax Asset, Net	70,579	69,172
<b>Total Assets</b>	<b>\$ 959,811</b>	<b>\$ 1,050,652</b>
<b>Liabilities and Equity</b>		
Accrued Compensation and Benefits	\$ 17,250	\$ 83,920
Accounts Payable, Accrued Expenses and Other Liabilities	25,384	24,782
Operating Lease Liabilities	130,690	135,627
Amount Due Pursuant to Tax Receivable Agreement	31,714	30,315
Taxes Payable	3,727	3,451
Deferred Revenue	12,897	12,999
<b>Total Liabilities</b>	<b>221,662</b>	<b>291,094</b>
<b>Commitments and Contingencies</b>		
<b>Equity</b>		
Class A Common Stock, par value \$0.01 per share (3,000,000,000 shares authorized; 32,238,601 and 31,062,575 issued at March 31, 2023 and December 31, 2022, respectively; 24,800,194 and 24,479,286 outstanding at March 31, 2023 and December 31, 2022, respectively)	322	310
Class B Common Stock, par value \$0.01 per share (1,000,000 shares authorized; 159 issued and outstanding at March 31, 2023; 158 issued and outstanding at December 31, 2022)	—	—
Additional Paid-In Capital	531,034	502,585
Retained Earnings	72,076	60,969
Accumulated Other Comprehensive (Loss)	(1,498)	(2,274)
Treasury Stock at Cost (7,438,407 and 6,583,289 shares at March 31, 2023 and December 31, 2022, respectively)	(442,664)	(376,484)
<b>Total PJT Partners Inc. Equity</b>	<b>159,270</b>	<b>185,106</b>
<b>Non-Controlling Interests</b>	<b>578,879</b>	<b>574,452</b>
<b>Total Equity</b>	<b>738,149</b>	<b>759,558</b>
<b>Total Liabilities and Equity</b>	<b>\$ 959,811</b>	<b>\$ 1,050,652</b>

See notes to condensed consolidated financial statements.

**PJT Partners Inc.**  
**Condensed Consolidated Statements of Operations (Unaudited)**  
**(Dollars in Thousands, Except Share and Per Share Data)**

	Three Months Ended March 31,	
	2023	2022
<b>Revenues</b>		
Advisory Fees	\$ 168,090	\$ 181,658
Placement Fees	27,585	60,351
Interest Income and Other	4,313	4,310
<b>Total Revenues</b>	<b>199,988</b>	<b>246,319</b>
<b>Expenses</b>		
Compensation and Benefits	133,043	159,232
Occupancy and Related	10,011	8,942
Travel and Related	6,972	4,458
Professional Fees	6,927	7,051
Communications and Information Services	4,077	4,423
Depreciation and Amortization	3,443	4,307
Other Expenses	6,322	7,758
<b>Total Expenses</b>	<b>170,795</b>	<b>196,171</b>
<b>Income Before Provision for Taxes</b>	<b>29,193</b>	<b>50,148</b>
<b>Provision for Taxes</b>	<b>1,207</b>	<b>5,680</b>
<b>Net Income</b>	<b>27,986</b>	<b>44,468</b>
<b>Net Income Attributable to Non-Controlling Interests</b>	<b>10,650</b>	<b>18,764</b>
<b>Net Income Attributable to PJT Partners Inc.</b>	<b>\$ 17,336</b>	<b>\$ 25,704</b>
<b>Net Income Per Share of Class A Common Stock</b>		
Basic	\$ 0.69	\$ 1.03
Diluted	\$ 0.67	\$ 1.00
<b>Weighted-Average Shares of Class A Common Stock Outstanding</b>		
Basic	25,231,815	24,989,152
Diluted	26,918,511	26,551,835

See notes to condensed consolidated financial statements.

**PJT Partners Inc.**  
**Condensed Consolidated Statements of Comprehensive Income (Unaudited)**  
**(Dollars in Thousands)**

	Three Months Ended March 31,	
	2023	2022
Net Income	\$ 27,986	\$ 44,468
Other Comprehensive Income (Loss), Net of Tax —		
Currency Translation Adjustment	1,388	(1,436)
Comprehensive Income	29,374	43,032
Less:		
Comprehensive Income Attributable to Non- Controlling Interests	11,262	18,115
Comprehensive Income Attributable to PJT Partners Inc.	<u>\$ 18,112</u>	<u>\$ 24,917</u>

See notes to condensed consolidated financial statements.

**PJT Partners Inc.**  
**Condensed Consolidated Statements of Changes in Equity (Unaudited)**  
**(Dollars in Thousands, Except Share Data)**

	Three Months Ended March 31, 2023							Accumulated Other Comprehensive Loss	Treasury Stock	Non- Controlling Interests	Total
	Class A Common Stock	Shares Class B Common Stock	Treasury Stock	Class A Common Stock	Class B Common Stock	Additional Paid-In Capital	Retained Earnings				
<b>Balance at December 31, 2022</b>	31,062,575	158	(6,583,289)	\$ 310	\$ —	\$ 502,585	\$ 60,969	\$ (2,274)	\$ (376,484)	\$ 574,452	\$ 759,558
Net Income	—	—	—	—	—	—	17,336	—	—	10,650	27,986
Other Comprehensive Income	—	—	—	—	—	—	—	776	—	612	1,388
Dividends Declared (\$0.25 Per Share of Class A Common Stock)	—	—	—	—	—	—	(6,229)	—	—	—	(6,229)
Equity-Based Compensation	—	—	—	—	—	44,076	—	—	—	4,720	48,796
Net Share Settlement	—	—	—	—	—	(16,339)	—	—	—	—	(16,339)
Deliveries of Vested Shares of Class A Common Stock	1,176,026	—	—	12	—	(12)	—	—	—	—	—
Change in Ownership Interest	—	1	—	—	—	724	—	—	—	(11,555)	(10,831)
Treasury Stock Purchases	—	—	(855,118)	—	—	—	—	—	(66,180)	—	(66,180)
<b>Balance at March 31, 2023</b>	<u>32,238,601</u>	<u>159</u>	<u>(7,438,407)</u>	<u>\$ 322</u>	<u>\$ —</u>	<u>\$ 531,034</u>	<u>\$ 72,076</u>	<u>\$ (1,498)</u>	<u>\$ (442,664)</u>	<u>\$ 578,879</u>	<u>\$ 738,149</u>

  

	Three Months Ended March 31, 2022							Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Non- Controlling Interests	Total
	Class A Common Stock	Shares Class B Common Stock	Treasury Stock	Class A Common Stock	Class B Common Stock	Additional Paid-In Capital	Retained Earnings (Deficit)				
<b>Balance at December 31, 2021</b>	29,248,457	159	(4,929,044)	\$ 292	\$ —	\$ 391,242	\$ (4,933)	\$ 631	\$ (267,000)	\$ 517,340	\$ 637,572
Net Income	—	—	—	—	—	—	25,704	—	—	18,764	44,468
Other Comprehensive Loss	—	—	—	—	—	—	—	(787)	—	(649)	(1,436)
Dividends Declared (\$0.25 Per Share of Class A Common Stock)	—	—	—	—	—	—	(6,268)	—	—	—	(6,268)
Equity-Based Compensation	—	—	—	—	—	53,717	—	—	—	5,352	59,069
Net Share Settlement	—	—	—	—	—	(15,367)	—	—	—	—	(15,367)
Deliveries of Vested Shares of Class A Common Stock	1,345,365	—	—	13	—	(13)	—	—	—	—	—
Change in Ownership Interest	—	5	—	—	—	9,055	—	—	—	(15,488)	(6,433)
Treasury Stock Purchases	—	—	(886,929)	—	—	—	—	—	(56,569)	—	(56,569)
<b>Balance at March 31, 2022</b>	<u>30,593,822</u>	<u>164</u>	<u>(5,815,973)</u>	<u>\$ 305</u>	<u>\$ —</u>	<u>\$ 438,634</u>	<u>\$ 14,503</u>	<u>\$ (156)</u>	<u>\$ (323,569)</u>	<u>\$ 525,319</u>	<u>\$ 655,036</u>

See notes to condensed consolidated financial statements.



**PJT Partners Inc.**  
**Condensed Consolidated Statements of Cash Flows (Unaudited)**  
**(Dollars in Thousands)**

	<b>Three Months Ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
<b>Operating Activities</b>		
Net Income	\$ 27,986	\$ 44,468
Adjustments to Reconcile Net Income to Net Cash Used in Operating Activities		
Equity-Based Compensation Expense	48,796	59,069
Depreciation and Amortization Expense	3,443	4,307
Amortization of Operating Lease Right-of-Use Assets	5,667	5,362
Provision for Credit Losses	453	1,464
Other	231	(1,836)
Cash Flows Due to Changes in Operating Assets and Liabilities		
Accounts Receivable	(1,610)	(64,972)
Other Assets	(35,540)	(25,721)
Accrued Compensation and Benefits	(66,609)	(57,744)
Accounts Payable, Accrued Expenses and Other Liabilities	324	(1,862)
Operating Lease Liabilities	(6,280)	(5,640)
Taxes Payable	255	(889)
Deferred Revenue	(105)	1,755
Net Cash Used in Operating Activities	<u>(22,989)</u>	<u>(42,239)</u>
<b>Investing Activities</b>		
Purchases of Investments	(4,996)	(19,979)
Proceeds from Sales and Maturities of Investments	49,801	—
Purchases of Furniture, Equipment and Leasehold Improvements	(2,146)	(806)
Net Cash Provided by (Used in) Investing Activities	<u>42,659</u>	<u>(20,785)</u>
<b>Financing Activities</b>		
Dividends	(6,229)	(6,268)
Proceeds from Revolving Credit Facility	15,000	42,000
Payments on Revolving Credit Facility	(15,000)	(17,000)
Employee Taxes Paid for Shares Withheld	(16,339)	(15,367)
Cash-Settled Exchanges of Partnership Units	(10,737)	(6,559)
Treasury Stock Purchases	(66,180)	(56,569)
Net Cash Used in Financing Activities	<u>(99,485)</u>	<u>(59,763)</u>
Effect of Exchange Rate Changes on Cash and Cash Equivalents	121	(1,887)
<b>Net Decrease in Cash and Cash Equivalents</b>	<u>(79,694)</u>	<u>(124,674)</u>
Cash and Cash Equivalents, Beginning of Period	173,235	200,481
Cash and Cash Equivalents, End of Period	<u>\$ 93,541</u>	<u>\$ 75,807</u>
<b>Supplemental Disclosure of Cash Flows Information</b>		
Payments for Income Taxes, Net of Refunds Received	<u>\$ 675</u>	<u>\$ 2,071</u>

See notes to condensed consolidated financial statements.

**PJT Partners Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)**  
**(All Dollars Are in Thousands, Except Share and Per Share Data, Except Where Noted)**

---

## **1. ORGANIZATION**

PJT Partners Inc. and its consolidated subsidiaries (the “Company” or “PJT Partners”) offer a unique portfolio of advisory services designed to help clients achieve their strategic objectives.

On October 1, 2015, Blackstone Inc. (“Blackstone” or the “former Parent”) distributed on a pro rata basis to its common unitholders all of the issued and outstanding shares of Class A common stock of PJT Partners Inc. held by it. This pro rata distribution is referred to as the “Distribution.” The separation of the PJT Partners business from Blackstone and related transactions, including the Distribution, the internal reorganization that preceded the Distribution and the acquisition by PJT Partners of PJT Capital LP (together with its general partner and their respective subsidiaries, “PJT Capital”) that occurred substantially concurrently with the Distribution, is referred to as the “spin-off.”

PJT Partners Inc. is the sole general partner of PJT Partners Holdings LP. PJT Partners Inc. owns less than 100% of the economic interest in PJT Partners Holdings LP, but has 100% of the voting power and controls the management of PJT Partners Holdings LP. As of March 31, 2023, the non-controlling interest of PJT Partners Holdings LP was 37.2%. As the sole general partner of PJT Partners Holdings LP, PJT Partners Inc. operates and controls all of the business and affairs and consolidates the financial results of PJT Partners Holdings LP and its operating subsidiaries. The Company operates through the following subsidiaries: PJT Partners LP, PJT Partners (UK) Limited, PJT Partners (HK) Limited, PJT Partners Park Hill (Spain) A.V., S.A.U., PJT Partners (Germany) GmbH, PJT Partners (France) SAS and PJT Partners Japan K.K.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **Basis of Presentation**

The Company prepared the accompanying condensed consolidated financial statements in conformity with accounting principles generally accepted in the U.S. (“GAAP”) for interim financial information and the instructions to Form 10-Q. The condensed consolidated financial statements, including these notes, are unaudited and exclude some of the disclosures required in annual financial statements. Management believes it has made all necessary adjustments (consisting of only normal recurring items) so that the condensed consolidated financial statements are presented fairly and that estimates made in preparing its condensed consolidated financial statements are reasonable and prudent. The operating results presented for interim periods are not necessarily indicative of the results that may be expected for any other interim period or for the entire year. These condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022.

Intercompany transactions have been eliminated for all periods presented.

For a comprehensive disclosure of the Company’s significant accounting policies, see Note 2. “Summary of Significant Accounting Policies” in the “Notes to Consolidated Financial Statements” in “Part II. Item 8. Financial Statements and Supplementary Data” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022.

### *Cash, Cash Equivalents and Investments*

Cash and Cash Equivalents include short-term highly liquid investments that are readily convertible to known amounts of cash and have original maturities of three months or less from the date of purchase. Cash and Cash Equivalents are maintained in U.S. and non-U.S. bank accounts and are held at five financial institutions. Also included in Cash and Cash Equivalents are amounts held in bank accounts that are subject to advance notification to withdraw, which totaled \$0.6 million as of each of March 31, 2023 and December 31, 2022.

Treasury securities with original maturities greater than three months when purchased are classified as Investments in the Condensed Consolidated Statements of Financial Condition.

**PJT Partners Inc.**  
**Notes to Condensed Consolidated Financial Statements – Continued (Unaudited)**  
**(All Dollars Are in Thousands, Except Share and Per Share Data, Except Where Noted)**

**3. REVENUES FROM CONTRACTS WITH CUSTOMERS**

The following table provides a disaggregation of revenues recognized from contracts with customers for the three months ended March 31, 2023 and 2022:

	Three Months Ended March 31,	
	2023	2022
Advisory Fees	\$ 168,090	\$ 181,658
Placement Fees	27,585	60,351
Interest Income from Placement Fees and Other	4,270	2,122
Revenues from Contracts with Customers	<u>\$ 199,945</u>	<u>\$ 244,131</u>

*Remaining Performance Obligations and Revenue Recognized from Past Performance*

As of March 31, 2023, the aggregate amount of the transaction price allocated to performance obligations yet to be satisfied was \$35.5 million and the Company generally expects to recognize this revenue within the next twelve months. Such amounts relate to the Company's performance obligations of providing advisory and placement services.

The Company recognized revenue of \$3.6 million and \$24.0 million for the three months ended March 31, 2023 and 2022, respectively, related to performance obligations that were fully satisfied in prior periods, primarily due to constraints on variable consideration in prior periods being resolved. Such amounts related primarily to the provision of corporate and fund placement services. The majority of Fee Revenue recognized by the Company during the three months ended March 31, 2023 and 2022 was predominantly related to performance obligations that were partially satisfied in prior periods.

*Contract Balances*

There were no significant impairments related to contract balances during the three months ended March 31, 2023 and 2022.

For the three months ended March 31, 2023 and 2022, \$7.4 million and \$6.3 million, respectively, of revenue was recognized that was included in the beginning balance of Deferred Revenue, primarily related to the Company's performance obligation of standing ready to perform. In certain contracts, the Company receives customer expense advances, which are also considered to be contract liabilities. As of March 31, 2023 and December 31, 2022, the Company recorded \$2.1 million and \$1.8 million, respectively, in Accounts Payable, Accrued Expenses and Other Liabilities in the Condensed Consolidated Statements of Financial Condition primarily related to expense advances.

**4. ACCOUNTS RECEIVABLE AND ALLOWANCE FOR CREDIT LOSSES**

Changes in the allowance for credit losses consist of the following:

	Three Months Ended March 31,	
	2023	2022
Beginning Balance	\$ 1,945	\$ 1,853
Provision for Credit Losses	453	1,464
Write-offs	(145)	—
Ending Balance	<u>\$ 2,253</u>	<u>\$ 3,317</u>

Included in Accounts Receivable, Net is accrued interest of \$3.3 million and \$2.7 million as of March 31, 2023 and December 31, 2022, respectively, related to placement fees.

**PJT Partners Inc.**  
**Notes to Condensed Consolidated Financial Statements – Continued (Unaudited)**  
**(All Dollars Are in Thousands, Except Share and Per Share Data, Except Where Noted)**

Included in Accounts Receivable, Net are long-term receivables of \$131.7 million and \$133.3 million as of March 31, 2023 and December 31, 2022, respectively, related to placement fees that are generally paid in installments over a period of three to four years.

The Company does not have any long-term receivables on non-accrual status. Of receivables that originated as long-term, there were \$2.9 million and \$6.5 million as of March 31, 2023 and December 31, 2022, respectively, which were outstanding more than 90 days. The Company's allowance for credit losses with respect to long-term receivables was \$0.5 million as of each of March 31, 2023 and December 31, 2022.

**5. INTANGIBLE ASSETS**

Intangible Assets, Net consists of the following:

	March 31, 2023	December 31, 2022
Finite-Lived Intangible Assets		
Customer Relationships	\$ 61,276	\$ 61,276
Trade Name	9,800	9,800
Total Intangible Assets	71,076	71,076
Accumulated Amortization		
Customer Relationships	(46,051)	(44,964)
Trade Name	(8,375)	(8,232)
Total Accumulated Amortization	(54,426)	(53,196)
Intangible Assets, Net	<u>\$ 16,650</u>	<u>\$ 17,880</u>

Amortization expense was \$1.2 million and \$1.9 million for the three months ended March 31, 2023 and 2022, respectively.

Amortization of Intangible Assets held at March 31, 2023 is expected to be \$3.7 million for the remainder of the year ending December 31, 2023; \$4.9 million the year ending December 31, 2024; \$4.8 million for the year ending December 31, 2025; and \$3.3 million for the year ending December 31, 2026.

**6. FURNITURE, EQUIPMENT AND LEASEHOLD IMPROVEMENTS**

Furniture, Equipment and Leasehold Improvements, Net consists of the following:

	March 31, 2023	December 31, 2022
Leasehold Improvements	\$ 56,253	\$ 54,555
Furniture and Fixtures	19,107	18,811
Office Equipment	6,057	5,533
Total Furniture, Equipment and Leasehold Improvements	81,417	78,899
Accumulated Depreciation	(50,614)	(48,206)
Furniture, Equipment and Leasehold Improvements, Net	<u>\$ 30,803</u>	<u>\$ 30,693</u>

Depreciation expense was \$2.2 million and \$2.4 million for the three months ended March 31, 2023 and 2022, respectively.

**PJT Partners Inc.**  
**Notes to Condensed Consolidated Financial Statements – Continued (Unaudited)**  
**(All Dollars Are in Thousands, Except Share and Per Share Data, Except Where Noted)**

**7. FAIR VALUE MEASUREMENTS**

The following tables summarize the valuation of the Company’s investments by the fair value hierarchy:

	March 31, 2023			Total
	Level I	Level II	Level III	
Treasury Securities	\$ —	\$ 4,998	\$ —	\$ 4,998

  

	December 31, 2022			Total
	Level I	Level II	Level III	
Treasury Securities	\$ —	\$ 50,242	\$ —	\$ 50,242

Investments in Treasury securities were included in Investments as of March 31, 2023 and in Investments as of December 31, 2022 in the Condensed Consolidated Statements of Financial Condition.

**8. INCOME TAXES**

The following table summarizes the Company’s tax position:

	Three Months Ended March 31,	
	2023	2022
Income Before Provision for Taxes	\$ 29,193	\$ 50,148
Provision for Taxes	\$ 1,207	\$ 5,680
Effective Income Tax Rate	4.1%	11.3%

The Company’s effective tax rate differed from the U.S. federal statutory tax rate for the three months ended March 31, 2023 primarily due to partnership income not being subject to U.S. corporate income taxes and permanent differences related to compensation.

The Company had no unrecognized tax benefits as of March 31, 2023.

During the quarter ended March 31, 2023, the Company's holding partnership, PJT Partners Holdings LP, received a notice from the Internal Revenue Service that its Form 1065, U.S. Return of Partnership Income, was selected for examination for the tax year ended December 31, 2020. The Company currently does not expect the results of the audit to have any material impact on its consolidated financial statements.

**PJT Partners Inc.**  
**Notes to Condensed Consolidated Financial Statements – Continued (Unaudited)**  
**(All Dollars Are in Thousands, Except Share and Per Share Data, Except Where Noted)**

**9. NET INCOME PER SHARE OF CLASS A COMMON STOCK**

Basic and diluted net income per share of Class A common stock for the three months ended March 31, 2023 and 2022 is presented below:

	Three Months Ended March 31,	
	2023	2022
<i>Numerator:</i>		
Net Income Attributable to Shares of Class A		
Common Stock — Basic	\$ 17,336	\$ 25,704
Incremental Net Income from Dilutive Securities	574	786
Net Income Attributable to Shares of Class A		
Common Stock — Diluted	<u>\$ 17,910</u>	<u>\$ 26,490</u>
<i>Denominator:</i>		
Weighted-Average Shares of Class A Common Stock Outstanding — Basic	25,231,815	24,989,152
Weighted-Average Number of Incremental Shares from Unvested RSUs and Partnership Units	1,686,696	1,562,683
Weighted-Average Shares of Class A Common Stock Outstanding — Diluted	<u>26,918,511</u>	<u>26,551,835</u>
Net Income Per Share of Class A Common Stock		
Basic	<u>\$ 0.69</u>	<u>\$ 1.03</u>
Diluted	<u>\$ 0.67</u>	<u>\$ 1.00</u>

The ownership interests of holders (other than PJT Partners Inc.) of the common units of partnership interest in PJT Partners Holdings LP (“Partnership Units”) may be exchanged for PJT Partners Inc. Class A common stock on a one-for-one basis, subject to applicable vesting and transfer restrictions. If all Partnership Units were exchanged for Class A common stock, weighted-average Class A common stock outstanding would be 39,997,580 for the three months ended March 31, 2023, excluding unvested restricted stock units (“RSUs”). In computing the dilutive effect, if any, which the aforementioned exchange would have on net income per share, net income attributable to holders of Class A common stock would be adjusted due to the elimination of the non-controlling interests associated with the Partnership Units (including any tax impact). For the three months ended March 31, 2023 and 2022, there were 14,765,765 and 15,196,653 weighted-average Partnership Units, respectively, that were anti-dilutive.

**Share Repurchase Program**

During the three months ended March 31, 2023, the Company repurchased 0.9 million shares of the Company’s Class A common stock at an average price per share of \$77.37, or \$66.2 million in aggregate, pursuant to this share repurchase program. As of March 31, 2023, the Company’s remaining repurchase authorization was \$107.5 million.

**10. EQUITY-BASED AND OTHER DEFERRED COMPENSATION**

**Overview**

Further information regarding the Company’s equity-based compensation awards is described in Note 10. “Equity-Based and Other Deferred Compensation” in the “Notes to Consolidated Financial Statements” in “Part II. Item 8. Financial Statements and Supplementary Data” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022.

**PJT Partners Inc.**  
**Notes to Condensed Consolidated Financial Statements – Continued (Unaudited)**  
**(All Dollars Are in Thousands, Except Share and Per Share Data, Except Where Noted)**

The following table represents equity-based compensation expense and the related income tax benefit for the three months ended March 31, 2023 and 2022, respectively:

	Three Months Ended March 31,	
	2023	2022
Equity-Based Compensation Expense	\$ 48,796	\$ 59,069
Income Tax Benefit	\$ 6,703	\$ 8,022

**Restricted Stock Units**

The following table summarizes activity related to unvested RSUs for the three months ended March 31, 2023:

	Restricted Stock Units	
	Number of Units	Weighted- Average Grant Date Fair Value (in dollars)
Balance, December 31, 2022	4,181,075	\$ 65.58
Granted	1,930,925	79.50
Dividends Reinvested on RSUs	(51,969)	56.71
Forfeited	(9,731)	71.45
Vested	(1,319,496)	59.87
Balance, March 31, 2023	<u>4,730,804</u>	<u>\$ 72.94</u>

As of March 31, 2023, there was \$221.8 million of estimated unrecognized compensation expense related to unvested RSU awards. This cost is expected to be recognized over a weighted-average period of 2.0 years. The Company assumes a forfeiture rate of 1.0% to 7.0% annually based on expected turnover and periodically reassesses this rate. The weighted-average grant date fair value with respect to RSUs granted for the three months ended March 31, 2022 was \$63.62.

**RSU Awards with Both Service and Market Conditions**

The following table summarizes activity related to unvested RSU awards with both a service and market condition for the three months ended March 31, 2023:

	RSU Awards with Both Service and Market Conditions	
	Number of Units	Weighted- Average Grant Date Fair Value (in dollars)
Balance, December 31, 2022	1,534,012	\$ 41.98
Dividends Reinvested on RSUs	79	34.22
Balance, March 31, 2023	<u>1,534,091</u>	<u>\$ 41.98</u>

As of March 31, 2023, there was \$31.7 million of estimated unrecognized compensation expense related to RSU awards with both a service and market condition. This cost is expected to be recognized over a weighted-average period of 2.1 years. The Company assumes a forfeiture rate of 4.0% to 7.0% annually based on expected turnover and periodically reassesses this rate. The weighted-average grant date fair value with respect to RSUs with both a service and market condition granted for the three months ended March 31, 2022 was \$41.97.

**PJT Partners Inc.**  
**Notes to Condensed Consolidated Financial Statements – Continued (Unaudited)**  
**(All Dollars Are in Thousands, Except Share and Per Share Data, Except Where Noted)**

**Partnership Units**

The following table summarizes activity related to unvested Partnership Units for the three months ended March 31, 2023:

	Partnership Units	
	Number of Partnership Units	Weighted- Average Grant Date Fair Value (in dollars)
Balance, December 31, 2022	178,067	\$ 60.62
Granted	36,726	74.57
Vested	(74,885)	54.19
Balance, March 31, 2023	<u>139,908</u>	<u>\$ 67.73</u>

As of March 31, 2023, there was \$7.9 million of estimated unrecognized compensation expense related to unvested Partnership Units. This cost is expected to be recognized over a weighted-average period of 1.4 years. The Company assumes a forfeiture rate of 4.0% annually based on expected turnover and periodically reassesses this rate. The weighted-average grant date fair value with respect to Partnership Units granted for the three months ended March 31, 2022 was \$59.84.

**Partnership Unit Awards with Both Service and Market Conditions**

The following table summarizes activity related to unvested Partnership Unit awards with both a service and market condition for the three months ended March 31, 2023:

	Partnership Unit Awards with Both Service and Market Conditions	
	Number of Partnership Units	Weighted- Average Grant Date Fair Value (in dollars)
Balance, December 31, 2022	1,107,768	\$ 39.10
Balance, March 31, 2023	<u>1,107,768</u>	<u>\$ 39.10</u>

As of March 31, 2023, there was \$22.5 million of estimated unrecognized compensation expense related to Partnership Unit awards with both a service and market condition. This cost is expected to be recognized over a weighted-average period of 2.1 years. The Company assumes a forfeiture rate of 4.0% annually based on expected turnover and periodically reassesses this rate. The weighted-average grant date fair value with respect to Partnership Units with both a service and market condition granted for the three months ended March 31, 2022 was \$39.10.

**Units Expected to Vest**

The following unvested units, after expected forfeitures, as of March 31, 2023, are expected to vest:

	Units	Weighted- Average Service Period in Years
Restricted Stock Units	5,834,998	2.1
Partnership Units	1,184,737	2.0
Total Equity-Based Awards	<u>7,019,735</u>	<u>2.1</u>



**PJT Partners Inc.**  
**Notes to Condensed Consolidated Financial Statements – Continued (Unaudited)**  
**(All Dollars Are in Thousands, Except Share and Per Share Data, Except Where Noted)**

**Deferred Cash Compensation**

The Company has periodically issued deferred cash compensation in connection with annual incentive compensation as well as other hiring or retention related awards. These awards typically vest over a period of one to four years. Compensation expense related to deferred cash awards was \$10.2 million and \$7.0 million for the three months ended March 31, 2023 and 2022, respectively. As of March 31, 2023, there was \$84.8 million of unrecognized compensation expense related to these awards. The weighted-average period over which this compensation cost is expected to be recognized is 2.6 years.

**11. LEASES**

The components of lease expense were as follows:

	Three Months Ended March 31,	
	2023	2022
Operating Lease Cost	\$ 7,354	\$ 6,724
Variable Lease Cost	1,149	1,004
Sublease Income	(195)	(210)
Total Lease Cost	<u>\$ 8,308</u>	<u>\$ 7,518</u>

Supplemental information related to the Company's operating leases was as follows:

	Three Months Ended March 31,	
	2023	2022
Cash Paid for Amounts Included in Measurement of Lease Liabilities		
Operating Cash Flows from Operating Leases	\$ 6,280	\$ 5,640
Right-of-Use Assets Obtained in Exchange for Operating Lease Liabilities	\$ 508	\$ —

  

	March 31, 2023	December 31, 2022
Weighted-Average Remaining Lease Term (in years)	6.7	6.8
Weighted-Average Discount Rate	4.7%	4.6%

The following is a maturity analysis of the annual undiscounted cash flows of the Company's operating lease liabilities as of March 31, 2023:

Year Ending December 31,	Operating
2023 (April 1 through December 31)	\$ 24,456
2024	29,253
2025	24,945
2026	19,608
2027	10,928
Thereafter	43,341
Total Lease Payments	<u>152,531</u>
Less: Imputed Interest	21,841
Total	<u>\$ 130,690</u>

**12. TRANSACTIONS WITH RELATED PARTIES**

**Exchange Agreement**

The Company has entered into an exchange agreement with the limited partners of PJT Partners Holdings LP pursuant to which they (or certain permitted transferees) have the right, subject to the terms and conditions set forth in the limited partnership agreement of PJT Partners Holdings LP, on a quarterly basis, to exchange all or part of

**PJT Partners Inc.**  
**Notes to Condensed Consolidated Financial Statements – Continued (Unaudited)**  
**(All Dollars Are in Thousands, Except Share and Per Share Data, Except Where Noted)**

---

their Partnership Units for cash or, at the Company's election, for shares of PJT Partners Inc. Class A common stock on a one-for-one basis, subject to customary conversion rate adjustments for splits, unit distributions and reclassifications. Further, pursuant to the terms in the partnership agreement of PJT Partners Holdings LP, the Company may also require holders of Partnership Units who are not Service Providers (as defined in the partnership agreement of PJT Partners Holdings LP) to exchange such Partnership Units.

Further information regarding the exchange agreement is described in Note 13. "Transactions with Related Parties—Exchange Agreement" in the "Notes to Consolidated Financial Statements" in "Part II. Item 8. Financial Statements and Supplementary Data" in the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

Certain holders of Partnership Units exchanged 0.1 million Partnership Units for cash in the amount of \$10.7 million for the three months ended March 31, 2023 and 0.1 million Partnership Units for cash in the amount of \$6.6 million for the three months ended March 31, 2022. Such amounts are recorded as a reduction of Non-Controlling Interests in the Condensed Consolidated Statements of Financial Condition.

The Company intends to exchange 139 thousand Partnership Units for cash on May 9, 2023 at a price equal to the volume-weighted average price per share of the Company's Class A common stock on May 4, 2023.

### **Registration Rights Agreement**

The Company has entered into a registration rights agreement with the limited partners of PJT Partners Holdings LP pursuant to which the Company granted them, their affiliates and certain of their transferees the right, under certain circumstances and subject to certain restrictions, to require the Company to register under the Securities Act of 1933 shares of Class A common stock delivered in exchange for Partnership Units. The registration rights agreement does not contain any penalties associated with failure to file or to maintain the effectiveness of a registration statement covering the shares owned by individuals covered by such agreement.

### **Tax Receivable Agreement**

The Company has entered into a tax receivable agreement with the holders of Partnership Units (other than PJT Partners Inc.) that provides for the payment by PJT Partners Inc. to exchanging holders of Partnership Units of 85% of the benefits, if any, that PJT Partners Inc. is deemed to realize as a result of the increases in tax basis related to such exchanges of Partnership Units and of certain other tax benefits related to entering into the tax receivable agreement, including tax benefits attributable to payments under the tax receivable agreement. As of March 31, 2023 and December 31, 2022, the Company had amounts due of \$31.7 million and \$30.3 million, respectively, pursuant to the tax receivable agreement, which represent management's best estimate of the amounts currently expected to be owed in connection with the tax receivable agreement. Actual payments may differ significantly from estimated payments.

### **Sublease**

The Company has entered into a Sublease Agreement (the "Sublease") with Dynasty Equity Partners Management, LLC ("Dynasty") to sublease a portion of its office space to Dynasty. K. Don Cornwell, a member of the Board as of January 2023, is the CEO and co-founder of Dynasty. The sublease commenced on October 1, 2022 with an initial term of two years. The rent, terms and conditions of the Sublease were consistent with those similar subleases in the market as of the time the Sublease was entered and the Company recognized \$0.2 million of sublease income for the three months ended March 31, 2023. Such amounts are recorded in Interest Income and Other in the Condensed Consolidated Statements of Operations.

### **Aircraft Lease**

The Company makes available to its partners and, on occasion, their family members personal use of a company leased aircraft when it is not being used for business purposes, for which the partners pay the full

**PJT Partners Inc.**  
**Notes to Condensed Consolidated Financial Statements – Continued (Unaudited)**  
**(All Dollars Are in Thousands, Except Share and Per Share Data, Except Where Noted)**

---

incremental costs associated with such use. Such amount is not material to the condensed consolidated financial statements.

### **13. COMMITMENTS AND CONTINGENCIES**

#### **Commitments**

##### *Line of Credit*

On February 1, 2021, PJT Partners Holdings LP, as borrower (the “Borrower”), entered into a Renewal and Modification Agreement (the “Renewal Agreement”) and related documents with First Republic Bank, as lender (the “Lender”), amending the terms of the Borrower’s revolving credit facility with the Lender under the Amended and Restated Loan Agreement dated October 1, 2018 (the “Amended and Restated Loan Agreement”). The Renewal Agreement provides for a revolving credit facility with aggregate commitments in an amount equal to \$60.0 million, which aggregate commitments may be increased, pursuant to the terms and conditions set forth in the Renewal Agreement, to up to \$80.0 million during the period beginning December 1 each year through March 1 of the following year. The revolving credit facility will mature and the commitments thereunder will terminate on the maturity date, subject to extension by agreement of the Borrower and Lender. On February 7, 2023, the Renewal Agreement was further amended with the same terms to extend the maturity date to October 1, 2024.

As of March 31, 2023 and December 31, 2022, there were no borrowings outstanding under the revolving credit facility.

As of March 31, 2023 and December 31, 2022, the Company was in compliance with the debt covenants under the Renewal Agreement and the Amended and Restated Loan Agreement.

#### **Contingencies**

##### *Litigation*

From time to time, the Company may be named as a defendant in legal actions relating to transactions conducted in the ordinary course of business. Some of these matters may involve claims of substantial amounts. Although there can be no assurance of the outcome of such legal actions, in the opinion of management, after consultation with external counsel, the Company believes it is not probable and/or reasonably possible that any current legal proceedings or claims would individually or in the aggregate have a material adverse effect on the condensed consolidated financial statements of the Company. The Company is not currently able to estimate the possible loss or range of loss until developments in such matters have provided sufficient information to support such an assessment, including quantification of a damage demand from plaintiffs, discovery from other parties and investigation of factual allegations, rulings by courts on motions or appeals, analysis by experts or the status of any settlement negotiations.

##### *Guarantee*

The Company provides a guarantee to a lending institution for certain loans held by employees for investment in funds of its former Parent, which are secured by the underlying investments in those funds. The amount guaranteed was \$3.0 million and \$3.3 million as of March 31, 2023 and December 31, 2022, respectively. In connection with this guarantee, the Company currently expects any associated risk of loss to be insignificant.

##### *Indemnifications*

The Company has entered and may continue to enter into contracts that contain a variety of indemnification obligations. The Company’s maximum exposure under these arrangements is not known; however, the Company currently expects any associated risk of loss to be insignificant. In connection with these matters, the Company has incurred and may continue to incur legal expenses, which are expensed as incurred.

**PJT Partners Inc.**  
**Notes to Condensed Consolidated Financial Statements – Continued (Unaudited)**  
**(All Dollars Are in Thousands, Except Share and Per Share Data, Except Where Noted)**

---

## **Transactions and Agreements with Blackstone**

### *Employee Matters Agreement*

The Company is required to reimburse Blackstone for the value of forfeited unvested equity awards granted to former Blackstone employees that transitioned to PJT Partners in connection with the spin-off. Such reimbursement is recorded in Accounts Payable, Accrued Expenses and Other Liabilities with an offset to Equity in the Condensed Consolidated Statements of Financial Condition. The accrual for these forfeitures was \$0.9 million as of March 31, 2023 and December 31, 2022.

Pursuant to the Employee Matters Agreement, the Company has agreed to pay Blackstone the net realized cash benefit resulting from certain compensation-related tax deductions. Amounts are payable annually (for periods in which a cash benefit is realized) within nine months of the end of the relevant tax period. The Company had accrued \$3.4 million as of March 31, 2023 and December 31, 2022, which the Company anticipates will be payable to Blackstone after the Company files its respective tax returns. The tax deduction and corresponding payable to Blackstone related to such deliveries will fluctuate primarily based on the price of Blackstone common stock at the time of delivery.

## **14. REGULATED ENTITIES**

Certain subsidiaries of the Company are subject to various regulatory requirements in the U.S., United Kingdom, Hong Kong and Spain, which specify, among other requirements, minimum net capital requirements for registered broker-dealers.

PJT Partners LP is a registered broker-dealer through which advisory and placement services are conducted in the U.S. and is subject to the net capital requirements of Rule 15c3-1 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). PJT Partners LP had net capital of \$37.2 million and \$125.9 million as of March 31, 2023 and December 31, 2022, respectively, which exceeded the minimum net capital requirement by \$35.7 million and \$124.1 million, respectively. PJT Partners LP does not carry customer accounts and does not otherwise hold funds or securities for, or owe money or securities to, customers and, accordingly, has no obligations under the SEC Customer Protection Rule (Rule 15c3-3).

As of March 31, 2023 and December 31, 2022, PJT Partners (UK) Limited, PJT Partners (HK) Limited and PJT Partners Park Hill (Spain) A.V., S.A.U. were in compliance with local capital adequacy requirements.

## **15. BUSINESS INFORMATION**

The Company’s activities providing advisory and placement services constitute a single reportable segment. An operating segment is a component of an entity that conducts business and incurs revenues and expenses for which discrete financial information is available that is reviewed by the chief operating decision maker in assessing performance and making resource allocation decisions. The Company has a single operating segment and therefore a single reportable segment.

The Company is organized as one operating segment in order to maximize the value of advice to clients by drawing upon the diversified expertise and broad relationships of senior professionals across the Company. The chief operating decision maker assesses performance and allocates resources based on broad considerations, including the market opportunity, available expertise across the Company and the strength and efficacy of professionals’ collaboration, and not based upon profit or loss measures for the Company’s separate product lines.

**PJT Partners Inc.**  
**Notes to Condensed Consolidated Financial Statements – Continued (Unaudited)**  
**(All Dollars Are in Thousands, Except Share and Per Share Data, Except Where Noted)**

Since the financial markets are global in nature, the Company generally manages its business based on the operating results of the Company taken as a whole, not by geographic region. The following tables set forth the geographical distribution of revenues and assets based on the location of the office that generates the revenues or holds the assets and therefore may not be reflective of the geography in which the Company's clients are located.

	Three Months Ended March 31,	
	2023	2022
<b>Revenues</b>		
Domestic	\$ 166,815	\$ 216,979
International	33,173	29,340
Total	<u>\$ 199,988</u>	<u>\$ 246,319</u>
	March 31, 2023	December 31, 2022
<b>Assets</b>		
Domestic	\$ 829,558	\$ 921,274
International	130,253	129,378
Total	<u>\$ 959,811</u>	<u>\$ 1,050,652</u>

## 16. SUBSEQUENT EVENTS

The Board has declared a quarterly dividend of \$0.25 per share of Class A common stock, which will be paid on June 21, 2023 to Class A common stockholders of record as of June 7, 2023.

As publicly reported, on May 1, 2023, First Republic Bank ("FRB") was acquired by JPMorgan Chase & Co. following a seizure by the U.S. Federal Deposit Insurance Corporation. The Company maintained cash deposits and a revolving credit facility with FRB. The Company expects no material impact on its consolidated financial statements or day-to-day operations as a result of these recent developments.

The Company has evaluated the impact of subsequent events through the date these financial statements were issued, and determined there were no subsequent events requiring adjustment or further disclosure to the financial statements besides those described in Note 12. "Transactions with Related Parties—Exchange Agreement."

## **ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

*The following discussion and analysis should be read in conjunction with PJT Partners Inc.’s Condensed Consolidated Financial Statements and the related notes included in this Quarterly Report on Form 10-Q.*

### **Our Business**

PJT Partners is a premier, global, advisory-focused investment bank that was built from the ground up to be different. Our highly experienced, collaborative teams provide independent advice coupled with old-world, high-touch client service. This ethos has allowed us to attract some of the very best talent in the markets in which we operate. We deliver leading advice to many of the world’s most consequential companies, effect some of the most transformative transactions and restructurings and raise billions of dollars of capital around the globe to support startups and more established companies.

We have world-class franchises in each of the areas in which we compete:

#### *Strategic Advisory*

Our team of leading professionals delivers strategic advice and innovative solutions to various opportunities and often highly complex challenges. We advise clients on transactions including mergers and acquisitions (“M&A”), spin-offs, activism defense, contested M&A, joint ventures, minority investments and divestitures. Additionally, we advise private and public company boards and management teams on strategies for building productive investor relationships with a focus on shareholder engagement; complex investor matters; environmental, social and governance transition solutions; and other critical strategic, governance and shareholder matters. Our capital markets advisory team advises and executes public and private capital raises in the debt and equity capital markets, including debt financings, acquisition financings, structured product offerings, public equity raises including IPO and SPAC offerings, private capital raises for early and later stage companies as well as other capital structure related matters. Our geopolitical and policy advisory practice assists boards and managements team navigate changing geopolitical relationships against the backdrop of evolving political landscapes.

#### *Restructuring and Special Situations*

Our Restructuring and Special Situations business is one of the world’s leading advisors in financial debt restructurings, liability management, distressed M&A and Chapter 11 matters, around the globe. We have been named IFR Restructuring Advisor of the Year for three years running beginning in 2020 and are consistently ranked among the top three financial advisors in announced global restructuring volume. With expertise in highly complex capital structure challenges, we advise management teams, corporate boards, sponsors and creditors in situations where a company is experiencing financial distress.

#### *PJT Park Hill*

PJT Park Hill, our leading global alternative asset advisory and fundraising business, provides private fund advisory and fundraising services for a diverse range of investment strategies. Moreover, PJT Park Hill is the only group among its peers with top-tier dedicated private equity, hedge fund, private credit, real estate, directs and private capital solutions groups. PJT Park Hill’s Private Capital Solutions business is a leading advisor to GPs and LPs on liquidity and other structured solutions.

### **Business Environment**

Economic and global financial conditions can materially affect our operational and financial performance. See “Part I. Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2022 for a discussion of some of the factors that can affect our performance.

M&A is a cyclical business that is impacted by macroeconomic conditions. There are several factors weighing on global M&A activity in the intermediate-term, including monetary policy, a downturn in equity markets, greater economic and geopolitical uncertainty and slowing global growth. Worldwide M&A announced volumes during the first quarter of 2023 were down 44% compared with first quarter of 2022<sup>1</sup> as these factors adversely impacted the strength of strategic activity. While the pace of activity has changed, we expect corporate boards and management teams to continue to use M&A as a strategic tool.

Continued adverse macroeconomic conditions, particularly in the debt and equity capital markets led to an uptick in global restructuring activity in the first quarter of 2023. In particular, out-of-court liability management transactions, principally driven by financial sponsor activity led to an increase in active restructuring mandates. Restructuring opportunities remain across most sectors and geographies including healthcare, consumer-driven businesses and industrials driven by a mix of financial debt restructurings, liability management and in-court Chapter 11 matters.

Given the global macroeconomic environment and supply of alternative investment opportunities in the market seeking capital, limited partners have become more discerning in their deployment of capital for both existing and new fund manager relationships. Investors continue to focus on existing relationships and, as a result, the bar for fund managers to attract new investors remains high as a flight to quality persists. As it relates to private capital activity, market volatility has increased resulting from rising inflation, supply chain disruption and geopolitical events. As a result, market sentiment has shifted away from highly concentrated portfolio structures in favor of diversification.

<sup>1</sup>Source: Refinitiv Global Mergers & Acquisitions Review for First Quarter of 2023 as of March 31, 2023.

## **Key Financial Measures**

### ***Revenues***

Substantially all of our revenues are derived from contracts with clients to provide advisory and placement services. This revenue is primarily a function of the number of active engagements we have, the size of each of those engagements and the fees we charge for our services.

We provide a range of strategic advisory, capital markets advisory, restructuring and special situations and shareholder advisory services to corporations, financial sponsors, institutional investors and governments around the world. In conjunction with providing restructuring advice, we may also assist with raising various forms of financing, including debt and equity. Our private capital solutions services include providing GP solutions and investing solutions to clients seeking portfolio liquidity, unfunded commitment relief and investments in secondary markets. Our fund placement services primarily serve alternative investment strategies, including private equity, real estate, hedge funds and private credit. We advise on all aspects of the fundraising process including competitive positioning and market assessment, marketing materials and related documentation including partnership terms and conditions most prevalent in the current environment. We also provide public and private placement fundraising services to our corporate clients and recognize placement and underwriting fees based on the successful completion of the transaction.

The amount and timing of the fees paid vary by the type of engagement and are typically based on retainers, completion of a transaction or a capital raise. Fees earned for services provided to alternative asset managers are typically recognized upon acceptance by a fund of capital or capital commitments (referred to as a “closing”), in accordance with terms set forth in individual agreements. For commitment based fees, revenue is recognized over time as commitments are accepted. Fees for such closed-end fund arrangements are generally paid in installments over three or four years and interest is charged to the outstanding balance at an agreed upon rate, such as the Secured Overnight Financing Rate or an alternate reference rate, plus a market-based margin. For funds with multiple closings, the constraint on variable consideration is lifted upon each closing. For open-end fund structures, placement fees are typically calculated as a percentage of a placed investor’s month-end net asset value. Typically, we earn fees for such open-end fund structures over a four year period. For these arrangements, revenue is recognized over time as the constraint over variable consideration is lifted. We may receive non-refundable up-front fees in our contracts with customers, which are recorded as revenues in the period over which services are estimated to be provided.

A transaction can fail to be completed for many reasons, including global and/or regional economic conditions, failure of parties to agree upon final terms, to secure necessary board or shareholder approvals, to secure necessary financing or to achieve necessary regulatory approvals. In the case of bankruptcy engagements, fees are subject to approval of the court.

*Interest Income and Other* – Interest Income and Other represents interest typically earned on Cash and Cash Equivalents, investments in Treasury securities and outstanding placement fees receivable; miscellaneous income; foreign exchange gains and losses arising from transactions denominated in currencies other than U.S. dollars; sublease income; and the amount of expense reimbursement invoiced to clients related to out-of-pocket expenses. Interest on placement fees receivable is earned from the time revenue is recognized and is calculated as mutually agreed upon with the receivable counterparty. Interest receivable is included in Accounts Receivable, Net in the Condensed Consolidated Statements of Financial Condition.

### **Expenses**

*Compensation and Benefits* – Compensation and Benefits expense includes salaries, cash bonuses and restricted cash awards, benefits, employer taxes and equity-based compensation associated with the grants of equity-based awards to partners and employees. Changes in this expense are driven by fluctuations in the number of employees, composition of our workforce, business performance, compensation adjustments in relation to market movements, changes in rates for employer taxes and other cost increases affecting benefit plans. The expense associated with our bonus and equity plans can also have a significant impact on this expense category and may vary from year to year.

We maintain compensation programs, including salaries, annual incentive compensation (that may include components of cash, restricted cash and/or equity-based awards) and benefits programs. We manage compensation to estimates of competitive levels based on market conditions and performance. Our level of compensation reflects our plan to maintain competitive compensation levels to retain key personnel and it reflects the impact of newly-hired senior professionals, including related grants of equity awards that are generally valued at their grant date fair value.

Increasing the number of high-caliber, experienced senior level employees is critical to our growth efforts. In our advisory businesses, these hires generally do not begin to generate significant revenue in the year they are hired.

*Non-Compensation Expense* – Non-Compensation expenses are the other costs typical to operating our business, which generally consist of Occupancy and Related, Travel and Related, Professional Fees, Communications and Information Services, Depreciation and Amortization and Other Expenses. Further information regarding these expenses can be found in "Part II. Item 7. 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, 2022.

*Income Taxes* – PJT Partners Inc. is a corporation subject to U.S. federal, state and local income taxes in jurisdictions where it does business. Our businesses generally operate as partnerships for U.S. federal and state purposes and as corporate entities in non-U.S. jurisdictions. In the U.S. federal and state jurisdictions, taxes related to income earned by these entities generally represent obligations of the individual members and partners.

The operating entities have generally been subject to New York City Unincorporated Business Tax and to entity-level income taxes imposed by state and local as well as non-U.S. jurisdictions, as applicable. These taxes have been reflected in our condensed consolidated financial statements.

PJT Partners Inc. is subject to U.S. corporate federal, state and local income tax on its allocable share of results of operations from the operating partnership (PJT Partners Holdings LP).

### **Non-Controlling Interests**

PJT Partners Inc. is a holding company and its only material asset is its controlling equity interest in PJT Partners Holdings LP, and certain cash and cash equivalents it may hold from time to time. As the sole general



partner of PJT Partners Holdings LP, PJT Partners Inc. operates and controls all of the business and affairs and consolidates the financial results of PJT Partners Holdings LP and its operating subsidiaries. The portion of net income attributable to the non-controlling interests is presented separately in the Condensed Consolidated Statements of Operations.

### Condensed Consolidated Results of Operations

The following table sets forth our condensed consolidated results of operations for the three months ended March 31, 2023 and 2022:

	Three Months Ended March 31,		Change
	2023	2022	
(Dollars in Thousands)			
<b>Revenues</b>			
Advisory Fees	\$ 168,090	\$ 181,658	(7)%
Placement Fees	27,585	60,351	(54)%
Interest Income and Other	4,313	4,310	0%
<b>Total Revenues</b>	<b>199,988</b>	<b>246,319</b>	<b>(19)%</b>
<b>Expenses</b>			
Compensation and Benefits	133,043	159,232	(16)%
Occupancy and Related	10,011	8,942	12%
Travel and Related	6,972	4,458	56%
Professional Fees	6,927	7,051	(2)%
Communications and Information Services	4,077	4,423	(8)%
Depreciation and Amortization	3,443	4,307	(20)%
Other Expenses	6,322	7,758	(19)%
<b>Total Expenses</b>	<b>170,795</b>	<b>196,171</b>	<b>(13)%</b>
<b>Income Before Provision for Taxes</b>	<b>29,193</b>	<b>50,148</b>	<b>(42)%</b>
<b>Provision for Taxes</b>	<b>1,207</b>	<b>5,680</b>	<b>(79)%</b>
<b>Net Income</b>	<b>27,986</b>	<b>44,468</b>	<b>(37)%</b>
<b>Net Income Attributable to Non-Controlling Interests</b>	<b>10,650</b>	<b>18,764</b>	<b>(43)%</b>
<b>Net Income Attributable to PJT Partners Inc.</b>	<b>\$ 17,336</b>	<b>\$ 25,704</b>	<b>(33)%</b>

#### Revenues

The following table provides revenue statistics for the three months ended March 31, 2023 and 2022:

	Three Months Ended March 31,	
	2023	2022
Total Number of Clients	237	239
Total Number of Fees of at least \$1 Million from Client Transactions	37	49

Total Revenues were \$200.0 million for the three months ended March 31, 2023, a decrease of \$46.3 million compared with \$246.3 million for the three months ended March 31, 2022. Advisory Fees were \$168.1 million for the three months ended March 31, 2023, a decrease of \$13.6 million compared with \$181.7 million for the three months ended March 31, 2022. The decrease in Advisory Fees was due to decreases in strategic advisory and private capital solutions revenues. Placement Fees were \$27.6 million for the three months ended March 31, 2023, a

decrease of \$32.8 million compared with \$60.4 million for the three months ended March 31, 2022. The decrease in Placement Fees was principally due to a decrease in fund placement revenues.

#### *Expenses*

Expenses were \$170.8 million for the three months ended March 31, 2023, a decrease of \$25.4 million compared with \$196.2 million for the three months ended March 31, 2022. The decrease in expenses was principally attributable to a decrease in Compensation and Benefits of \$26.2 million, which was partially offset by increases in Travel and Related of \$2.5 million and Occupancy and Related of \$1.1 million. The compensation accrual rate increased for the current quarter principally reflecting increased fixed compensation expenses combined with lower revenues. Aggregate Compensation and Benefits decreased in the quarter notwithstanding the higher accrual rate due to lower revenues compared with the prior year. Travel and Related increased due to increased levels of business travel. Occupancy and Related increased principally due to expansion of our New York office.

#### *Provision for Taxes*

The Company's Provision for Taxes for the three months ended March 31, 2023 was \$1.2 million, which represents an effective tax rate of 4.1% on pretax income of \$29.2 million. The Company's Provision for Taxes for the three months ended March 31, 2022 was \$5.7 million, which represents an effective tax rate of 11.3% on pretax income of \$50.1 million.

The change in tax rate between the three months ended March 31, 2023 and three months ended March 31, 2022 was principally due to a lower pretax income.

#### *Non-Controlling Interests*

Net Income Attributable to Non-Controlling Interests is derived from the Income Before Provision for Taxes and the percentage allocation of the income between the holders of common units of partnership interest in PJT Partners Holdings LP ("Partnership Units") and holders of Class A common stock of PJT Partners Inc. after considering any contractual arrangements that govern the allocation of income.

## **Liquidity and Capital Resources**

### ***General***

We regularly monitor our liquidity position, including cash and cash equivalents, investments, working capital assets and liabilities, any commitments and other liquidity requirements.

Our assets have been historically comprised of cash and cash equivalents, investments, receivables arising from advisory and placement engagements and operating lease right-of-use assets. Our liabilities generally include accrued compensation and benefits, accounts payable and accrued expenses, taxes payable and operating lease liabilities. We expect to pay a significant amount of incentive compensation toward the end of each year and during the beginning of the next calendar year with respect to the prior year's results. A portion of annual compensation may be awarded with equity-based compensation and thus requires less cash. We expect levels of cash to decline at the end of the year and during the first quarter of each year after incentive compensation is paid to our employees. We then expect cash to build throughout the remainder of the year.

On February 1, 2021, PJT Partners Holdings LP, as borrower (the "Borrower"), entered into a Renewal and Modification Agreement (the "Renewal Agreement") and related documents with First Republic Bank, as lender (the "Lender"), amending the terms of the Borrower's revolving credit facility with the Lender under the Amended and Restated Loan Agreement dated October 1, 2018 (the "Amended and Restated Loan Agreement"). On February 7, 2023, the Renewal Agreement was further amended to extend the maturity date to October 1, 2024. Further information regarding the Renewal Agreement and Amended and Restated Loan Agreement can be found in Note 13. "Commitments and Contingencies—Commitments, Line of Credit" in the "Notes to Condensed Consolidated Financial Statements" in "—Item 1. Financial Statements" of this filing. As of March 31, 2023 and December 31, 2022, we were in compliance with the debt covenants under the Renewal Agreement and Amended and Restated

Loan Agreement, respectively. Additionally, as of March 31, 2023 and December 31, 2022, there were no borrowings outstanding under the revolving credit facility.

We evaluate our cash needs on a regular basis in light of current market conditions. During the quarter ended March 31, 2023, certain U.S. and international government banking regulators took steps to intervene in the operations of certain financial institutions due to liquidity concerns which caused significant disruptions to the banking system and financial market volatility. Further, as publicly reported, on May 1, 2023, First Republic Bank was acquired by JPMorgan Chase & Co. following a seizure by the U.S. Federal Deposit Insurance Corporation. As of March 31, 2023 and December 31, 2022, we had cash, cash equivalents and short-term investments of \$98.5 million and \$223.5 million, respectively. The vast majority of these balances are either held in institutions labeled by the Financial Stability Board as global systemically important banks, fully insured cash sweep accounts or Treasury securities.

Although we maintain multiple banking relationships with both global and regional banks and actively monitor the financial stability of such institutions, a failure at any institution where we maintain a banking relationship could impact our liquidity.

Our liquidity is highly dependent upon cash receipts from clients, which are generally dependent upon the successful completion of transactions as well as the timing of receivable collections. As of March 31, 2023 and December 31, 2022, total accounts receivable, net of allowance for credit losses, were \$319.6 million and \$317.8 million, respectively. As of March 31, 2023 and December 31, 2022, the allowance for credit losses was \$2.3 million and \$1.9 million, respectively. Included in Accounts Receivable, Net are long-term receivables of \$131.7 million and \$133.3 million as of March 31, 2023 and December 31, 2022, respectively, related to placement fees that are generally paid in installments over a period of three to four years.

### ***Sources and Uses of Liquidity***

Our primary cash needs are for working capital, paying operating expenses including cash compensation to our employees, exchanging of Partnership Units for cash, repurchasing shares of the Company's Class A common stock, paying income taxes, making distributions to our shareholders in accordance with our dividend policy, partnership tax distributions, capital expenditures, making payments pursuant to the tax receivable agreement, commitments and strategic investments. We expect to fund these liquidity requirements through cash flows from operations and borrowings under our revolving credit facility. Our ability to fund these needs through cash flows from operations will depend, in part, on our ability to generate or raise cash in the future. This depends on our future financial results, which are subject to general economic, financial, competitive, legislative and regulatory factors.

Additionally, our ability to generate positive cash flow from operations will be impacted by global economic conditions. If our cash flows from operations are significantly reduced, we may need to borrow from our revolving credit facility, incur debt, or issue additional equity. Although we believe that the arrangement we have in place, and our ability to renew that arrangement, will permit us to finance our operations on acceptable terms and conditions for the foreseeable future, our access to, and the availability of, financing on acceptable terms and conditions in the future will be impacted by many factors, including: (a) business performance, (b) our credit ratings or absence of a credit rating, (c) the liquidity of the overall capital markets, (d) the current state of the economy, and (e) stability of our lending institution. We cannot provide any assurance that such financing will be available to us on acceptable terms or that such financing will be available at all. We believe that our future cash from operations and availability under our revolving credit facility, together with our access to funds on hand, will provide adequate resources to fund our short-term and long-term liquidity and capital needs.

### ***Regulatory Capital***

We actively monitor our regulatory capital base. We are subject to regulatory requirements in the U.S. and certain international jurisdictions to ensure general financial soundness and liquidity. This requires, among other things, that we comply with certain minimum capital requirements, recordkeeping, reporting procedures, experience and training requirements for employees and certain other requirements and procedures. These regulatory requirements may restrict the flow of funds to and from affiliates. See Note 14. "Regulated Entities" in the "Notes to Condensed Consolidated Financial Statements" in "—Item 1. Financial Statements" of this filing for further

information. The licenses under which we operate are meant to be appropriate to conduct our business. We believe that we provide each of these entities with sufficient capital and liquidity, consistent with their business and regulatory requirements.

Our activities may also be subject to regulation, including regulatory capital requirements, by various other foreign jurisdictions and self-regulatory organizations.

We do not anticipate that compliance with any and all such requirements will materially adversely impact the availability of funds for domestic and parent-level purposes.

### ***Exchange Agreement***

Subject to the terms and conditions of the exchange agreement between us and certain of the holders of Partnership Units (other than PJT Partners Inc.), Partnership Units are exchangeable at the option of the holder for cash or, at our election, for shares of our Class A common stock on a one-for-one basis. Depending on our liquidity and capital resources, market conditions, the timing and concentration of exchange requests and other considerations, we may choose to fund exchanges of Partnership Units with available cash, borrowings or new issuances of Class A common stock or to settle exchanges by issuing Class A common stock to the exchanging holder of Partnership Units.

Certain holders of Partnership Units exchanged 0.1 million Partnership Units for cash in the amount of \$10.7 million for the three months ended March 31, 2023 and 0.1 million Partnership Units for cash in the amount of \$6.6 million for the three months ended March 31, 2022.

### ***Share Repurchase Program***

During the three months ended March 31, 2023, the Company repurchased 0.9 million shares of Class A common stock at an average price per share of \$77.37, or \$66.2 million in aggregate, pursuant to the share repurchase program. As of March 31, 2023, the Company's remaining repurchase authorization was \$107.5 million.

### **Contractual Obligations**

For a discussion of our contractual obligations, refer to "Part II. Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations—Contractual Obligations" in our Annual Report on Form 10-K for the year ended December 31, 2022. There have not been any material changes to our contractual obligations since December 31, 2022.

### **Commitments and Contingencies**

#### ***Litigation***

With respect to our litigation matters, including any litigation discussed under the caption "Legal Proceedings" elsewhere in this report, we are not currently able to estimate the possible loss or range of loss until developments in such matters have provided sufficient information to support such an assessment, including quantification of a damage demand from plaintiffs, discovery from other parties and investigation of factual allegations, rulings by courts on motions or appeals, analysis by experts or the status of any settlement negotiations. While the ultimate outcome and the costs associated with litigation are inherently uncertain and difficult to predict, we believe, based on current knowledge and after consultation with counsel, that we are not currently party to any material pending proceedings, individually or in the aggregate, the resolution of which would have a material effect on the Company.

#### ***Guarantee***

The Company provides a guarantee to a lending institution for certain loans held by employees for investment in funds of its former Parent, which are secured by the underlying investments in those funds. The amount

guaranteed was \$3.0 million and \$3.3 million as of March 31, 2023 and December 31, 2022, respectively. In connection with this guarantee, we currently expect any associated risk of loss to be insignificant.

### ***Indemnifications***

We have entered and may continue to enter into contracts that contain a variety of indemnification obligations. Our maximum exposure under these arrangements is not known; however, we currently expect any associated risk of loss to be insignificant. In connection with these matters, we have incurred and may continue to incur legal expenses, which are expensed as incurred.

### ***Tax Receivable Agreement***

We have entered into a tax receivable agreement with the holders of Partnership Units (other than PJT Partners Inc.) that provides for the payment by PJT Partners Inc. to exchanging holders of Partnership Units of 85% of the benefits, if any, that PJT Partners Inc. is deemed to realize as a result of the increases in tax basis related to such exchanges of Partnership Units and of certain other tax benefits related to entering into the tax receivable agreement, including tax benefits attributable to payments under the tax receivable agreement. As of March 31, 2023 and December 31, 2022, the Company had amounts due of \$31.7 million and \$30.3 million, respectively, pursuant to the tax receivable agreement, which represent management's best estimate of the amounts currently expected to be owed in connection with the tax receivable agreement. Actual payments may differ significantly from estimated payments.

Further information regarding the tax receivable agreement can be found in "Part II. Item 7. 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, 2022.

### ***Other***

See Notes 8, 10, 11 and 13 in the "Notes to Condensed Consolidated Financial Statements" in "—Item 1. Financial Statements" of this filing for further information in connection with income taxes, equity-based and other deferred compensation plans, leasing arrangements and commitments, respectively.

### ***Critical Accounting Estimates***

A discussion of critical accounting estimates is included in "Part II. Item 7. 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, 2022.

### **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

#### **Market Risk and Credit Risk**

Our business is not capital-intensive and we do not invest in derivative instruments or, generally, borrow. As a result, we are not subject to significant market risk (including interest rate risk, foreign currency exchange rate risk and commodity price risk) or credit risk. Notwithstanding the foregoing, current economic and geopolitical uncertainty and slowing global growth could have a material adverse effect on the Company's condensed consolidated financial statements.

#### *Risks Related to Cash, Cash Equivalents and Investments*

Our cash and cash equivalents include short-term highly liquid investments that are readily convertible to known amounts of cash and have original maturities of three months or less from the date of purchase. Cash and cash equivalents are maintained in U.S. and non-U.S. bank accounts and are held at five financial institutions. In addition to cash and cash equivalents, we hold investments in Treasury securities, certain of which are classified as Investments in our Condensed Consolidated Statements of Financial Condition. We believe our cash, cash equivalents and short-term investments are not subject to any material interest rate risk, equity price risk, credit risk or other market risk based on our diversified use of global and regional financial institutions and the short-term nature of the securities.

#### *Credit Risk*

We estimate our allowance for credit losses using relevant available information from internal and external sources relating to past events, current conditions and reasonable and supportable forecasts. We maintain an allowance for credit losses that, in our opinion, reflects current expected credit losses. As of March 31, 2023 and December 31, 2022, the allowance for credit losses was \$2.3 million and \$1.9 million, respectively.

#### *Exchange Rate Risk*

We are exposed to the risk that the exchange rate of the U.S. dollar relative to other currencies may have an adverse effect on the reported value of our non-U.S. dollar denominated or based assets and liabilities. In addition, the reported amounts of our revenues may be affected by movements in the rate of exchange between the transaction currency and the U.S. dollar, the currency in which our financial statements are denominated. The principal non-U.S. dollar currencies include the pound sterling, the euro, the Hong Kong dollar and the Japanese yen. For the three months ended March 31, 2023 and 2022, the impact of the fluctuation of foreign currencies in Other Comprehensive Income (Loss), Net of Tax – Currency Translation Adjustment in the Condensed Consolidated Statements of Comprehensive Income was a gain of \$1.4 million and a loss of \$1.4 million, respectively, and in Interest Income and Other in the Condensed Consolidated Statements of Operations, a loss of \$0.8 million and a gain of \$0.1 million, respectively. We have not entered into any transaction to hedge our exposure to these foreign currency fluctuations through the use of derivative instruments or other methods at this time. Given the geopolitical uncertainty and the ongoing economic impact, rising interest rates and heightened inflation, exchange rate fluctuations between the U.S. dollar and other currencies could unfavorably affect our condensed consolidated financial statements.

### **ITEM 4. CONTROLS AND PROCEDURES**

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of the end of the period covered by this report. Based upon this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective.

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) occurred during our most recent quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## PART II. OTHER INFORMATION

### ITEM 1. LEGAL PROCEEDINGS

From time to time, the Company and its affiliates may be subject to legal proceedings and claims in the ordinary course of business. In addition, government agencies and self-regulatory organizations in countries in which we conduct business undertake periodic examinations and may initiate administrative proceedings regarding the Company's and its affiliates' business, including, among other matters, accounting and operational matters, that can result in censure, fine, the issuance of cease-and-desist orders or the suspension or expulsion of a broker-dealer, or its directors, officers or employees. It is our policy to cooperate fully with such governmental requests, examinations and administrative proceedings. In view of the inherent difficulty of determining whether any loss in connection with any such matters is probable and whether the amount of such loss can be reasonably estimated, particularly in cases where claimants seek substantial or indeterminate damages or where investigations and proceedings are in the early stages, we cannot estimate the amount of such loss or range of loss, if any, related to such matters, how or if such matters will be resolved, when they will ultimately be resolved, or what the eventual settlement, fine, penalty or other relief, if any, might be. Subject to the foregoing, we believe, based on current knowledge and after consultation with counsel, that we are not currently party to any material pending proceedings, individually or in the aggregate, the resolution of which would have a material effect on the Company.

### ITEM 1A. RISK FACTORS

There were no material changes from the risk factors previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2022.

The risks described in our Annual Report on Form 10-K for the year ended December 31, 2022 and in our subsequently filed Quarterly Reports on Form 10-Q are not the only risks facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results.

### ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

#### Issuer Purchases of Equity Securities in the First Quarter of 2023

	Total Number of Shares Repurchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (a)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (a)
January 1 to January 31	—	\$ —	—	\$ 173.7 million
February 1 to February 28	625,548	77.52	625,548	125.2 million
March 1 to March 31	229,570	76.96	229,570	107.5 million
Total	<u>855,118</u>	\$ 77.37	<u>855,118</u>	\$ 107.5 million

- (a) On April 25, 2022, the Company's Board of Directors (the "Board") authorized a \$200 million repurchase program of the Company's Class A common stock, which is in addition to the previous Board authorizations. As of March 31, 2023, the Company's remaining repurchase authorization was \$107.5 million. Under the repurchase program, shares of the Company's Class A common stock may be repurchased from time to time in open market transactions, in privately negotiated transactions or otherwise. The timing and the actual number of shares repurchased depend on a variety of factors, including legal requirements, price and economic and market conditions. The repurchase program may be suspended or discontinued at any time and does not have a specified expiration date.

### **Unregistered Sales/Issuances of Equity Securities and Use of Proceeds**

In connection with the issuance during the first quarter of 2023 of LTIP Units in PJT Partners Holdings LP to certain personnel and the transfer of Partnership Units in PJT Partners Holdings LP, PJT Partners Inc. issued six corresponding shares of its Class B common stock, par value \$0.01 per share, to these limited partners. The issuance of shares of Class B common stock was not registered under the Securities Act of 1933 because such shares were not issued in a transaction involving the offer or sale of securities.

### **ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

Not applicable.

### **ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable.

### **ITEM 5. OTHER INFORMATION**

Not applicable.



## ITEM 6. EXHIBITS

Exhibit Number	Exhibit Description
2.1	<a href="#"><u>Separation and Distribution Agreement by and among The Blackstone Group L.P., Blackstone Holdings I L.P., New Advisory GP L.L.C., PJT Partners Inc. and PJT Partners Holdings LP, dated as of October 1, 2015 (incorporated herein by reference to Exhibit 2.1 to the Registrant’s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 5, 2015).</u></a>
3.1	<a href="#"><u>Amended and Restated Certificate of Incorporation of PJT Partners Inc. (incorporated herein by reference to Exhibit 3.1 to the Registrant’s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 5, 2015).</u></a>
3.2	<a href="#"><u>Amended and Restated By-Laws of PJT Partners Inc. (incorporated herein by reference to Exhibit 3.2 to the Registrant’s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 5, 2015).</u></a>
*10.1	<a href="#"><u>PJT Partners Inc. Amended and Restated Bonus Deferral Plan, dated as of February 22, 2023.</u></a>
10.2	<a href="#"><u>Renewal Agreement, by and between PJT Partners Holdings LP and First Republic Bank, dated as of February 7, 2023.</u></a>
31.1	<a href="#"><u>Certification of the Chief Executive Officer pursuant to Rule 13a-14(a).</u></a>
31.2	<a href="#"><u>Certification of the Chief Financial Officer pursuant to Rule 13a-14(a).</u></a>
32.1	<a href="#"><u>Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).</u></a>
32.2	<a href="#"><u>Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).</u></a>
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because iXBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

\* Indicates management or compensation plan or arrangement

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by us in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.

## 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 thereunto duly authorized.

Date: May 3, 2023

### **PJT Partners Inc.**

By: /s/ Paul J. Taubman  
Name: Paul J. Taubman  
Title: Chief Executive Officer

By: /s/ Helen T. Meates  
Name: Helen T. Meates  
Title: Chief Financial Officer  
(Principal Financial and Accounting Officer)

**AMENDED AND RESTATED  
PJT PARTNERS INC. BONUS DEFERRAL PLAN  
(Effective December 2022)**

**Purpose**

This Amended and Restated PJT Partners Inc. Bonus Deferral Plan (the “Plan”) represents a deferred compensation plan for certain eligible employees and partners of PJT Partners Inc. (“PJT Partners”) and certain of its affiliates in order to provide such individuals with pre-tax deferred incentive compensation awards and thereby enhance the alignment of interests between such individuals and the Company and its affiliates. This Plan governs Annual Bonuses (as defined below) earned in respect of 2016 and subsequent calendar years. This Plan operates as a sub-plan to the PJT Partners Inc. 2015 Omnibus Incentive Plan and, accordingly, any Common Shares (as defined below) or equity-based awards thereon issued pursuant to this Plan will be deemed as issued under the share reserve established under the PJT Partners Inc. 2015 Omnibus Incentive Plan.

**ARTICLE I.  
DEFINITIONS**

As used herein, the following terms have the meanings set forth below.

“Affiliated Employer” means, except as provided under Section 409A of the Code and the regulations promulgated thereunder, any company or other entity that is related to the Company as a member of a controlled group of corporations in accordance with Section 414(b) of the Code or as a trade or business under common control in accordance with Section 414(c) of the Code.

“Annual Bonus” means the annual bonus awarded to a Participant with respect to a given Fiscal Year under the applicable annual bonus plan, program, agreement or other arrangement (as designated by the Plan Administrator in its sole discretion); provided that a Participant’s Annual Bonus for purposes of this Plan shall exclude any bonus or other amount, the payment of which has been guaranteed or promised to the Participant at any time prior to the Annual Bonus Notification Date pursuant to any agreement, plan, program or other arrangement between the Participant and the Company (a “Guaranteed Bonus”) unless the document evidencing the Guaranteed Bonus expressly provides for the deferral of all or a specified portion of such Guaranteed Bonus, in which case such deferral will occur pursuant to the terms and conditions set forth in such document. Notwithstanding the foregoing, if the Plan Administrator determines that the deferral under the Plan of a Participant’s Guaranteed Bonus likely would result in the imposition of tax or penalties under Section 409A of the Code, the Participant’s Annual Bonus shall exclude such Guaranteed Bonus.

“Annual Bonus Notification Date” means the date on which the Company notifies a Participant of the amount of such Participant’s Annual Bonus (if any) for the relevant Fiscal Year.

“Annual Fixed Compensation” means any annualized base salary and any additional supplemental salary received by the Participant for the relevant Fiscal Year.

“Annual Total Compensation” includes the aggregate of a Participant’s Annual Fixed Compensation and any Annual Bonus for the same Fiscal Year.

“Board” means the board of directors of PJT Partners.

“Bonus Deferral Amount” has the meaning set forth in Section 3.01(a).

“Cause,” with respect to a Participant, has the meaning set forth in the Employment Agreement to which such Participant is a party.

“Change in Control” means, with respect to the Company, a “Change in Control” as defined under the Equity Incentive Plan, to the extent that such event also constitutes a “change of control” within the meaning of Section 409A of the Code and the regulations and Internal Revenue Service guidance promulgated thereunder.

“Code” means the Internal Revenue Code of 1986, as amended.

“Common Shares” means the publicly-traded shares of Class A Common Stock of PJT Partners which are available for issuance under the Equity Incentive Plan.

“Company” means PJT Partners and each Participating Employer (individually or collectively as the context requires).

“Competitive Activity” means a Participant’s engagement in any activity that would constitute a violation of any non-competition covenants to which the Participant is subject under the Participant’s Employment Agreement, determined without regard to the actual duration of such non-competition covenants pursuant to the Employment Agreement.

“Deferral Award” means such number of Common Shares, RSUs or other equity-based awards denominated in Common Shares calculated in accordance with Section 3.01(b).

“Delivery Date” shall mean the date upon which Common Shares (or, if applicable, cash or other securities) are delivered with respect to any Deferral Award, as set forth in Section 5.01.

“Disability” has the meaning as provided under Section 409A(a)(2)(C)(i) of the Code.

“Employment” means (i) a Participant’s employment if the Participant is an employee of PJT Partners or any Affiliated Employer or (ii) a Participant’s services as a partner of PJT Partners or any Affiliated Employer if the Participant is a partner.

“Employment Agreement” means, with respect to a Participant, the Contracting Employment Agreement (including all schedules and exhibits thereto) or, with respect to a Participant who is a partner, the Partner Agreement (including all schedules and exhibits thereto), as applicable, to which such Participant is a party.

“Equity Incentive Plan” means the PJT Partners Inc. 2015 Omnibus Incentive Plan or such other plan as the Plan Administrator may designate in its sole discretion.

“Fair Market Value” shall have the meaning given to such term in the Equity Incentive Plan; provided that, with respect to a security other than Common Shares, if the fair market value of such security cannot reasonably be determined pursuant to the foregoing definition, the Fair Market Value of such security shall be the value thereof as determined pursuant to a valuation made by the Plan Administrator in good faith and based upon a reasonable valuation method.

“Fiscal Year” means the fiscal year of PJT Partners.

“Grant Date” has the meaning set forth in Section 3.01(b).

“Participant” means a participant selected by the Plan Administrator in accordance with Section 2.01 hereof.

“Participating Employer” means PJT Partners and each Affiliated Employer (or division or unit of an Affiliated Employer) that is designated as a “Participating Employer” by the Plan Administrator and which adopts this Plan.

“Person” means any individual, partnership, corporation, limited liability company, unincorporated organization, trust, joint venture or enterprise or a governmental agency or political subdivision thereof.

“Plan Account” has the meaning given to such term in Section 3.01(b).

“Plan Administrator” means the Compensation Committee of the Board, or such other person or persons as the Board may appoint for such purpose from time to time. Additionally, the Plan Administrator may delegate its authority under the Plan to any employee or group of employees of PJT Partners or an Affiliate Employer; provided that (i) such delegation is consistent with applicable law and guidelines established by the Board from time to time and (ii) determinations made pursuant to Article VII hereof may be made only by the Plan Administrator.

“Retirement” means a Participant’s Separation from Service (whether voluntary or involuntary) after (i) the Participant has reached age sixty-five (65) and has at least five (5) full years of service with the Company and Blackstone or (ii) (A) the Participant’s age plus years of service with the Company and Blackstone totals at least sixty-five (65), (B) the Participant has reached age fifty-five (55) and (C) the Participant has had a minimum of five (5) years of service the Company and Blackstone.

“RSUs” means restricted stock units on Common Shares.

“Separation from Service” means a Participant’s “separation from service” with the Company within the meaning of Section 409A of the Code and the regulations thereunder.

“Vesting Date” has the meaning set forth in Sections 4.01(b).

“Vesting Period” has the meaning set forth in Section 4.01(b).

## **ARTICLE II. PLAN PARTICIPATION**

2.01. Plan Participation. Each Fiscal Year, on or prior to the Annual Bonus Notification Date for such Fiscal Year, the Plan Administrator, in its sole discretion, will select Participants from among the employees and partners of the Participating Employers and will notify such individuals that they have been selected to participate in the Plan for such Fiscal Year. The Plan Administrator may, in its sole discretion, establish different rules and/or sub-plans under the Plan (x) with respect to Participants based outside of the United States and Participants who are employees of, or other service providers for, a “nonqualified entity” within the meaning of Section 457A of the Code, in each case, in a manner intended to address tax, administrative and securities law considerations with respect to the Company and such Participants or (y) on such terms as are approved by the Plan Administrator and communicated to the applicable Participants prior to or coincident with the Annual Bonus Notification Date. Such alternate rules and/or sub-plans may include, without limitation, different treatment with respect to timing of vesting and delivery of Common Shares (or, if applicable, cash or other securities) under the Plan and may be set forth in Schedules to be attached hereto from time to time.

## **ARTICLE III. DEFERRALS**

3.01. Bonus Award Deferrals.

(a) With respect to a given Fiscal Year commencing with the Fiscal Year ending December 31, 2016, and for each Participant selected to participate in the Plan in accordance with Section 2.01 hereof, a portion of the Annual Bonus (excluding any portion thereof that is being separately deferred pursuant to this Plan or any other agreement, plan, program or other arrangement between the Participant and the Company) for the Fiscal Year; provided the Participant’s Annual Total Compensation for the same Fiscal Year exceeds \$250,000, shall be deferred (his or her “Bonus Deferral Amount”) in accordance with the following table (or such other table that may be adopted by the Plan Administrator prior to or coincident with the Annual Bonus Notification Date):

<b>Portion of Annual Bonus</b>	<b>Marginal Deferral Rate Applicable to Such Portion</b>	<b>Effective Deferral Rate for Entire Annual Bonus*</b>
\$0 - 25,000	0.0%	0.0%
\$25,001 - 200,000	20.0%	17.5%
\$200,001 - 500,000	25.0%	22.0%
\$500,001 - 750,000	35.0%	26.3%
\$750,001 - 1,250,000	45.0%	33.8%
\$1,250,001 - 2,000,000	50.0%	39.9%
\$2,000,001 - 3,000,000	55.0%	44.9%
\$3,000,001 - 4,000,000	60.0%	48.7%
\$4,000,001 - 5,000,000	65.0%	52.0%
\$5,000,001 - 6,000,000	70.0%	55.0%
\$6,000,001 - 7,000,000	75.0%	57.8%
\$7,000,000 +	80.0%	60.6%

\* Effective Deferral Rates are shown for illustrative purposes only and are based on an Annual Bonus equal to the maximum amount in the range shown in the far left column (which is assumed to be \$8,000,000 for the last range shown).

For purposes of determining the Bonus Deferral Amount pursuant to the above table, a Participant's total annual incentive compensation shall be taken into account, although the Bonus Deferral Amount shall only reduce (but not below zero) the amount of the Annual Bonus otherwise payable in cash on a current basis.

Notwithstanding the foregoing: (i) if a Participant's Annual Bonus includes a Guaranteed Bonus, such Participant's Bonus Deferral Amount shall be equal to (x) the portion of the Guaranteed Bonus which the document evidencing the Guaranteed Bonus states will be deferred, plus (y) a portion of the amount (if any) by which the Participant's Annual Bonus exceeds his or her Guaranteed Bonus, determined pursuant to the table above and (ii) the Company reserves the right to change the method by which a Participant's Bonus Deferral Amount will be calculated with respect to any Annual Bonus by notifying the Participant in writing in advance of the Annual Bonus Notification Date for such Annual Bonus. Deferral of each Participant's Bonus Deferral Amount for the relevant Fiscal Year shall be automatic and mandatory. The excess of the Participant's Annual Bonus for the relevant Fiscal Year over his or her Bonus Deferral Amount for such Fiscal Year shall be paid to the Participant on such date and in the same manner as such Participant's Annual Bonus would have been paid to him or her if he or she was not a Participant in the Plan with respect to such Fiscal Year.

(b) Subject to subsection (c) below, the number of Common Shares underlying a Deferral Award shall be calculated by dividing (x) such Participant's entire Bonus Deferral Amount for the Fiscal Year by (y) the average closing prices of a Common Share over the five trading days immediately prior to and the five trading days immediately following (in each case, as reported on the national exchange on which the Common Shares are listed on such date) the date that PJT Partners first publicly issues its earnings release for the corresponding Fiscal Year (the final such trading day being the "Grant Date"). The resulting number of Common Shares shall be rounded up to the nearest whole number and granted under the Deferral Award on the Grant Date. The Company will keep on its books and records an account for each Participant (his or her "Plan Account"), in which the Company will record the number of Common Shares underlying the Deferral Award awarded to such Participant.

(c) Notwithstanding anything to the contrary contained in this Plan, no later than the Annual Bonus Notification Date, the Plan Administrator, in its sole discretion, may designate any portion of the Bonus Deferral Amount to be awarded in the form of cash subject to repayment in certain circumstances (and not as part of a Deferral Award). If any portion of the Bonus Deferral Amount is so designated, (i) the calculation of Common Shares underlying the Deferral Award in subsection (b) above shall be recalculated proportionally and (ii) such cash portion shall be paid to the Participant no later than March 15 of the year following the year in which the Annual Bonus Notification Date occurs.

## **ARTICLE IV. VESTING**

### 4.01. Vesting.

(a) Deferral Award. Subject to Article VI and Article VII, and except as otherwise provided in Sections 6.01(b), 6.01(e), 6.01(f) and 6.01(g), one-third of the Common Shares underlying the Deferral Award granted to a Participant in respect of a given Fiscal Year will vest (but will only be deliverable pursuant to Article V) on the March 1 that immediately follows the end of each of the second, third and fourth Fiscal Year after the Fiscal Year to which the relevant Annual Bonus relates with respect to Partners, and the first, second and third Fiscal Years after the Fiscal Year to which the relevant Annual Bonus relates with respect all other employees, in each case subject to the Participant remaining continuously Employed with the Company through the applicable Vesting Date (or on such other vesting schedule selected by the Plan Administrator and communicated to the Participant prior to or coincident with the Annual Bonus Notification Date or as otherwise set forth in prior versions of this Plan). For the avoidance of doubt, the Common Shares underlying Deferral Award shall not be eligible for partial-year vesting.

(b) Vesting Date; Vesting Period. For purposes of this Plan, and except as otherwise provided in Sections 6.01(b), 6.01(e), 6.01(f) and 6.01(g), the date upon which all or a portion of a Participant's Deferral Award vests in accordance with the provisions of this Section 4.01 shall be referred to as the "Vesting Date" for such portion of the Deferral Award. The period between the grant date of a Deferral Award and the Vesting Date on which such Deferral Award vests in accordance with the provisions hereof shall be referred to as the "Vesting Period."

## **ARTICLE V. DELIVERY OF SHARES**

5.01. Delivery Generally. The Common Shares (or, if applicable, cash or other securities) underlying the Deferral Award shall generally be delivered to Participants as set forth below:

(a) Delivery Date. The "Delivery Date" for each Common Share underlying a Deferral Award shall be the Vesting Date applicable to such Deferral Award, subject to the discretion and limitation set forth in Section 5.02.

(b) Form of Delivery. On the applicable Delivery Date, or as soon as reasonably practicable after such Delivery Date (but in no event more than ten (10) business days after such Delivery Date, subject to the discretion and limitation set forth in Section 5.02), the Company shall issue to the Participant, in full settlement of the Company's obligations with respect to the deliverable portion of the Participant's Deferral Award, unless otherwise provided in a service agreement between the Participant and PJT Partners or any of its affiliates, (i) the number of Common Shares subject to such Deferral Award or (ii) an amount in cash or other securities, including a number of interests in PJT Partners Holdings LP, with equivalent value to the closing price of such underlying number of Common Shares as of the trading day immediately prior to the date of such payment (as reported on the national exchange on which the Common Shares are listed on each such date), or a combination of (i) and/or(ii), as determined by the Plan Administrator.

5.02. Issuance of Common Shares. The issuance of any Common Shares to a Participant pursuant to the Plan shall be effectuated by recording the Participant's ownership of such Common Shares in a book-entry or similar system utilized by the Company as soon as practicable following the Delivery Date applicable thereto. Any Common Shares issued to a Participant hereunder will be held in an account administered by the Company's equity plan administrator or such other account as the Plan Administrator may determine in its discretion. No Participant shall have any rights as an owner with respect to any Common Shares under the Plan prior to the date on which the Participant becomes entitled to delivery of such Common Shares in accordance with Section 5.01. The Plan Administrator may, in its sole discretion, cause the Company to defer the delivery of any Common Shares (or, if applicable, cash or other securities) pursuant to this Plan as the Plan Administrator deems reasonably necessary to ensure compliance under federal or state securities laws, the Company's insider trading policy or a Company-imposed "blackout period"; provided, that, such delivery shall be made at the earliest date at which the Plan Administrator reasonably anticipates would not result in such noncompliance and in no event later than the last day of the calendar year in which the applicable Vesting Date occurs.

5.03. Taxes and Withholding. As a condition to any payment or distribution pursuant to this Plan, the Company may require a Participant to pay such sum to the Company as may be necessary to discharge the Company's obligations with respect to any taxes, assessments or other governmental charges, whether of the United States or any other jurisdiction, which the Company reasonably expects will be imposed as a result of such payment or distribution. In the discretion of the Company, the Company may deduct or withhold such sum from such payment or distribution (including by deduction or withholding of Common Shares (or, if applicable, other securities), provided that the amount the Company deducts or withholds shall not (unless otherwise determined by the Plan Administrator) exceed the Company's minimum statutory withholding obligations. Alternatively, the Company may elect to satisfy the tax withholding obligations by advancing and remitting its own funds on behalf of the Participant to the applicable tax authorities, in which case the Participant shall be required to repay such amounts to the Company within 5 days of such remittance, together with interest thereon based on the Company's cost of funds as determined by PJT Partners Treasury from time to time. In the event that the Company plans to advance a tax withholding remittance on behalf of the Participant as described in the preceding sentence, the Company shall provide the Participant with reasonable advance notice to permit the Participant to remit the required funds in cash to the Company prior to the required withholding date and thereby avoid the need to have the Company advance its own funds to the tax authorities.

5.04. Liability for Payment. Each Participating Employer shall be liable for the amount of any distribution or payment owed to a Participant pursuant to Section 5.01 who is Employed by such Participating Employer during the relevant Vesting Period; provided, however, that in the event that a Participant is Employed by more than one Participating Employer during the relevant Vesting Period, each Participating Employer shall be liable for its allocable portion of such distribution or payment.

## **ARTICLE VI. TERMINATION OF EMPLOYMENT; CHANGE IN CONTROL**

6.01. Termination of Employment. In the event that a Participant's Employment with the Company is terminated, or a Change in Control occurs, in either case prior to the Vesting Date or Delivery Date that would otherwise apply to any portion of such Participant's Deferral Award, vesting and delivery (if any) of the Deferral Award shall be governed by this Section 6.01.

(a) Termination by the Company For Cause. Upon termination of a Participant's Employment by the Company for Cause, all portions of such Participant's Deferral Award (vested and unvested) shall be forfeited without any payment.

(b) Termination by the Company Without Cause. Upon termination of a Participant's Employment with the Company without Cause at such time as the Participant does not qualify for Retirement, such Participant's unvested portion of the Deferral Award shall immediately vest (in which case, the date of the Participant's termination without Cause shall be referred to as the "Vesting Date" for such portion of the Deferral Award) and be delivered to the Participant in accordance with Article V.

(c) Resignation. In the event that a Participant resigns from the Company, such Participant's unvested portion of the Deferral Award shall be forfeited without payment.

(d) Retirement. In the event of a Participant's Retirement from the Company, all of such Participant's unvested portion of the Deferral Award shall continue to vest in accordance with Article IV, and shall continue to be delivered to the Participant in accordance with Article V, as though the Participant remained continuously Employed with the Company through the end of the Vesting Period; provided that if, following a termination of his or her Employment with the Company as described in this Section 6.01(d), such Participant breaches any applicable provision of the Employment Agreement to which the Participant is a party or otherwise engages in any Competitive Activity, such Participant's portion of the Deferral Award which remains undelivered as of the date of such violation or engagement in Competitive Activity, as determined by the Plan Administrator in its sole discretion, will be forfeited without payment. As a pre-condition to a Participant's right to continued vesting following Retirement, the Plan Administrator may require the Participant to certify in writing prior to each scheduled Vesting Date that the Participant has not breached any applicable provisions of the Participant's Employment Agreement or otherwise engaged in any Competitive Activity.



(e) Disability. In the event that a Participant's Employment with the Company is terminated due to the Participant's Disability, such Participant's vested portion of the Deferral Award shall immediately vest (in which case, the date of the Participant's termination due to Disability shall be referred to as the "Vesting Date" for such portion of the Deferral Award) and be delivered to the Participant in accordance with Article V.

(f) Death. In the event of a Participant's death during his or her Employment with the Company, or during the period following termination of Employment in which any portion of his or her Deferral Award remains subject to vesting pursuant to this Section 6.01, such Participant's portion of the Deferral Award which remains unvested as of (and have not been forfeited prior to) the date of the Participant's death shall immediately vest and, together with any previously vested but undelivered portions of the Deferral Award, become deliverable to the Participant's estate as of the date of the Participant's death (in which case, the date of the Participant's death shall be referred to as the "Vesting Date" for such portion of the Deferral Award).

(g) Change in Control. Notwithstanding anything to the contrary herein, in the event of a Change in Control, such Participant's portion of the Deferral Award which remains unvested as of the date of such Change in Control shall immediately vest and become deliverable as of the date of such Change in Control (in which case, the date of such Change in Control shall be referred to as the "Vesting Date" for such portion of the Deferral Award).

(h) Section 409A; Separation from Service. References in this Section 6.01 to a Participant's termination of Employment shall refer to the date upon which the Participant has a Separation from Service.

6.02. Nontransferability. No benefit under the Plan shall be subject in any manner to alienation, sale, transfer, assignment, pledge or encumbrance, other than by will or the laws of descent and distribution. Any attempt to violate the foregoing prohibition shall be void; provided, however, that a Participant may transfer or assign any vested interest hereunder in connection with estate planning and administration with the express written consent of the Plan Administrator.

## **ARTICLE VII. CANCELLATION AND FORFEITURE**

7.01. Cancellation and Forfeiture Events. Notwithstanding anything to the contrary in this Plan, if at any time before an applicable Vesting Date, the Plan Administrator has determined, in its sole and absolute discretion, that any of the following events has occurred, the Company is authorized to cancel (and the Participant would forfeit) an appropriate portion of the then unvested portion of the Participant's Deferral Award and any rights to dividend equivalents thereon:

(a) misconduct by the Participant in taking actions, or failing to take actions, that result in, or reasonably could be expected to result in, material detriment to the Company or its business activities, including without limitation financial or reputational harm to the Company or its business activities;

(b) fraud, material misrepresentation or other dishonest acts by the Participant which resulted in a determination by the Plan Administrator of an amount of such Participant's Annual Bonus that was greater than the amount the Participant would have otherwise been entitled to but for such fraud, material misrepresentation or other dishonest act;

(c) the Participant's gross negligence in, or other impropriety related to (including any failure to monitor or discharge supervisory or managerial responsibilities), failing to timely and reasonably identify, raise or assess issues and/or concerns with respect to risks material to the Company or its business activities; or

(d) following the termination of the Participant's Employment, the Company determines that such Participant's Employment could have been terminated by the Company for Cause.

7.02. No Limitation on Other Remedies. Nothing in this Article VII shall limit or restrict the Company from seeking repayment of any vested portions of a Bonus Deferral Amount already distributed to a Participant, pursuant to any applicable clawback requirements imposed under applicable laws, rules and regulations. Accordingly, Section 7.01 shall (i) be in addition to the requirements of Section 304 of the Sarbanes-Oxley Act of 2002 that are applicable to the Company's Chief Executive Officer and Chief Financial Officer and (ii) otherwise be

deemed automatically amended to include the requirements of Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, as it may be amended from time to time, and any related rules or regulations promulgated by the Securities Exchange Commission or the New York Stock Exchange.

## **ARTICLE VIII. ADMINISTRATION**

8.01. Plan Administrator. The Plan shall be administered by the Plan Administrator. The Plan Administrator shall have discretionary authority to interpret the Plan, to make all legal and factual determinations and to determine all questions arising in the administration of the Plan, including without limitation the reconciliation of any inconsistent provisions, the resolution of ambiguities, the correction of any defects, and the supplying of omissions. Each interpretation, determination or other action made or taken pursuant to the Plan by the Plan Administrator shall be final and binding on all persons.

8.02. Indemnification. The Plan Administrator shall not be liable to any Participant for any action or determination. The Plan Administrator shall be indemnified by the Company against any liabilities, costs, and expenses (including, without limitation, reasonable attorneys' fees) incurred by him or her as a result of actions taken or not taken in connection with the Plan.

## **ARTICLE IX. AMENDMENTS AND TERMINATION**

9.01. Modification; Termination. The Plan Administrator may alter, amend, modify, suspend or terminate the Plan at any time in its sole discretion, to the extent permitted by Section 409A of the Code. No further deferrals will occur under the Plan after the effective date of any such suspension or termination. Following any such termination, the Participant's Deferral Award will continue to vest and be delivered, or be forfeited, as otherwise provided herein. Notwithstanding the foregoing, no alteration, amendment or modification of the Plan shall adversely affect the rights of the Participant in any amounts or shares accrued by or credited to such Participant prior to such action without the Participant's written consent unless the Plan Administrator determines, in its sole discretion, that such alteration, modification or amendment is necessary for the Plan to comply with the requirements of Section 409A of the Code and the regulations promulgated thereunder.

9.02. Required Delay. Notwithstanding any provision to the contrary, if pursuant to the provisions of Section 409A of the Code any distribution or payment is required to be delayed as a result of a Participant being deemed to be a "specified employee" within the meaning of that term under Section 409A(a)(2)(B) of the Code, then any such distributions or payments under the Plan shall not be made or provided prior to the earlier of (A) the expiration of the six month period measured from the date of the Participant's Separation from Service or (B) the date of the Participant's death. Upon the expiration of such period, or the date of such Participant's death, as applicable, all distributions or payments under the Plan delayed pursuant to this Section 9.02 shall be delivered or paid to the Participant (or the Participant's estate, as applicable) in a lump sum, and any remaining distributions or payments due under the Plan shall be paid or delivered in accordance with the normal Delivery Dates specified for such distributions or payments herein.

## **ARTICLE X. GENERAL PROVISIONS**

10.01. Unfunded Status of the Plan. The Plan is unfunded. A Participant's rights under the Plan (if any) shall represent at all times an unfunded and unsecured contractual obligation of each Participating Employer that Employed Participant during the Vesting Periods and through the Delivery Dates applicable to such Participant's Deferral Award. Each Participant and his or her estate and/or beneficiaries (if any) will be unsecured creditors of each Participating Employer with which such Participant is or was Employed with respect to any obligations owed to such Participant, estate and/or beneficiaries under the Plan. Amounts deliverable or payable under the Plan will be satisfied solely out of the general assets of the applicable Participating Employer subject to the claims of its creditors. None of a Participant, his or her estate, his or her beneficiaries (if any) nor any other person shall have any right to receive any payment or distribution under the Plan except as, and to the extent, expressly provided in the Plan. No Participating Employer will segregate any funds or assets to provide for any payment or distribution under the Plan or issue any notes or security for any such distribution or payment. Any reserve or other asset that a Participating Employer may establish or acquire to assure itself of the funds to provide distributions or payments required under the Plan shall not

serve in any way as security to any Participant or the estate or beneficiary of a Participant for the performance of the Participating Employer under the Plan.

10.02. No Right to Continued Employment. Neither the Plan nor any action taken or omitted to be taken pursuant to or in connection with the Plan shall be deemed to (i) create or confer on a Participant any right to be retained in the employ of the Company, (ii) interfere with or to limit in any way the Company's right to terminate the Employment of a Participant at any time, (iii) confer on a Participant any right or entitlement to compensation in any specific amount for any future Fiscal Year or (iv) affect, supersede, amend or change the Employment Agreement (or any other agreement between the Participant and the Company). In addition, selection of an individual as a Participant for a given Fiscal Year shall not be deemed to create or confer on the Participant any right to participate in the Plan, or in any similar plan or program that may be established by the Company, in respect of any future Fiscal Year.

10.03. No Shareholder or Ownership Rights Prior to Delivery of Shares; Dividend Equivalent Payments.

(a) Except as set forth in Section 10.03(b), Participants shall not have voting, dividend, cash distribution or any other rights as a holder of Common Shares until the issuance or transfer thereof to the Participant. For the avoidance of doubt, a Deferral Award represents an unfunded and unsecured right to receive Common Shares (or, if applicable, cash or other securities) on an applicable Delivery Date and, until such Delivery Date, the Participant shall have no ownership rights with respect to the Common Shares, cash or other securities underlying such Participant's Deferral Award; provided that Participants shall be entitled to dividend equivalents in accordance with Section 10.03(b).

(b) With respect to any Deferral Awards made in the form of RSUs, whenever any per share dividend or distribution is paid by PJT Partners on Common Shares during the period between the grant date of the Deferral Award and the date that the underlying RSUs are settled, on the date that such dividend or distribution is paid, PJT Partners shall credit to the Participant a number of additional RSUs equal to the quotient obtained by dividing (i) the product of the total number of the Participant's outstanding RSUs (including any RSUs that have been previously credited to the Participant hereunder) as of the date thereof and the per share amount of such dividend or distribution by (ii) the Fair Market Value of one Common Share on the date such dividend or distribution is paid by PJT Partners, rounded down to the nearest whole share. The additional RSUs so credited shall be or become vested to the same extent as the RSUs that resulted in the crediting of such additional RSUs, with respect to each vesting tranche of RSUs. A Participant's right to receive such dividend equivalent payments with respect to Deferral Award shall cease upon the forfeiture or settlement of such Deferral Award.

10.04. Right to Offset. The Company shall have the right to deduct from amounts owed to a Participant under the Plan the amount of any deficit, debt or other liability or obligation of any kind which the Participant may at that time have with respect to the Company; provided, however, that no such right to deduct or offset shall arise or otherwise be deemed to arise until the date upon which Common Shares (or, if applicable, cash or other securities) are deliverable or payable hereunder and any such deduction or offset shall be implemented in a manner intended to avoid subjecting the Participant to additional taxation under Section 409A of the Code.

10.05. Successors. The obligations of the Company under this Plan shall be binding upon the successors of the Company.

10.06. Governing Law. The Plan shall be subject to and construed in accordance with the laws of the State of New York.

10.07. Arbitration; Venue. Any dispute, controversy or claim between any Participant and the Company arising out of or concerning the provisions of this Plan shall be finally resolved in accordance with the arbitration provisions (and the jurisdiction, venue and similar provisions related thereto) of the Employment Agreement to which such Participant is a party.

10.08. Construction. The headings in this Plan have been inserted for convenience of reference only and are to be ignored in any construction of any provision hereof. Use of one gender includes the other, and the singular and plural include each other.

10.09. Section 409A. Notwithstanding any provision of the Plan to the contrary, it is intended that the provisions of the Plan either be exempt from or comply with the requirements of Section 409A of the Code and, accordingly, the Plan shall be construed and administered in accordance with such intent to the maximum extent permitted. In furtherance thereof, reference is made to Section 6.01(h), Section 9.01 and Section 9.02 of the Plan.

**RENEWAL AGREEMENT**

This Renewal Agreement (this "Agreement"), dated as of February 7, 2023 for reference purposes only, is made by and between PJT Partners Holdings LP ("Borrower") and First Republic Bank (the "Lender"), with reference to the following facts:

- A. The Lender has previously made or committed to make revolving loans in the aggregate maximum principal amount of \$60,000,000.00 (with a provision for an increase to \$80,000,000 at certain times of the year), as amended, to Borrower (the "Loan").
- B. The Loan arises out of that certain Amended and Restated Loan Agreement dated October 1, 2018 (as amended, the "Loan Agreement") to which Borrower and the Lender are parties. The Loan is evidenced by Borrower's Second Amended and Restated Promissory Note dated February 1, 2021 (the "Note"). All terms with an initial capital letter that are used but not defined in this Agreement shall have the respective meanings given to such terms in the Loan Agreement.
- C. Borrower has requested that Lender extend the maturity date of the Note from October 1, 2023 to October 1, 2024, and Lender has agreed to do so on the terms set forth herein.

THEREFORE, for valuable consideration, the Lender and Borrower agree as follows:

- 1. Extension of Line of Credit Note Maturity Date. The Maturity Date of the Note is extended to October 1, 2024, at which time the entire unpaid principal balance of the Note, all accrued and unpaid interest and any other outstanding amounts due Lender under the Loan Documents shall be due and payable. The Note and the Loan Documents are amended accordingly.
- 2. Representations and Warranties. As a material inducement to the Lender's execution of this Agreement, Borrower makes the following warranties and representations to the Lender:
  - 2.1 Borrower has the full power and authority to enter into and perform all of its obligations under this Agreement, and this Agreement, when executed by the Persons signing this Agreement on behalf of Borrower, shall constitute a legal, valid and binding obligation of Borrower enforceable in accordance with its terms (except as enforcement may be limited by equitable principles and by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to creditors' rights generally and regardless of whether enforcement is sought in equity or at law). The Persons executing this Agreement on behalf of Borrower have been duly authorized to execute this Agreement by all required action on the part of Borrower.
  - 2.2 There are no Liens affecting all or part of the Collateral, except for the Liens in favor of the Lender and the Permitted Liens.
  - 2.3 No Event of Default has occurred and is continuing.
- 3. No Modification of Loan Documents. Nothing contained in this Agreement shall be construed to obligate the Lender to extend the time for payment of the Note or otherwise modify any of the Loan Documents in any respect, except as expressly set forth in this Agreement.
- 4. No Waiver. No waiver by the Lender of any of its rights or remedies in connection with the Loan Documents shall be effective unless such waiver is in writing and signed by the Lender. The Lender's rights and remedies under this Agreement are cumulative with and in addition to any and all other legal and equitable rights and remedies which the Lender may have in connection with the Loans.

5. Entire Agreement. This Agreement and the other Loan Documents contain the entire agreement and understanding among the parties concerning the matters covered by this Agreement and other Loan Documents and supersede all prior and contemporaneous agreements, statements, understandings, terms, conditions, negotiations, representations and warranties, whether written or oral, made by the Lender or Borrower concerning the matters covered by this Agreement and the other Loan Documents.
6. Modifications. This Agreement may be modified only by a written agreement signed by Borrower and the Lender.
7. Descriptive Headings; Interpretation. The headings to sections of this Agreement are for convenient reference only and shall not be used in interpreting this Agreement. For purposes of this Agreement, the term "including" shall be deemed to mean "including without limitation."
8. Fees. Pursuant to the Loan Documents, Borrower shall pay to the Lender (a) a loan modification fee of \$60,000.00 and (b) all reasonable and documented out-of-pocket costs, charges, and expenses paid or incurred by the Lender in connection with the preparation of this Agreement and the transactions contemplated hereby, including reasonable attorneys' fees (all of which amounts will be debited from Borrower's account number [intentionally removed]). Borrower shall pay all reasonable and documented out-of-pocket costs and expenses, including reasonable attorneys' fees and costs, incurred by the Lender in enforcing any of the terms of this Agreement or the other Loan Documents, whether or not any legal proceedings are instituted by the Lender.
9. Indemnification. Borrower shall indemnify and hold the Lender and its officers, directors, agents, employees, representatives, shareholders, affiliates, successors and assigns (collectively, the "Indemnified Parties") harmless from and against any and all claims, demands, damages, liabilities, actions, causes of action, suits, reasonable costs and expenses, including reasonable attorneys' fees and costs, directly arising out of or relating to any commission or brokerage fee or charge claimed to be due or owing to any Person in connection with the transactions contemplated by this Agreement as a result of any act or agreement by the Borrower.
10. No Third Party Beneficiaries. This Agreement is entered into for the sole benefit of the Lender and Borrower, and no other Person shall have any right of action under this Agreement.
11. NO CLAIMS. BORROWER ACKNOWLEDGES AND AGREES THAT (A) IT HAS NO OFFSETS OR DEDUCTIONS OF ANY KIND AGAINST ANY OR ALL OF THE OBLIGATIONS; AND (B) IT HAS NO DEFENSES OR OTHER CLAIMS OR CAUSES OF ACTION OF ANY KIND AGAINST THE LENDER IN CONNECTION WITH THE LOANS OR THE COLLATERAL.
12. Continuing Effect of Documents. The Note and the other Loan Documents, as modified by this Agreement, shall remain in full force and effect in accordance with their terms and are affirmed by Borrower.
13. Counterparts; Successors. This Agreement may be executed in counterparts, each of which shall constitute an original, and all of which together shall constitute one and the same agreement. This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective permitted successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Renewal Agreement as of the date first above written.

**BORROWER:**

PJT Partners Holdings LP

By: PJT Partners Inc., its General Partner

By: /s/ Helen T. Meates

Name: Helen T. Meates

Title: Chief Financial Officer

**LENDER:**

First Republic Bank

By: /s/ Danika Gamino

Name: Danika Gamino

Title: Manager

**ACKNOWLEDGMENT OF RENEWAL AND REAFFIRMATION OF THIRD PARTY PLEDGE  
AGREEMENT**

**Section 1.** The undersigned Pledgor hereby acknowledges and confirms that it has reviewed and approves the terms and conditions of the Renewal Agreement dated on or about even date herewith between PJT Partners Holdings LP ("Borrower") and First Republic Bank ("Lender") (the "Amendment").

**Section 2.** The undersigned Pledgor hereby consents to the Amendment and agrees that all obligations covered by the Third Party Pledge Agreement executed by the Pledgor in favor of Lender shall continue in full force and effect, shall be valid and enforceable and shall not be impaired or otherwise affected by the execution of the Amendment or any other document or instrument delivered in connection herewith.

**Section 3.** The undersigned Pledgor represents and warrants that, after giving effect to the Amendment, all representations and warranties contained in said Third Party Pledge Agreement are true, accurate and complete as if made the date hereof.

Dated as of February 7, 2023

**PLEDGOR**

PJT PARTNERS LP

By: PJT Management, LLC, its general partner

By: PJT Partners Holdings LP, its sole member

By: PJT Partners Inc., its general partner

By: /s/ Helen T. Meates  
Name: Helen T. Meates  
Title: Chief Financial Officer



**CHIEF EXECUTIVE OFFICER CERTIFICATION**

I, Paul J. Taubman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2023 of PJT Partners Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: May 3, 2023

/s/ Paul J. Taubman  
Paul J. Taubman  
Chief Executive Officer

**CHIEF FINANCIAL OFFICER CERTIFICATION**

I, Helen T. Meates, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2023 of PJT Partners Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: May 3, 2023

/s/ Helen T. Meates  
Helen T. Meates  
Chief Financial Officer

**Certification of the Chief Executive Officer  
Pursuant to 18 U.S.C. Section 1350,  
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of PJT Partners Inc. (the “Company”) on Form 10-Q for the quarter ended March 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Paul J. Taubman, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 3, 2023

/s/ Paul J. Taubman  
\_\_\_\_\_  
Paul J. Taubman  
Chief Executive Officer

\* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

**Certification of the Chief Financial Officer  
Pursuant to 18 U.S.C. Section 1350,  
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of PJT Partners Inc. (the “Company”) on Form 10-Q for the quarter ended March 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Helen T. Meates, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 3, 2023

/s/ Helen T. Meates  
\_\_\_\_\_  
Helen T. Meates  
Chief Financial Officer

\* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.