

2024 Annual Report



To Our Shareholders,



As I write this letter, we continue to operate in an environment that remains uncertain, unsettled, and without clear precedent. Nearly every measure of economic uncertainty reflects risk levels comparable to those witnessed during the Global Financial Crisis and the COVID-19 pandemic.

This uncertainty comes at real cost. It weighs on business and consumer confidence, risking a concomitant reduction in investment and capital flows. Unlike earlier dislocations however, capital remains accessible, and transactions continue to get done, albeit at a more measured pace. After a record year for PJT Partners, we are well equipped to navigate these uncertain times.

In 2024 we delivered record revenues, record pretax income, and record EPS. Importantly, this record performance was broad-based. PJT Park Hill, Strategic Advisory, and Restructuring all posted record results. Strong free cash flows facilitated record share repurchases while beginning 2025 with record cash, cash equivalents and short-term investments of \$547 million.

This performance underscores the power of our platform and reflects the benefit of years of sustained, disciplined investment. It also speaks to the strength of our culture—one that prizes collaboration, client impact, and long-term thinking.

Throughout the year, we continued to build. We made significant investments in talent across industries, geographies, and capabilities. These investments are already contributing meaningfully to our business. Of particular note, we expanded our geographic footprint by deepening our commitment to France and opening an office in Munich. These initiatives position us well to benefit from the transformation underway across Europe's largest economies as they seek to diversify and repurpose their industrial bases.

We also completed our acquisition of deNovo, our longstanding partner in the Middle East. This follows our highly successful CamberView acquisition in 2018. We have long admired deNovo's deep connectivity across the Gulf region and were attracted to their strong cultural alignment with PJT. We believe the combination of their regional relationships and our global capabilities will serve as a powerful catalyst for future growth.

While today's economic backdrop is most challenging, we take confidence from what 2024 reaffirmed: that our firm is built not for quarters or even years, but for decades. Our enduring focus on delivering seasoned, high-impact, independent advice—paired with high-touch client service—continues to set us apart.

We remain focused on building the most differentiated advisory-focused investment bank in the world—one that delivers sustainable, long-term value for our clients, our people, and our shareholders.

On behalf of all my partners and colleagues we thank you for your continued support.

Sincerely,

A handwritten signature in black ink, reading 'Paul J. Taubman'.

Paul J. Taubman

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

(Mark One)

- ☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2024
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)
280 Park Avenue
New York, New York
(Address of principal executive offices)

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

10017
(Zip Code)

Registrant's telephone number, including area code: (212) 364-7800

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

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

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 has filed a report on and attestation to its management's assessment of the effectiveness of internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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 June 30, 2024, the aggregate market value of the Registrant's Class A common stock (based upon the closing stock price) held by non-affiliates was approximately \$2.5 billion.

As of February 20, 2025, there were 23,297,894 shares of Class A common stock, par value \$0.01 per share, and 123 shares of Class B common stock, par value \$0.01 per share, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's Definitive Proxy Statement relating to its 2025 Annual Meeting of Shareholders are incorporated by reference into Part III of this Annual Report on Form 10-K.

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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. (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 our former Parent's unitholders to create PJT Partners Inc., a stand-alone, independent publicly traded company. Throughout this Annual Report on Form 10-K, 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 described herein in “Part II. Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities—Dividend Policy.” 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.

In this Annual Report on Form 10-K, 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) cyber attacks, 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 environments; (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 and (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, new or changes to existing tariffs, elevated interest rates, and geopolitical and military conflicts.

Any of these factors, as well as such other factors discussed in the “Risk Factors” section of this report, as such factors may be updated from time to time in our periodic filings with the U.S. Securities and Exchange Commission (“SEC”), accessible on the SEC’s website at 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) 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. 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.

ITEM 1. BUSINESS

Overview

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. PJT Partners began trading on the New York Stock Exchange ("NYSE") under the symbol "PJT" on October 1, 2015.

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

Strategic Advisory <ul style="list-style-type: none">> Mergers & Acquisitions> Capital Markets Advisory> Complex Investor Matters> Board Advisory> Activism Defense> Geopolitical and Policy Advisory> Sustainability and Transition Advisory> GP Stakes Advisory	Restructuring & Special Situations <ul style="list-style-type: none">> Liability Management> Out-of-Court Restructurings> In-Court Bankruptcy> Specialty Financings> Cross-border Reorganizations> Mass Tort Liability Resolutions> Distressed M&A and Asset Sales	PJT Park Hill <ul style="list-style-type: none">> Private Equity> Real Estate> Alternative Credit/Hedge Funds> Private Capital Solutions
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Strategic Advisory

Our team of leading professionals delivers strategic advice and innovative solutions to our clients in often highly complex and challenging situations. 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; 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 initial public 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 corporate boards and management teams with navigating 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 liability management, financial restructuring and reorganization, distressed M&A and Chapter 11 matters. We were ranked #1 in both global and U.S. announced deals for 2024 by LSEG and were named International Financing Review Restructuring Advisor of the Year for each of the years 2020-2023. 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, alternative credit/hedge funds, real estate, directs and private capital solutions groups. PJT Park Hill's private capital solutions business is a leading advisor to general partners and limited partners on liquidity and other structured solutions.

Our Key Competitive Strengths

We strive to deliver on our Company strategy by leveraging the strengths of our organization:

- ***Young, Entrepreneurial Firm.*** We combine decades of experience and excellence with the energy and enthusiasm of a new firm. Our teams act as trusted advisors to a diverse group of clients around the world, providing creative solutions to address a range of complex strategic matters. The creativity and depth of our advice, and the integrity and judgment with which we deliver it, provide a strong foundation for our growing business.
- ***Global Market Leadership.*** Our growing premier Strategic Advisory business is comprised of industry-leading practitioners and has advised on some of the most high-profile and complex transactions around the globe. Our shareholder advisory business is a trusted advisor in the marketplace, having advised more than 60 Fortune 100 companies since its founding in 2012. Our Restructuring and Special Situations Group is a global market leader. Our PJT Park Hill platform has a leading market position across its businesses and has long-standing relationships around the globe that provides us with unique access to capital sources and drives incremental value for our clients.

Our partners have decades of experience and deep relationships with a vast network of corporate executives, board members, financial sponsors, fund managers and governments. Their expertise across multiple product areas, industry verticals and geographies are sought by clients in some of the most complex domestic and cross-border situations.

- ***Client Centric.*** Our success is built around the trust our clients have placed in us. We work every day to ensure that we are providing cutting-edge advice on the critical matters facing our clients. We work to help them navigate through complex challenges and bold opportunities in order to meet their strategic objectives. Delivering optimal outcomes is what we strive for – our clients’ results are our reputation. The quality of our advice is core to what we do.
- ***Premier Destination for Talent.*** We have successfully recruited, and will continue to recruit, a wide range of talented colleagues from a diverse range of backgrounds and experiences who are attracted to our world-class advisory services and our unique culture. Since our earliest days, we have maintained that having the best people and an inclusive culture would be key to building an enduring franchise. Our perspective was, and still is, that a great team not only brings in top-tier clients, but also appeals to a wide-range of talented colleagues. Professionals at all levels choose to join PJT Partners because we offer the best qualities of a much larger, established organization combined with the energy of a small entrepreneurial firm where advice is the main event and every team member can make meaningful contributions.
- ***Collaboration Embedded in Culture.*** Since PJT Partners’ inception, we have been committed to our culture being a commercial differentiator – one that attracts, retains, and develops its talent in order to create a world-class firm. Our culture is defined by strong character, differentiated capabilities and collaboration. These essential qualities help us build better client relationships and better client outcomes.
- ***One Integrated Firm, Highly Complementary Businesses.*** We strive to envelop our clients with our diverse capabilities, ensuring they receive the best possible advice that is appropriate for their strategic objectives. Our differentiated and diverse portfolio of industry, product and geographical expertise enables us to serve our clients in a unique way. Our premier advisory franchises allow us to provide best-in-class advice to clients whether they are looking for growth through strategic alternatives, advice in shareholder engagement, liability management or in a restructuring and reorganization, or access to capital. Our deep networks across businesses allow us to connect clients and help them to meet their strategic objectives.
- ***Asset-Light Business Model.*** Our Company has deep global expertise, footprint and relationships while operating out of 15 locations around the world. Since inception, we focus on intellectual capital and relationships and have chosen to operate in an asset-light, cloud-based environment, without the constraints of heavy infrastructure, legacy systems or processes.

Our Growth Strategy

Our strategy to achieve our growth objectives has the following components:

- ***Significantly Increase the Breadth and Depth of Our Advisory Franchise through Footprint Expansion.*** We remain committed to attracting top talent to expand into new industry verticals to serve a broader range of clients. We also continue to expand our global reach through talent additions, strategic alliances and investments and senior advisors who can provide additional advice and relationships to key decision makers and sources of capital around the globe.
- ***Opportunity to Deepen Our Advisory Capabilities.*** We are committed to building on our suite of product capabilities to provide clients with deeper expertise in new and evolving areas to help them navigate complex challenges and achieve their strategic objectives. As the world becomes increasingly more complex, clients value our ability to provide differentiated advice on a wide range of strategic matters, liability management, restructuring and reorganization, capital structure solutions, investor issues and fundraising alternatives.
- ***Further Integration of Capabilities Across Businesses.*** We operate a scaled, diversified global advisory franchise comprised of highly synergistic businesses, each of which are defined by our cultural values; strong character, differentiated capabilities and collaboration. Our people have relationships with a vast network of corporate executives, board members, financial sponsors, fund managers and governments, as well as expertise in multiple product areas, industry verticals and geographies. By operating in a more integrated and cohesive manner, we offer our clients a comprehensive and differentiated suite of advisory services. Moreover, our deep networks across our businesses allow us to connect clients and provide additional value in helping them meet their strategic objectives.

Our leading businesses in Restructuring and Special Situations and PJT Park Hill, in partnership with Strategic Advisory, continue to strengthen and expand our client relationships and brand reputation in the marketplace. We benefit from close collaboration across all our businesses, increased dialogues with financial sponsors as well as the increased footprint, product expertise and capabilities of our Strategic Advisory business.

Human Capital Management Philosophy

From day one of our Company, we have been committed to developing our culture as a commercial differentiator – one that attracts and retains people in order to create a world-class firm built for the long term. Our culture is defined by uncompromising character, deep capabilities, broad domain expertise and strong collaboration. These qualities ensure we are best placed to provide unique commercial advice to our clients.

Our long-term commercial success depends on our ability to attract, retain and develop the best talent at all levels. Accordingly, human capital management is a business priority and central to everything we do, as demonstrated by the number and quality of hires we have made, our historically low levels of regretted attrition and the consistent positive feedback we receive through our employee surveys. Reinforcement of the culture we are building comes through engagement with our employees, the reward principles we apply to compensation and promotion decisions and our various talent development initiatives, which continue to evolve as we grow.

As of December 31, 2024, we employed 1,143 individuals globally, including 119 partners.

Board Oversight of Human Capital Management

The Board of Directors (the “Board”) actively oversees the human capital management strategy of the Company. Some key examples of the Board’s engagement include:

- The Board maintains and periodically reviews a succession plan for our Chairman and CEO. The Board’s review includes an assessment of the experience, performance and skills of potential successors in these critically important roles. The Board holds CEO succession planning discussions in executive sessions led by the Lead Independent Director.

- The Board, including the Compensation Committee, maintains an active information flow and directs senior management to update and consult it regularly on key talent hires and other important aspects of the Company's human capital strategy. With the Board's oversight, the Company continuously refines human capital priorities based on business drivers, employee feedback and the overall environment for talent.
- Members of the Board actively engage and spend time with our senior management and other employees in a variety of ways. Our directors periodically attend partner meetings and events, participate in internal town hall meetings, and meet with groups and individuals at our Company.
- Members of the Board receive relevant employee communications, including announcements of transactions on which the Company has advised.

Employee Feedback and Engagement

We view active dialogue with our employees as essential to maintaining our unique culture. Since 2017, we have conducted firmwide, anonymous employee surveys to formally solicit feedback from our teams regarding their on-the-job experiences, priorities and recommendations for improvement. Participation has been consistently high with response rates averaging 76%. The recurring positive themes of these employee surveys include a strong belief in our commitment to doing the right thing for both our clients and our Company, a belief that PJT Partners has a differentiated culture, a commitment to excellence and a strong sense of respect among colleagues.

We use these results, along with feedback gathered through other employee connectivity forums, to further inform our priorities. Company leadership also maintains an active dialogue with employees through town hall meetings, which take place each quarter.

We also maintain several other channels to engage with our employees on human capital topics, including our talent development committee, individual performance reviews and other less formal forums, such as regularly scheduled meetings by business and level. We use these channels to discuss employee feedback and ideas relating to issues such as resourcing and training priorities. We continue to support a number of employee-directed resource groups, and challenge ourselves to be an inclusive team.

Reward Principles

We believe our Company culture is reinforced by rewarding employees who exemplify the pillars of our culture. Since the inception of our Company, our compensation and promotion approach has been designed to reward employees based on their commercial contribution and commitment to our values. Our compensation is not formulaic and does not include individual revenue pay-outs. For a broad group of employees, discretionary bonuses also typically include a Company stock component to reinforce long-term focus and alignment with the interests of our Company and shareholders. All compensation and promotion decisions consider a number of factors aligned to the four core values of our culture:

- *Character - each individual is responsible for protecting our reputation, operating with the highest level of integrity and positively contributing to the development of our firm culture;*
- *Collaboration - working together allows us to learn from each other, leverage relationships and provide the best solutions;*
- *Commercial impact/client relationships - how we partner and gain the trust of our internal and external clients correlates with the reputation we earn across markets; and*
- *Content - our employees have deep and differentiated domain expertise, enabling thought leadership and innovation.*

Employer of Choice Initiatives

We prioritize the health and well-being of our employees and their families. We have always aimed to provide pay, benefits and other support that seeks to meet the varying needs of our employees. Our total rewards package is based on competitive pay and is often structured to include discretionary bonuses that include long-term incentives. Such incentives are designed to ensure alignment with our shareholders and the overall success of our Company. Other benefits we provide employees include comprehensive health care, 401(k) plan matching and pension

contributions, generous paid-time off, discounted gym memberships, access to walk-in health care and emergency child and elderly care. We recognize that mental health is an integral part of our employees' overall well-being and essential to our success at PJT Partners. In addition to providing workshops on mental health awareness, our employees and their families benefit from ongoing access to a comprehensive mental health platform that provides on-demand access from a broad provider network. We also acknowledge the importance of work-life balance for our employees through paid-time off and leave policies that are consistent for all, regardless of level.

In 2024, employees also had the opportunity to attend a financial stewardship program. This was designed to enhance personal financial decision-making, which not only benefits our employees but in turn contributes to the well-being and success of our organization.

It is our practice to review and benchmark not only our compensation practices, but our health and wellness benefits annually and consider feedback from our employees to ensure we remain an employer of choice.

Ensuring an Inclusive Culture

Our success as a Company is predicated on recruiting, developing and retaining top talent from a broad range of backgrounds and experiences, fostering an inclusive culture, and leveraging diversity of thought. To support these aims, we have initiatives to ensure we remain an employer of choice to the widest possible pool of top talent, including embedding contribution to an inclusive culture in performance objectives and supporting a number of employee-directed resource groups.

Employee Development

We understand that to retain best-in-class talent, it is critical to invest in personal, professional and career growth. As such, our approach to talent development is multifaceted: we offer a suite of formal training to develop technical knowledge, client communication and leadership capabilities. In addition to programmatic efforts, we recognize the opportunities for growth and development that emerge on the job. These initiatives are supported by our performance review process, which is centered around the delivery of quality, development-focused feedback.

We also recognize that our long-term success requires not only the recruitment of best-in-class senior talent, but in providing positive career trajectories and upward mobility for our employees. To that end, we continue to refine our promotion processes and the mentorship of our rising talent, including through partnering with external executive coaches.

Engagement with the Broader Community

A core measure of our success is our ability to make a difference in the communities where we live and work. Since 2020, the Company and our employees have donated over \$10.0 million to more than 450 global organizations that support causes and humanitarian efforts that are important to our communities, including mental health awareness and support, disease cure and prevention, strengthening communities, the advancement of anti-discrimination and racial equity and providing aid to those affected by geopolitical and military conflicts and natural disasters. Our employees also have the opportunity to participate in PJT fundraising events and volunteer days, and we have continued to require our summer program participants to complete a community volunteering project as a pre-requisite for a full-time offer.

Competition

The financial services industry is intensely competitive, and we expect it to remain so. Our competitors for talent include other investment banking and financial advisory firms as well as private equity firms, hedge funds and corporate entities. We compete on both a global and a regional basis, and on the basis of a number of factors, including the strength and depth of client relationships, industry knowledge, transaction execution skills, our range of products and services, innovation, reputation, our ability to offer a compelling career path and competitive rewards.

Our ability to continue to compete effectively in our business will depend on our ability to attract new employees and retain and motivate our existing employees. As a result, we remain focused on ensuring that our employment proposition includes an attractive culture, development opportunities and competitive rewards.

Regulation

Our business, as well as the financial services industry generally, is subject to extensive regulation in the U.S. and across the globe. As a matter of public policy, regulatory bodies in the U.S. and the rest of the world are charged with safeguarding the integrity of the securities and other financial markets and with protecting the interests of participants in those markets. In the U.S., the SEC is the federal agency responsible for the administration of the federal securities laws. PJT Partners LP, through which our advisory and placement services are conducted in the U.S., is a registered broker-dealer, and is subject to regulation and oversight by the SEC. In addition, the Financial Industry Regulatory Authority (“FINRA”), a self-regulatory organization that is subject to oversight by the SEC, adopts and enforces rules governing the conduct, and examines the activities, of its member firms, which includes registered broker-dealers. State securities regulators also have regulatory or oversight authority over registered broker-dealers.

Broker-dealers are subject to regulations that cover all aspects of the securities business, including capital structure, recordkeeping and the conduct and qualifications of directors, officers and employees. In particular, PJT Partners LP, as a registered broker-dealer and a FINRA member firm, is subject to the SEC’s uniform net capital rule, Rule 15c3-1. Rule 15c3-1 specifies a minimum amount of net capital a broker-dealer must maintain at all times. The SEC and various self-regulatory organizations impose rules that require notification when net capital falls below certain predefined criteria, limit the ratio of subordinated debt to equity in the regulatory capital composition of a broker-dealer and constrain the ability of a broker-dealer to expand its business under certain circumstances. Additionally, the SEC’s uniform net capital rule imposes certain requirements that may have the effect of prohibiting a broker-dealer from distributing or withdrawing capital and requiring prior notice to the SEC for certain withdrawals of capital.

In addition to the regulation we are subject to in the U.S., we are subject to regulation internationally. PJT Partners (UK) Limited is authorized and regulated by the United Kingdom’s Financial Conduct Authority (“FCA”). PJT Partners (UK) Limited is classified as a Non-Small and Non-Interconnected Firm (“Non-SNI”) under the FCA’s Investment Firms Prudential Regime. PJT Partners (HK) Limited is licensed with the Hong Kong Securities and Futures Commission. PJT Partners Park Hill (Spain) A.V., S.A.U. is an investment firm authorized and regulated by Spain’s National Securities Market Commission. PJT Partners Japan K.K. is authorized and regulated in Japan by the Financial Services Agency and the Kanto Local Finance Bureau. We operate in Dubai as deNovo Partners (DIFC) Limited, a Dubai International Financial Centre company authorized and regulated by the Dubai Financial Services Authority, and in the Kingdom of Saudi Arabia as deNovo Partners Finance, a limited liability company authorized and regulated by the Kingdom of Saudi Arabia’s Capital Market Authority.

Certain parts of our business are subject to compliance with laws and regulations of U.S. federal and state governments, non-U.S. governments, their respective agencies and/or various self-regulatory organizations or exchanges relating to, among other things, the privacy of client information. Any failure to comply with these regulations could expose us to liability and/or reputational damage.

The U.S. and non-U.S. government agencies and self-regulatory organizations, as well as state securities commissions in the U.S., are empowered to conduct periodic examinations and initiate administrative proceedings that can result in censure, fines, the issuance of cease-and-desist orders or the suspension or expulsion of a broker-dealer or its directors, officers or employees.

Broker-dealers are also subject to regulations, including the USA PATRIOT Act of 2001, which impose obligations regarding the prevention and detection of money-laundering activities, including the establishment of customer due diligence and other compliance policies and procedures.

Failure to comply with these requirements may result in monetary, regulatory and, in certain cases, criminal penalties. In connection with its administration and enforcement of economic and trade sanctions based on U.S. foreign policy and national security goals, the U.S. Department of the Treasury’s Office of Foreign Assets Control (“OFAC”), publishes a list of individuals and companies owned or controlled by, or acting for or on behalf of, targeted countries. It also lists individuals, groups and entities designated under programs that are not country-specific. Collectively, such individuals and companies are called “Specially Designated Nationals,” or SDNs. Assets of SDNs are blocked, and we are generally prohibited from dealing with them. In addition, OFAC administers a number of comprehensive sanctions and embargoes that target certain countries, governments and geographic regions. We are generally prohibited from engaging in transactions involving any country, region or government that is subject to such comprehensive sanctions.

The Foreign Corrupt Practices Act (the “FCPA”) and the UK 2010 Bribery Act (the “UK Bribery Act”) prohibit the payment of bribes to foreign government officials and political figures and other persons. The FCPA prohibits us from making or offering to make any payment, or giving anything of value to a foreign official for the purpose of influencing that official to assist us in obtaining or retaining an improper business advantage. The FCPA has a broad reach, covering all U.S. companies and citizens doing business abroad and defining a foreign official to include not only those holding public office but also local citizens acting in an official capacity for or on behalf of foreign government-run or -owned organizations or public international organizations. The FCPA also requires maintenance of appropriate books and records and maintenance of adequate internal controls to prevent and detect possible FCPA violations. Similarly, the UK Bribery Act prohibits us from bribing, being bribed or making other prohibited payments to government officials or other persons to obtain or retain business or gain some other business advantage.

PJT Partners LP is also affected by various state and local regulations or policies that restrict or prohibit the use of placement agents in connection with investments by public pension funds, including but not limited to, regulations in New York State, New York City, Illinois and California. Similar measures are being considered or have been implemented in other jurisdictions.

Organizational Structure

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 described herein in “Part II. Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities—Dividend Policy.” 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 ownership interests of the holders (other than PJT Partners Inc.) of common units of partnership interest in PJT Partners Holdings LP (“Partnership Units”) are reflected as non-controlling interests in PJT Partners Inc.’s consolidated financial statements as of December 31, 2024.

Holders of Partnership Units are granted an accompanying share of Class B common stock. This share of Class B common stock entitles the holder to a number of votes commensurate with such holder’s vested and unvested Partnership Units and does not provide any voting power in excess of the holder’s economic interest in the Company. Rather, it merely provides a vehicle for a Partnership Unit holder to vote such holder’s economic interest in the Company and does not give disproportionate or super-voting rights to holders of Partnership Units and Class B common stock.

In an effort to preserve the tax-free nature of our spin-off, our Restated Certificate of Incorporation provided that holders of Class B common stock were limited to only one vote per share of Class B common stock solely with respect to the election or removal of directors. With the passage of time since the spin-off, this restriction on the voting rights of holders of Class B common stock is no longer operative. Pursuant to our Restated Certificate of Incorporation, upon the request of a holder of Class B common stock and approval by the Board, such holder’s Class B common stock would be equalized to provide the same number of votes for the election and removal of directors as it does for all other matters. Accordingly, as of December 31, 2024, the holders of 10.5 million vested and unvested Partnership Units have requested, and the Board has approved, that the shares of Class B common stock held by them provide them with the same number of votes for the election and removal of directors as they do for all other matters.

Holders of shares of our Class B common stock vote together with holders of our publicly traded Class A common stock as a single class on all matters on which such shareholders are entitled to vote generally, except as otherwise required by law.

We and the holders of Partnership Units (other than PJT Partners Inc.) have entered into an exchange agreement, as amended, under which they (or certain permitted transferees) have the right, subject to the terms and conditions set forth in the partnership agreement of PJT Partners Holdings LP, on a quarterly basis, to exchange all or part of their Partnership Units. Further, pursuant to the terms in the partnership agreement of PJT Partners Holdings LP, we 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. We retain the sole option to determine whether to settle the exchange in either cash or for shares of our Class A common stock on a one-for-one basis, subject to customary conversion rate adjustments for splits, unit distributions and reclassifications. The

price per Partnership Unit to be received in a cash-settled exchange will be equal to the fair value of a share of our Class A common stock (determined in accordance with and subject to adjustment under the exchange agreement, as amended). In the event that PJT Partners Inc. elects to fund cash-settled exchanges of Partnership Units with new issuances of our Class A common stock, the fair value of a share of our Class A common stock will be deemed to be equal to the net proceeds per share of our Class A common stock received by PJT Partners Inc. in the related issuance. Accordingly, in this event, the price per Partnership Unit to which an exchanging holder of Partnership Units will be entitled may be greater than or less than the then-current market value of our Class A common stock.

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.

Refer to Note 13. “Transactions with Related Parties” and Note 14. “Commitments and Contingencies—Transactions and Agreements with former Parent, Employee Matters Agreement” in the “Notes to Consolidated Financial Statements” in “Part II. Item 8. Financial Statements and Supplementary Data” for further information about the agreements entered into in connection with the spin-off.

Available Information

We file annual, quarterly and current reports and other information with the SEC. These filings are available to the public over the internet at the SEC’s website at www.sec.gov.

Our website address is www.pjtpartners.com. We make available free of charge on or through www.pjtpartners.com our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. Hard copies may be obtained free of charge by contacting Investor Relations at PJT Partners Inc., 280 Park Avenue, New York, New York 10017 or by calling (212) 364-7810. 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.

ITEM 1A. RISK FACTORS

Risks Relating to Our Business

Changing market conditions can adversely affect our business in many ways, including by reducing the volume of the transactions involving our business, which could materially reduce our revenue.

As a participant in the financial services industry, we are materially affected by conditions in the global financial markets and economic conditions throughout the world, including many factors beyond our control, such as tariffs, sanctions, and global trade uncertainties. For example, worldwide M&A volumes continued to be suppressed in 2024 compared with historical average M&A volumes and a substantial portion of our revenue is directly related to the number and value of the transactions in which we are involved. During periods of unfavorable market or economic conditions, the number and value of M&A and capital raising transactions may decrease, thereby reducing the demand for our M&A advisory services and increasing price competition among financial services companies seeking such engagements. In addition, during periods of strong market and economic conditions, the number and value of liability management and restructuring and reorganization transactions may decrease, thereby reducing the demand for our restructuring and special situations services and increasing price competition among financial services companies seeking such engagements. Our results of operations would be adversely affected by any such reduction in the number or value of such advisory transactions. Further, in the period following an economic downturn, the number and value of M&A transactions typically takes time to recover and lags a recovery in market and economic conditions.

Our profitability may also be adversely affected by our fixed costs and the possibility that we would be unable to scale back other costs within a time frame sufficient to match any decreases in revenue relating to changes in market and economic conditions. The future market and economic climate may deteriorate because of many factors beyond our control, including tariffs, elevated interest rates or inflation, geopolitical and military conflicts, terrorism, natural disasters, pandemics or political uncertainty. While the future impact is unknown, elevated interest rates could have an adverse effect on our transaction volumes, results of operations and financial condition. Credit and financial markets have recently experienced volatility and disruptions due to the geopolitical and military conflicts around the world, such as ongoing conflicts in Eastern Europe and the Middle East. These conflicts and the related sanctions that have been or may be imposed may have further global economic and other consequences, including diminished liquidity and credit availability, reduced consumer confidence, disruptions to energy and food supplies, decreased economic growth, higher unemployment rates, increased inflation, and political and social upheaval. Cybersecurity incidents or threats could broaden and intensify the negative impact of the conflicts on financial markets, economic conditions and geopolitical stability. The impact of these geopolitical and military conflicts is ongoing, and is currently unknown, and could intensify other risks described herein, including cybersecurity-related risks, and otherwise have a material adverse effect on our business, financial condition and results of operations.

Our private fund advisory and fundraising business is dependent on the availability of private capital for deployment in illiquid asset classes such as private equity, alternative credit/hedge funds, and real estate for clients we serve.

PJT Park Hill provides private fund advisory and fundraising services for a diverse range of investment strategies, including private equity, alternative credit/hedge funds, real estate, directs and secondary transactions through our private capital solutions groups. Our ability to find suitable engagements and earn fees in this business depends on the availability of private and public capital for investments in illiquid assets. Our ability to assist fund managers and sponsors in raising capital from investors depends on a number of factors, including many that are outside our control, such as the general economic environment, available investor capital, changes in the weight investors give to alternative asset investments as part of their overall investment portfolio among asset classes which may be impacted by the market liquidity and volatility. Additionally, certain investors, such as public pension plans, may have policies prohibiting the use of placement agents by fund sponsors or managers in connection with their investments. To the extent private and public capital focused on illiquid investment opportunities for our clients is limited, our results may be adversely affected.

Our revenue in any given period is dependent in part on the number of fee-paying clients in such period, and a significant reduction in the number of fee-paying clients in any given period could reduce our revenue and adversely affect our operating results in such period.

A substantial portion of our revenue in any given period is dependent in part on the number of fee-paying clients in such period. For the years ended December 31, 2024 and 2023, we had 230 and 198 clients, respectively, that generated fees equal to or greater than \$1 million. We may lose clients as a result of the sale or merger of a client, a change in a client's senior management, competition from other financial advisors and financial institutions and other causes. A significant reduction in the number of fee-paying clients in any given period could reduce our revenue and adversely affect our operating results in such period.

The composition of the group comprising our largest clients may vary significantly from year to year, and a relatively small number of clients may account for a significant portion of our consolidated revenues in any given period. As a result, our operating results, financial condition and liquidity may be significantly affected by the loss of a relatively small number of mandates or the failure of a relatively small number of assignments to be completed. However, no client accounted for more than 10% of our total revenues for the years ended December 31, 2024 or 2023.

If the number of debt defaults, bankruptcies or other factors affecting demand for our restructuring and special situations services declines, our restructuring and special situations business could suffer.

We provide various liability management and financial restructuring and reorganization and related advice to companies in financial distress or to their creditors or other stakeholders. A number of factors affect demand for these advisory services, including general economic conditions, the availability and cost of debt and equity financing, governmental policy and changes to laws, rules and regulations, including those that protect creditors. In addition, providing restructuring and special situations advisory services entails the risk that the transaction will be unsuccessful, takes considerable time and can be subject to a bankruptcy court's discretionary power to disallow or reduce our fees previously agreed upon by our client. If the number of debt defaults, bankruptcies or other factors affecting demand for our restructuring and special situations advisory services declines, our restructuring and special situations business would be adversely affected.

Third-party offerings for which we act as an underwriter have certain inherent risks.

We may be exposed to liabilities arising out of our underwriting activities, including as a result of material misstatements or omissions in prospectuses and other offering documents. In such cases, any indemnification provisions in the applicable underwriting agreement may not be enforceable or available to us, for example, if the client is not financially able to satisfy its indemnification obligations in whole or part or the scope of the indemnity is not sufficient to protect us against financial or reputational losses arising from such liability. In addition, the associated litigation process can place operational strain on our business. We may also incur losses and be subject to reputational harm to the extent that, for any reason, an offering where we act as an underwriter does not perform or close as expected.

Our revenues and profits are highly volatile on a quarterly basis and may cause the price of our Class A common stock to fluctuate and decline.

Our revenues and profits are highly volatile on a quarterly basis. We earn fees, generally from a limited number of engagements that generate significant fees at key transaction milestones, such as closing, the timing of which is outside of our control. We expect that we will continue to rely on advisory fees for a substantial portion of our revenue for the foreseeable future. As a result, our financial results will likely fluctuate from quarter to quarter based on the timing of when fees are recognized, and high levels of revenue in one quarter will not necessarily be predictive of continued high levels of revenue in future periods. Because advisory revenue is volatile and represents a significant portion of our total revenue, we may experience greater variations in our revenues and profits than other larger, more diversified competitors in the financial services industry. Fluctuations in our quarterly financial results could, in turn, lead to large adverse movements in the price of our Class A common stock or increased volatility in our stock price generally. In addition, our operating results could be below the expectations of public market analysts and investors, and in response, the market price of our Class A common stock could decrease significantly.

In many cases we do not recognize revenue until the successful consummation of the underlying transaction, as such, our revenue and cash flow are highly dependent on market conditions and the decisions, actions and timing of our clients, interested third parties and governmental and regulatory authorities. For example, we may be engaged by a client, but the transaction may not occur because, among other things, anticipated bidders may not materialize, no bidder is prepared to pay our client's price, our client's business experiences unexpected operating or financial problems, our client may not be the winning bidder, failure to agree upon final terms with the counterparty, failure to obtain necessary regulatory or governmental approvals or board or stockholder approvals, failure to secure necessary financing, adverse market conditions, or because the target's business experiences unexpected operating or financial problems. In these circumstances, we often do not recognize advisory revenues that are commensurate with the resources devoted to these client situations.

In addition, with respect to our private fund advisory and fundraising business, we face the risk that we may not be able to collect all or a portion of the fees that we recognize. The placement fees earned by us are generally recognized as revenue upon the successful subscription by an investor in a client's fund and/or the closing of that fund. However, those fees are generally paid by a client over a period of time with interest (for example, three to four years) following such successful subscription by an investor in a client's fund and/or the closing of that fund. There is a risk that during that period of time, we may not be able to collect all or a portion of the fees we are due for the services it has already provided to such client. For instance, a client's fund may be liquidated prior to the time that all or a portion of the fees are due to be paid to us. Moreover, to the extent fewer assets are raised for funds or interest by investors in alternative asset funds declines, the placement fees recognized by us would be adversely affected.

In addition, we face the risk that certain clients, such as restructuring companies in financial distress, may not have the financial resources to pay our agreed-upon fees. Certain clients may also be unwilling to pay our fees in whole or in part, in which case we may have a material adverse effect on our financial condition and results of operations and to incur significant costs to bring legal action to enforce our contractual rights to obtain such fees.

Our failure to appropriately manage actual, potential or perceived conflicts of interest could damage our reputation and materially adversely affect our business.

We confront actual, potential or perceived conflicts of interest in our business. We have adopted various policies, controls and procedures to address or limit actual or perceived conflicts of interest. However, these policies, controls and procedures may not timely identify or appropriately manage such conflicts of interest as identifying and managing actual or perceived conflicts of interest is complex and difficult. It is possible that actual, potential or perceived conflicts could give rise to client dissatisfaction, litigation or regulatory enforcement actions. Our reputation could be damaged if we fail, or appear to fail, to deal appropriately with one or more potential or actual conflicts of interest. Regulatory scrutiny of, or litigation in connection with, conflicts of interest could have a material adverse effect on our reputation, which could materially adversely affect our business in a number of ways, including a reluctance of some potential clients and counterparties to do business with us.

Policies, controls and procedures that we may be required to implement to address additional regulatory requirements, including as a result of additional foreign jurisdictions in which we operate, or to mitigate actual or potential conflicts of interest, may result in increased costs, including for additional personnel and infrastructure and information technology improvements, as well as limit our activities and reduce the positive synergies that we seek to cultivate across our businesses.

We may face damage to our professional reputation or negative publicity if our services are not regarded as satisfactory or for any other reasons.

As an advisory services company, we depend to a large extent on our relationships with our clients and reputation for integrity and high-caliber advisory services to attract and retain clients. As a result, if a client is not satisfied with our services or we experience negative publicity related to our business and our people, regardless of whether the allegations are valid, it may adversely affect our business.

Our business is subject to various cybersecurity and other operational risks.

We face various cybersecurity and other operational risks related to our business on a day-to-day basis. We rely heavily on financial, human capital, accounting, communication and other information technology systems, and the people who operate them. These systems, including the systems of third parties on which we rely, may fail to

operate properly or become disabled as a result of tampering or a breach of our or third-party network security systems or otherwise, including for reasons beyond our control.

Our clients typically provide us with sensitive and confidential information. We are dependent on information technology networks and systems to securely process, transmit and store such information and to communicate among our locations around the world and with our clients and other third parties. We are subject to cyber attacks and security breaches and a successful breach of our systems, or the systems used by our clients and other third parties, including cloud service providers, could lead to shutdowns or disruptions of our systems or third-party or cloud systems on which we rely and potential unauthorized access or disclosure of sensitive or confidential information. Breaches of our networks or systems on which we rely could involve attacks that are intended to obtain unauthorized access to our proprietary and client-sensitive information, destroy data or disable, degrade or sabotage our systems. Such attacks are often conducted through the introduction of computer viruses, cyber attacks and other means and could originate from a wide variety of sources, including foreign governments and unknown third parties. There can be no assurance that our cybersecurity measures will provide adequate protection, especially because the cyber attack techniques used change frequently or are not recognized until after they are launched. As cybersecurity incidents or threats continue to multiply, become more sophisticated and threaten additional aspects of our business, we may also be required to expend additional resources on information security and compliance costs in order to continue to modify or enhance our protective measures or to investigate and remediate any information security vulnerabilities or other exposures. Cybersecurity incidents or threats could persist for an extended period of time before being properly detected or escalated, and, following detection or escalation, it could take considerable time for us to obtain full and reliable information about the extent, amount and type of information compromised or any other information security vulnerabilities. During the course of an investigation, we may not know the full impact of the event and how to remediate it, and actions, decisions and mistakes that are taken or made may further increase the negative effects of the event. If our system or a third-party or cloud system on which we rely were compromised, did not operate properly or were disabled, we could suffer a disruption of our business, financial losses, liability from client claims, regulatory sanctions and damage to our reputation. The increased use of mobile technologies, remote working arrangements and evolving geopolitical uncertainty and military conflicts heighten these and other operational risks.

Certain employee errors or violations may not be discovered immediately by our technological processes or by our controls and other procedures, which are intended to prevent and detect such errors or violations. Even if promptly discovered and remediated, human errors and violations could result in a disruption of our business, financial losses, liability to clients, regulatory sanctions and damage to our reputation. If an employee's or consultant's failure to follow proper data security procedures, as a result of human error or intentionally, results in the improper release of confidential information, or our systems are otherwise compromised, do not operate properly or are disabled, we could suffer a disruption of our business, financial losses, liability to clients, regulatory sanctions and damage to our reputation. In addition to the implementation of data security measures, we require our employees to maintain the confidentiality of the proprietary and client-sensitive information we hold.

Phishing attacks and spoofing attacks, which may include deepfakes, are often used to obtain information, facilitate unauthorized access or impersonate employees and/or clients in order to, among other things, direct fraudulent financial transactions, obtain valuable information or disrupt business operations. Fraudulent transfers resulting from phishing attacks or email spoofing could result in a material loss of assets, reputational harm or legal liability and in turn materially adversely affect our business. We are also at risk for malware/ransomware infection and/or other attacks that could result in disruption of our business operations and the theft, dissemination and destruction of corporate and client-sensitive information or other assets. Any compromise or perceived compromise of the security of our systems or data or of that of one of our third-party service providers, including due to ongoing obligations to communicate cybersecurity incidents to relevant parties, and payment of ransoms could damage our reputation and subject us to significant liability and expense as well as regulatory action and lawsuits, which would harm our business, operating results and financial condition.

We operate a business that is highly dependent on information systems and technology. Any failure to keep accurate books and records can render us liable to disciplinary action by governmental and self-regulatory authorities, as well as to claims by our clients. We rely on third-party service providers and, in some cases, service providers those third-party providers utilize for certain aspects of our business. Any interruption or deterioration in the performance of these third parties and their service providers or failures of their information systems and technology could impair our operations, expose sensitive information, affect our reputation, and adversely affect our business. We may have to expend significant resources to mitigate the impact of any errors, interruptions, delays or cessations of service and may have insufficient recourse against service providers who experience such events.

We are evaluating the use of artificial intelligence technologies ("AI") within our business and we recognize that third parties that provide services to us may independently use AI. The use of AI, which involves reliance on substantial data volumes, introduces risks, including, but not limited to, leakage of confidential or proprietary information, sensitive data being accessed, misused, or stolen and/or our competitors adopting and utilizing AI in a more effective manner that may have a material adverse effect on our financial condition, results of operations or market share.

Further, cybersecurity incidents and other security threats to us or our third-party providers could originate from a wide variety of external sources, including cyber criminals, foreign governments, hackers and other outside parties. Our systems and third-party systems with which we interact, as well as systems those third parties utilize, are subject to, and on occasion have experienced damage, interruption or malicious activity due to a number of causes, including: geopolitical and military conflicts, as well as any related sanctions or other government or private responses; acts of terrorism; natural disasters and catastrophic events such as fires, floods, earthquakes, tornadoes, hurricanes, or other extreme weather events or other factors beyond our control. This damage, malicious activity or interruption may lead us to experience operational challenges and, if we are unable to timely and successfully recover, materially disrupt our business and cause material financial loss, regulatory actions, reputational harm or legal liability.

Climate change, climate change-related regulation and the increased focus on sustainability issues may adversely affect our business and financial results and impact our reputation.

There has been growing concern from advocacy groups, government agencies and the general public over the effects of climate change on the environment. Transition risks, such as government restrictions, standards or regulations intended to reduce greenhouse gas emissions and potential climate change impacts, are emerging and may increase in the future. Such restrictions and requirements could increase our costs or require additional technology and capital investment, which could adversely affect our results of operations. New regulations or guidance relating to climate change, as well as the perspectives of shareholders, employees and other stakeholders regarding climate change, may affect whether and on what terms and conditions we engage in certain activities. For example, California enacted climate disclosure laws that will require us to report on greenhouse gas emissions, climate-related financial risks and other climate-related matters. These changing rules, regulations and stakeholder expectations have resulted in, and are likely to continue to result in, increased costs and increased management time and attention to comply with or meet those regulations and expectations. Developing and acting on sustainability initiatives and collecting, measuring and reporting related information and metrics can be costly, difficult and time consuming.

Additionally, increasing governmental, investor and societal attention to sustainability matters, including expanding mandatory and voluntary reporting, diligence, and disclosure on topics such as climate change, human capital, labor and risk oversight, could expand the nature, scope, and complexity of matters that we are required to control, assess and report. These factors may alter the environment in which we do business and may increase the ongoing costs of compliance and adversely impact our results of operations and cash flows. As regulators consider mandating additional disclosure of climate-related information by companies, there may continue to be a lack of information for more robust climate-related risk analyses. Third party exposures to climate-related risks and other data generally are limited in availability and variable in quality. At the same time, regulators and legislators have increasingly expressed or pursued opposing views, legislation and investment expectations with respect to sustainability initiatives, including the enactment or proposal of "anti-ESG" legislation or policies. If we are unable to adequately address such matters or we fail or are perceived to fail to comply with all laws, regulations, policies and related interpretations, it could negatively impact our reputation, our business results and/or ability to remain as an employer of choice.

Further, significant physical effects of climate change including extreme weather events such as hurricanes or floods, can also have an adverse impact on our operations or the financial condition of our clients. As the effects of climate change increase, we expect the frequency and impact of weather and climate related events and conditions to increase. Additionally, our reputation and client relationships may be damaged as a result of our involvement, or our clients' involvement, in certain industries or projects associated with causing or exacerbating climate change, as well as any decisions we make to continue to conduct or change our activities in response to considerations relating to climate change.

We are exposed to risks related to our insurance coverage.

Our operations and financial results are subject to risks and uncertainties related to our use of insurance for a variety of risks, including cybersecurity risk. While we endeavor to purchase insurance coverage appropriate for our risk assessment, we are unable to predict with certainty the frequency, nature or magnitude of claims for direct or consequential damages. Our business may be negatively affected if our insurance coverage proves to be inadequate, unavailable or the insurance carriers deny coverage for whatever reason. Insurance claims may divert management resources away from operating our business.

We may incur debt or other contractual obligations that we cannot service if we are unable to generate sufficient cash. We may be unable to meet our contractual obligations if our liquidity is adversely affected by a significant deterioration in the credit markets or the failure of one or more commercial banking institutions.

Our ability to make scheduled payments on or to refinance any current or future debt obligations or other contractual obligations depends on our financial condition and operating performance. We cannot provide assurance that we will maintain a level of cash flows from operating activities sufficient to permit us to pay the principal of, and interest on, any current or future indebtedness. If our cash flows and capital resources are insufficient to fund any current or future debt obligations or contractual obligations, we may be forced to reduce or delay investments and capital expenditures, or to sell assets, seek additional capital or restructure or refinance such indebtedness or other contractual obligations. Inflation and elevated interest rates have the potential to adversely affect our liquidity, business, financial condition and results of operations by increasing our overall cost structure, particularly if we are unable to achieve commensurate increases in the fees we charge our clients or if increased prices may lead to our clients requesting fewer services. The existence of inflation in the economies in which we operate has resulted in, and may continue to result in, elevated interest rates and capital costs, increased costs of labor, weakening exchange rates and other similar effects. Although we may take measures to mitigate the impact of this inflation, if these measures are not effective, our business, financial condition, results of operations and liquidity could be materially adversely affected.

As of December 31, 2024, we had cash, cash equivalents and short-term investments of \$546.8 million, of which \$62.9 million and \$100.7 million was invested in Treasury securities and money market funds, respectively. We monitor developments relating to the liquidity of these instruments on a regular basis. Cash, cash equivalents, and short-term investments are maintained in global and regional U.S. and non-U.S. financial institutions. In the event of a significant deterioration of the credit markets or the failure of one or more commercial banking institutions where we maintain a banking relationship, there can be no assurance that we will be able to access our cash, cash equivalents and short-term investments or enter into new financing arrangements on favorable terms and could result in a loss of funds. Our inability to access our cash or other assets could have a material adverse effect on our liquidity and result in our inability to meet our obligations timely, which may have a material adverse effect on our business, financial condition and results of operations.

Our international operations are subject to certain risks, which may affect our revenue.

For the year ended December 31, 2024, we earned 15% of our total revenues from our international operations. We intend to continue to grow our non-U.S. business, and this growth is important to our overall success. In addition, many of our clients are non-U.S. entities seeking to enter into transactions involving U.S. businesses. Our international operations carry special financial, business, regulatory and reputational risks, which could include the following: greater difficulties in managing and staffing foreign operations; language and cultural differences; reliance on third-party service providers; fluctuations in foreign currency exchange rates that could adversely affect our results; unexpected and costly changes in trading policies, regulatory requirements, tariffs and other barriers; sanctions; restrictions on travel; longer transaction cycles; higher operating costs; local labor conditions and regulations; adverse consequences or restrictions on the repatriation of earnings; potentially adverse tax consequences, such as trapped foreign losses; economic and geopolitical uncertainty; and military conflicts or other catastrophic events that reduce business activity; and disasters or other business continuity threats, such as pandemics, other man-made or natural disasters, or disruptions involving communications and information systems or other services.

If our international business increases relative to our total business, these factors could have a more pronounced effect on our operating results.

As part of our day-to-day operations outside of the U.S., we are required to create compensation programs, employment policies, compliance policies and procedures and other administrative programs that comply with the laws of multiple countries and jurisdictions. We also must communicate and monitor standards and directives across our global operations. Our failure to successfully manage and grow our geographically diverse operations could impair our ability to react quickly to changing business and market conditions and to enforce compliance with non-U.S. laws and regulations.

Fluctuations in foreign currency exchange rates could adversely affect our results.

Our financial statements are denominated in U.S. dollars and a portion of our operations is in other currencies, as a result, we are exposed to fluctuations in foreign currencies. We have not entered into any transactions to hedge our exposure to these foreign exchange fluctuations through the use of derivative instruments or otherwise. An appreciation or depreciation of any of these currencies relative to the U.S. dollar would result in an adverse or beneficial impact, respectively, to our financial results.

New lines of business, new jurisdictions, joint ventures, and/or strategic investments may result in additional risks and uncertainties in our business.

To the extent we enter into new lines of business, new jurisdictions, joint ventures, and/or strategic investments, we will face numerous risks and uncertainties, including risks associated with actual or perceived conflicts of interest because we would no longer be limited to the advisory business, the possibility that we have insufficient expertise to engage in such activities profitably or without incurring inappropriate amounts of risk, the required investment of capital and other resources and the loss of clients due to the perception that we are no longer focusing on our core business.

Entry into certain lines of business, joint ventures, strategic investments or jurisdictions may subject us to new laws and regulations with which we are not familiar, or from which we are currently exempt, and may lead to increased litigation and regulatory risk. In addition, certain aspects of our cost structure, such as costs for compensation, occupancy and equipment, communication and information technology services, and depreciation and amortization will be largely fixed, and we may not be able to timely adjust these costs to match fluctuations in revenue related to entering into new lines of business. If a new business generates insufficient revenues or if we are unable to efficiently manage our expanded operations, our results of operations could be materially adversely affected. Additionally, the value of our goodwill may be materially and adversely impacted if our strategic investments do not perform in a manner consistent with our assumptions. Future evaluations requiring an impairment to goodwill and other intangible assets could have a material adverse effect on our results of operations in the period in which impairment occurs.

Restrictions in the credit agreement governing our revolving credit facility may impair our ability to finance our future operations or capital needs or engage in other business activities that may be in our interests.

We have access to a revolving credit facility in an aggregate principal amount of up to \$100 million.

The credit agreement governing such revolving credit facility contains a number of significant covenants that, among other things, would require us to maintain certain minimum tangible net worth and maximum leverage levels and the covenants may restrict our ability to: sell assets; incur more indebtedness; repay certain indebtedness; make certain investments or business acquisitions; make certain capital expenditures; engage in business mergers or consolidations; and engage in certain transactions with subsidiaries and affiliates.

These restrictions could impair our ability to finance our future operations or capital needs or engage in other business activities that may be in our interests. In addition, the credit agreement requires us to maintain compliance with certain financial ratios, including those relating to earnings before interest, taxes, depreciation and amortization and consolidated indebtedness. Our ability to comply with these ratios and covenants may be affected by events beyond our control. A breach of the provisions of the credit agreement or our inability to comply with the required financial ratios or covenants included therein could result in a default thereunder. In the event of any such default, the lenders under the credit agreement could elect to: declare all outstanding debt, accrued interest and fees to be due and immediately payable; and require us to apply all of our available cash to repay our outstanding debt.

Risks Relating to Talent and Competition

We depend on the efforts and reputations of our Chief Executive Officer and other key personnel.

We depend on the efforts and reputations of our Chief Executive Officer and other senior bankers. Our senior banking team's reputations and relationships with clients and potential clients are critical elements in the success of our business. Our Chief Executive Officer and other senior executives and bankers are important to our success because they are instrumental in setting our strategic direction, operating our business, identifying, recruiting and training key personnel, maintaining relationships with our clients, executing transactions, and identifying business opportunities. The loss of one or more of these executives or other key individuals could impair our business and its growth until qualified replacements are found. We may not be able to replace these individuals quickly or with persons of equal experience and capabilities. Although we have employment agreements with these individuals, we cannot prevent them from terminating their employment with us. In addition, in certain jurisdictions we may not have access to non-competition agreements and in other jurisdictions our non-competition agreements with such individuals may not be enforced by the courts or could be banned by future rule making. The loss of the services of any of them, in particular our Chief Executive Officer, could have a material adverse effect on our business, including our ability to attract clients.

Our future growth will depend on, among other things, our ability to successfully identify, recruit, motivate and develop talent and will require us to commit additional resources.

It typically takes time for our newly recruited professionals to become effective and profitable. During that time, we may incur significant expenses and expend significant time and resources toward their training, integration and business development. We may face difficulties in, or increases in, the cost of recruiting and retaining employees of a caliber consistent with our business strategy. If we are unable to recruit and develop profitable professionals, we will not be able to implement and execute our growth strategy and our financial results could be materially adversely affected.

The near-term vesting of equity awarded to key personnel may diminish our ability to retain and motivate our professionals. There is no guarantee that our current non-competition and compensation arrangements with our professionals, in which we mandatorily defer a substantial portion of their annual incentive bonus in the form of cash and/or equity awards with multi-year vesting periods, will provide sufficient protections or incentives to prevent our partners and other key personnel from resigning to join our competitors. The departure of a number of partners or groups of professionals could have a material adverse effect on our business and profitability. In addition, existing and proposed laws, rules and regulations that seek to limit or curtail the enforceability of non-competition, non-solicitation, confidentiality and similar restrictive covenant clauses could make it more difficult to retain qualified personnel.

Employee or contractor misconduct, which is difficult to detect and deter, could harm us by impairing our ability to attract and retain clients and talent and by subjecting us to legal liability and reputational harm.

There is a risk that our employees or contractors engage in misconduct that adversely affects our business. Our business often requires that we deal with confidential matters of great significance to our clients. If our employees or contractors were to improperly use or disclose confidential information provided by our clients, we could be subject to regulatory investigations or sanctions and we could suffer serious harm to our reputation, financial position, the trading price of our Class A common stock, current client relationships or ability to attract future clients. In addition, our financial professionals and other employees are responsible for following proper measures to maintain the confidentiality of information we hold. If an employee's failure to do so results in the improper release of confidential information, we could be subject to reputational harm and legal liability, which could impair our ability to attract and retain clients and in turn materially adversely affect our business.

U.S. regulators and enforcement agencies, including the U.S. Department of Justice, the SEC, and the United Kingdom and other jurisdictions continue to devote significant resources to various enforcement initiatives. While we have developed and implemented policies and procedures for our employees and contractors to be compliant with anti-bribery, anti-money laundering, anti-corruption, and other laws, such policies and procedures may not be effective in all instances to prevent violations. Any determination that we have violated applicable laws could subject us to, among other things, civil and criminal penalties, material fines, profit disgorgement, injunctions on future conduct, securities litigation and a general loss of investor confidence, any one of which could adversely affect our business prospects, financial position or the market value of our Class A common stock.

Despite our implementation of policies, our emphasis on an inclusive culture and training to prevent and detect misconduct, we cannot completely safeguard ourselves against the risk of workplace misconduct, such as sexual harassment or discrimination. In addition to impairing our ability to attract and retain clients, such misconduct may also impair our ability to attract and retain talent resulting in a materially adverse effect on our business. It is not always possible to deter such misconduct, and there can be no assurance that the precautions we take to prevent and detect misconduct will be effective in all cases. If our employees or contractors engage in misconduct, our business could be materially adversely affected.

We face strong competition from other financial advisory firms, many of which have greater resources and broader product and services offerings than we do.

The financial services industry is intensely competitive, highly fragmented and subject to rapid change, and we expect it to remain so. Our competitors are other investment banking and financial advisory firms. We compete on both a global and a regional basis, and on the basis of a number of factors, including the strength and depth of client relationships, industry knowledge, transaction execution skills, our range of products and services, innovation, reputation and price. In addition, a majority of our business is not subject to long-term contracted sources of revenue. Each revenue-generating engagement typically is separately solicited, awarded and negotiated.

We have experienced significant competition when obtaining advisory mandates, and we may experience pricing pressures in our business in the future as some of our competitors may seek to obtain increased market share by reducing fees.

Our primary competitors are large financial institutions, many of which have far greater financial and other resources and have the ability to offer a wider range of products and services. In addition, we may be at a competitive disadvantage with regard to certain of our competitors who are able to, and often do, provide financing or market making services that are often a crucial component of the types of transactions on which we advise. In addition to our larger competitors, over the last several years the growth of existing investment banks and the number of independent investment banks that offer independent advisory services has increased. As these independent firms or new entrants into the market seek to gain market share, we could experience pricing and competitive pressures, which would adversely affect our revenues and earnings.

In addition, PJT Park Hill operates in a highly competitive environment and the barriers to entry into the private fund advisory and fundraising services business are low.

Legal and Regulatory Risks

As a member of the financial services industry, we face substantial litigation and regulatory risks.

Our role as advisor to our clients on important transactions involves complex analysis and the exercise of professional judgment, including rendering “fairness opinions” in connection with mergers and other transactions. Our activities may subject us to the risk of significant legal liabilities to our clients and affected third parties, including shareholders of our clients who could bring class actions against us. In recent years, the volume of claims and amount of damages claimed in litigation and regulatory proceedings against financial services companies have increased. These risks are difficult to assess or quantify and their existence and magnitude often remain unknown for substantial periods of time. Our engagements typically, but not always, include broad indemnities from our clients and provisions to limit our exposure to legal claims relating to our services, but these provisions may not protect us in all cases, including when a client does not have the financial capacity to pay pursuant to the indemnity. As a result, we may incur significant legal expenses in defending ourselves against or settling litigation or regulatory actions. In addition, the associated litigation process can place operational strain on our business and we may have to spend a significant amount to adequately insure against these potential claims. Substantial legal liability or significant regulatory action against us could have material adverse financial effects or cause significant reputational harm to us, which could seriously harm our business prospects.

Extensive and evolving regulation of our business and the business of our clients exposes us to the potential for significant penalties and fines due to compliance failures, increases our costs and may result in limitations on the manner in which our business is conducted.

As a participant in the financial services industry, we are subject to extensive regulation in the U.S. and internationally. We face the risk of significant intervention by regulatory authorities, including extended

investigation and surveillance activity, adoption of costly or restrictive new regulations and judicial or administrative proceedings that may result in substantial penalties. Among other things, we could be fined or be prohibited from engaging in some of our business activities. In addition, the regulatory environment in which we operate is subject to modification and further regulation. Such changes may increase the expenses we incur without necessarily leading to commensurate increases in revenues. Certain laws and regulations within the U.S. and internationally include extraterritorial application that may lead to overlapping or conflicting legal and regulatory burdens with additional risks and implementation expenses. New laws or regulations applicable to us and our clients also may adversely affect our business, and our ability to function in this environment will depend on our ability to continually monitor and react to these changes.

Our ability to conduct business and our operating results, may be adversely affected as a result of complying with any new or existing requirements, such as the requirement to maintain sufficient net capital in order to provide certain services, as imposed by the SEC, FINRA or other U.S. or foreign governmental regulatory authorities or self-regulatory organizations that regulate financial services firms or supervise financial markets. We may be adversely affected by changes in the interpretation or enforcement of existing laws and rules by these governmental authorities and regulatory organizations. In addition, some of our current or prospective clients may adopt policies that exceed regulatory requirements and impose additional restrictions affecting their dealings with us. Accordingly, we may incur significant costs to comply with U.S. and international regulation. In addition, new laws or regulations or changes in enforcement of existing laws or regulations applicable to our clients may adversely affect our business. For example, changes in antitrust laws or the enforcement of antitrust laws could affect the level of M&A activity and changes in applicable regulations could restrict the activities of our clients and their need for the types of advisory services that we provide to them. Further, changes to existing tax laws and regulations in the U.S. and in other jurisdictions in which we and our clients operate may reduce the level of M&A activity, including cross-border M&A activity, such as the Organization for Economic Cooperation and Development's proposals to create an agreed set of international rules for fighting base erosion and profit sharing, including Pillar One and Pillar Two, such that tax laws in countries in which we do business could change on a prospective or retrospective basis.

In addition, several states and municipalities in the U.S., including, but not limited to, California, Illinois, New York State and New York City have adopted “pay-to-play” and placement agent rules, which, in addition to imposing registration and reporting requirements, limit our ability to charge fees in connection with certain engagements or restrict or prohibit the use of placement agents in connection with investments by public pension funds. These types of measures could materially and adversely impact our PJT Park Hill business.

Our failure to comply with applicable laws or regulations could result in adverse publicity and reputational harm as well as fines, suspensions of personnel or other sanctions, including revocation of our registration or any of our subsidiaries as a financial advisor and could impair retention or recruitment of personnel. In addition, any changes in the regulatory framework could impose additional expenses or capital requirements on us, result in limitations on the manner in which our business is conducted, have an adverse impact upon our financial condition and business and require substantial attention by senior management. Moreover, our business is subject to periodic examination by various regulatory authorities, and we cannot predict the outcome of any such examinations.

A change in relevant income tax laws, regulations or treaties or an adverse interpretation of these items by tax authorities could result in an audit adjustment or revaluation of our deferred tax assets that may cause our effective tax rate and tax liability to be higher than what is currently presented in the consolidated financial statements.

As part of the process of preparing our consolidated financial statements, we are required to estimate income taxes in each of the jurisdictions in which we operate. Significant management judgment is required in determining our provision for income taxes, our deferred tax assets and liabilities and any valuation allowance recorded against our deferred tax assets. This process requires us to estimate our actual current tax liability and to assess temporary differences resulting from differing book versus tax treatment. Our effective tax rate and tax liability is based on the application of current income tax laws, regulations and treaties. These laws, regulations and treaties are complex, and the manner in which they apply to our facts and circumstances is sometimes open to interpretation. Management believes its application of current laws, regulations and treaties to be correct and sustainable upon examination by the tax authorities. However, the tax authorities could challenge our interpretation resulting in additional tax liability or adjustment to our income tax provision that could increase our effective tax rate. In addition, tax laws, regulations or treaties, newly enacted or enacted in the future, may cause us to remeasure our deferred tax assets and have a material change to our effective tax rate.

The cost of compliance with international broker-dealer, employment, labor, benefits, privacy and tax laws and regulations may adversely affect our business and hamper our ability to expand internationally.

Since we operate our business both in the U.S. and internationally, we are subject to many distinct broker-dealer, employment, labor, benefits, privacy and tax laws in each jurisdiction in which we operate, including regulations affecting our employment practices and our relations with our employees and service providers. If we are required to comply with other new regulations or new interpretations of existing regulations, or if we are unable to comply with these regulations or interpretations, our business could be adversely affected, or the cost of compliance may make it difficult to expand into new international markets. Additionally, our competitiveness in international markets may be adversely affected by regulations requiring, among other things, the awarding of contracts to local contractors, the employment of local citizens and/or the purchase of services from local businesses or favoring or requiring local ownership.

The European Union's ("EU") General Data Protection Regulations ("GDPR") regulate how businesses can collect, use and process the personal data of EU residents. As we engage in significant business in the EU, we are subject to the GDPR's requirements. The GDPR has extraterritorial effect and imposes a mandatory duty on businesses to self-report personal data breaches to authorities, and, under certain circumstances, to affected individuals. The GDPR also grants individuals the right to erasure (commonly referred to as the right to be forgotten), which may put a burden on us to erase records upon request. Compliance with the GDPR's requirements may increase our legal, compliance and operational costs. Non-compliance with the GDPR's requirements can result in significant penalties, which may have a material adverse effect on our business, expose us to legal and regulatory costs and impair our reputation.

Following the U.K.'s exit from the EU, the U.K. has implemented the GDPR as part of its national law (referred to as the "U.K. GDPR"). The EU GDPR's data protection obligations continue to apply in the U.K. in substantially unvaried form under the U.K. GDPR. The U.K. GDPR exists alongside the U.K. Data Protection Act 2018 and its requirements are largely aligned with those under the EU GDPR and as such, may lead to similar compliance operational costs.

Other jurisdictions, including at both the U.S. federal and state levels as well as in non-U.S. jurisdictions where we conduct business, have also enacted or are considering data privacy legislation. Increasingly numerous, fast-changing and complex legislation related to data privacy may result in greater compliance costs, heightened regulatory scrutiny and significant penalties, which may have a material adverse effect on our operations, financial condition and prospects. New and changing regulations may increase compliance costs such that they hamper our ability to expand into new territories.

Risks Relating to Our Organizational Structure

PJT Partners Inc.'s only material asset is its interest in PJT Partners Holdings LP and certain cash and cash equivalents it may hold from time to time, and it is accordingly dependent upon distributions from PJT Partners Holdings LP to pay taxes, make payments under the tax receivable agreement or pay dividends.

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 described herein in "Part II. Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities—Dividend Policy." PJT Partners Inc. has no independent means of generating revenue. PJT Partners Holdings LP makes distributions to holders of its Partnership Units in an amount sufficient to cover all applicable taxes at assumed tax rates, payments under the tax receivable agreement and dividends, if any, declared by it. Deterioration in the financial condition, earnings or cash flow of PJT Partners Holdings LP and its subsidiaries for any reason could limit or impair their ability to pay such distributions. Additionally, to the extent that PJT Partners Inc. needs funds, and PJT Partners Holdings LP is restricted from making such distributions under applicable law or regulation or under the terms of our financing arrangements, or is otherwise unable to provide such funds, it could materially adversely affect our liquidity and financial condition.

Payments of dividends, if any, will be at the discretion of the Board after taking into account various factors, as described in "Part II. Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities—Dividend Policy."

Although we currently intend to pay a quarterly cash dividend to our stockholders, we have no obligation to do so, and our dividend policy may change at any time. Whether we continue to pay cash dividends and the amount and timing of any such dividends are subject to capital availability and periodic determinations by the Board that cash dividends are in the best interest of our stockholders and are in compliance with all respective laws and agreements of the Company applicable to the declaration and payment of cash dividends. The reduction in or elimination of our dividend payments could have a negative effect on our stock price.

A significant portion of the voting power in PJT Partners Inc. is controlled by holders of our Class B common stock, whose interests may differ from those of our public stockholders that hold our Class A common stock.

The shares of Class B common stock have no economic rights but entitle the holder, without regard to the number of shares of Class B common stock held, to a number of votes that is equal to the aggregate number of vested and unvested Partnership Units in PJT Partners Holdings LP held by such holder on all matters presented to stockholders of PJT Partners Inc. other than director elections and removals. With respect to the election and removal of directors of PJT Partners Inc., shares of Class B common stock initially entitle holders to only one vote per share. However, the voting power of Class B common stock with respect to the election and removal of directors of PJT Partners Inc. may be increased to up to the number of votes to which a holder is then entitled on all other matters presented to stockholders.

At December 31, 2024, our executive officers and directors held and/or controlled (including by way of the proxy granted to our Chief Executive Officer by certain executive officers of our former Parent in connection with the spin-off) 24.7% of the voting power of PJT Partners Inc. with regard to the election and removal of directors, and 34.0% of the voting power of PJT Partners Inc. with regard to all other matters presented to stockholders of PJT Partners Inc. At December 31, 2024, our Class B common stockholders held 30.6% of the voting power of PJT Partners Inc. with regard to the election and removal of directors, and 39.8% of the voting power of PJT Partners Inc., with regard to all other matters presented to stockholders of PJT Partners Inc. As a result, our Class B common stockholders, including our Chief Executive Officer, have the ability to exercise influence over the outcome of all matters requiring stockholder approval, including those related to equity compensation plans, certain related party transactions, and certain significant issuances of our Class A common stock and other significant transactions, such as those involving a change of control or sale of all or substantially all of our assets. This concentration of ownership could deprive our Class A stockholders of an opportunity to receive a premium for their common stock as part of a sale of our Company and might ultimately affect the market price of our Class A common stock. Moreover, our Class B common stockholders, including our Chief Executive Officer, have the ability to exercise increased influence over the outcome of director elections and removals as well.

Additionally, as of December 31, 2024, our Class B common stockholders own 39.7% of the Partnership Units. Because they hold all or a portion of their economic ownership interest in our business directly in PJT Partners Holdings LP, rather than through PJT Partners Inc., our Class B common stockholders may have conflicting interests with holders of shares of our Class A common stock. For example, if PJT Partners Holdings LP makes distributions to PJT Partners Inc., the limited partners of PJT Partners Holdings LP will also be entitled to receive such distributions pro rata in accordance with the percentages of their respective partnership interests in PJT Partners Holdings LP and their preferences as to the timing and amount of any such distributions may differ from those of our public stockholders. Our Class B common stockholders may also have different tax positions from us that could influence their decisions regarding whether and when to dispose of assets, especially in light of the existence of the tax receivable agreement that we entered into in connection with the spin-off, whether and when to incur new indebtedness, and whether and when PJT Partners Inc. should terminate the tax receivable agreement and accelerate its obligations thereunder. In addition, the structuring of future transactions may take into consideration these Partnership Unit holders' tax or other considerations even where no similar benefit would accrue to us.

PJT Partners Inc. may be required to make payments under a tax receivable agreement for most of the benefits relating to certain tax depreciation or amortization deductions that we may claim as a result of certain increases in tax basis.

Holders of Partnership Units (other than PJT Partners Inc.) have the right, subject to the terms and conditions set forth in the partnership agreement of PJT Partners Holdings LP, on a quarterly basis (subject to the terms of the exchange agreement, as amended), to exchange all or part of their Partnership Units. Further, the Company may also require holders of Partnership Unit who are not Service Providers (as defined in the Partnership Agreement of PJT Partners Holdings LP) to exchange such Partnership Units. The Company retains the sole option to determine whether to settle the exchange in either cash or for shares of our Class A common stock on a one-for-one basis,

subject to customary conversion rate adjustments for splits, unit distributions and reclassifications. Stock-settled exchanges and certain of these cash-settled exchanges are expected to result in increases in the tax basis of the tangible and intangible assets of PJT Partners Holdings LP. These increases in tax basis may increase (for tax purposes) depreciation and amortization deductions and therefore reduce the amount of tax that PJT Partners Inc. would otherwise be required to pay in the future, although the Internal Revenue Service (“IRS”) may challenge all or part of that tax basis increase, and a court could sustain such a challenge.

We 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 these increases in tax basis 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.

This payment obligation is an obligation of PJT Partners Inc. and not of PJT Partners Holdings LP. While the actual increase in tax basis, as well as the amount and timing of any payments under the tax receivable agreement, will vary depending upon a number of factors, including the timing of exchanges, the price of shares of our Class A common stock at the time of the exchange, the extent to which such exchanges are taxable and the amount and timing of our income, we expect that as a result of the size of the exchanges and increases in the tax basis of the tangible and intangible assets of PJT Partners Holdings LP, the payments that PJT Partners Inc. may make under the tax receivable agreement will be substantial.

In certain cases, such as upon a change in control, payments under the tax receivable agreement may be accelerated and/or significantly exceed the actual benefits PJT Partners Inc. realizes in respect of the tax attributes subject to the tax receivable agreement.

The tax receivable agreement provides that upon certain changes of control, or if, at any time, PJT Partners Inc. elects an early termination of the tax receivable agreement, PJT Partners Inc.’s obligations under the tax receivable agreement (with respect to all Partnership Units whether or not previously exchanged) would be calculated by reference to the value of all future payments that holders of Partnership Units would have been entitled to receive under the tax receivable agreement using certain valuation assumptions, including that PJT Partners Inc. will have sufficient taxable income to fully utilize the deductions arising from the increased tax deductions and tax basis and other benefits related to entering into the tax receivable agreement and, in the case of an early termination election, that any Partnership Units that have not been exchanged are deemed exchanged for the market value of the shares of our Class A common stock at the time of termination. In addition, if PJT Partners Inc. elects an early termination of the tax receivable agreement, holders of Partnership Units will generally not reimburse us for any payments previously made under the tax receivable agreement if such tax basis increase is successfully challenged by the IRS. PJT Partners Inc.’s ability to achieve benefits from any tax basis increase, and the payments to be made under the tax receivable agreement, will depend upon a number of factors, including the timing and amount of our future income. As a result, even in the absence of a change of control or an election to terminate the tax receivable agreement, payments under the tax receivable agreement could be in excess of PJT Partners Inc.’s actual cash tax savings.

There may be a material negative effect on our liquidity if the payments under the tax receivable agreement exceed the actual cash tax savings that PJT Partners Inc. realizes in respect of the tax attributes subject to the tax receivable agreement and/or if distributions to PJT Partners Inc. by PJT Partners Holdings LP are not sufficient to permit PJT Partners Inc. to make payments under the tax receivable agreement after it has paid taxes and other expenses. Based on the market value of a share of our Class A common stock of \$157.81 and the Early Termination Rate (Secured Overnight Financing Rate (“SOFR”) plus 100 basis points) of 5.89% at December 31, 2024, we estimate that if PJT Partners Inc. exercised its termination on December 31, 2024, the aggregate amount of these termination payments would be \$357.4 million. The foregoing number is merely an estimate and the actual payments could differ materially. We may need to incur additional indebtedness to finance payments under the tax receivable agreement to the extent our cash resources are insufficient to meet our obligations under the tax receivable agreement as a result of timing discrepancies or otherwise.

Anti-takeover provisions in our organizational documents and Delaware law might discourage or delay acquisition attempts for us that you might consider favorable.

Our Restated Certificate of Incorporation and by-laws may discourage, delay or prevent a merger or acquisition that a stockholder may consider favorable by permitting the Board to issue one or more series of preferred stock, requiring advance notice for stockholder proposals and nominations and placing limitations on convening stockholder meetings. In addition, we are subject to provisions of the Delaware General Corporation Law

that restrict certain business combinations with interested stockholders. These provisions may also discourage acquisition proposals or delay or prevent a change in control, which could harm the price of shares of our Class A common stock.

Certain provisions of the limited partnership agreement of PJT Partners Holdings LP may also prevent, delay or make more difficult, a transaction or a change in control that might involve a premium price for holders of our Class A common stock or otherwise be in their best interests. These provisions include, among others:

- rights of limited partners of PJT Partners Holdings LP, subject to certain exceptions and qualifications, to approve certain change of control transactions involving us; and
- following the occurrence of a “Board Change of Control,” rights of limited partners of PJT Partners Holdings LP to consent to certain corporate actions and transactions.

See “Certain Relationships and Related Person Transactions—The Limited Partnership Agreement” in our definitive proxy statement filed in connection with our 2024 Annual Meeting of Stockholders (our “2024 Proxy Statement”).

Risks Relating to Our Class A Common Stock

You may be diluted by the future issuance of additional Class A common stock by PJT Partners Inc. and the future issuance of additional Partnership Units by PJT Partners Holdings LP, in each case in connection with our incentive plans, acquisitions or otherwise.

As of December 31, 2024, we had 2,965,967,941 shares of PJT Partners Inc. Class A common stock authorized but unissued, including 15,695,804 shares of PJT Partners Inc. Class A common stock that may be issued upon exchange of Partnership Units. Our Restated Certificate of Incorporation authorizes us to issue these shares of PJT Partners Inc. Class A common stock and options, rights, warrants and appreciation rights relating to our Class A common stock for the consideration and on the terms and conditions established by the Board in its sole discretion, whether in connection with acquisitions or otherwise. Similarly, the limited partnership agreement of PJT Partners Holdings LP permits PJT Partners Holdings LP to issue an unlimited number of additional partnership interests of PJT Partners Holdings LP with designations, preferences, rights, powers and duties that are different from, and may be senior to, those applicable to the Partnership Units, and which may be exchangeable for shares of our Class A common stock. Since October 1, 2015, the Company has authorized 33 million shares of PJT Partners Inc. Class A common stock for issuance of new awards under our Second Amended and Restated PJT Partners Inc. 2015 Omnibus Incentive Plan, of which 13.3 million were available for issuance as of December 31, 2024. Any PJT Partners Inc. Class A common stock that we issue, including under our Second Amended and Restated PJT Partners Inc. 2015 Omnibus Incentive Plan or other equity incentive plans that we may adopt in the future, would dilute your percentage ownership of PJT Partners Inc.

The market price of our Class A common stock may decline due to the large number of shares of our Class A common stock eligible for future sale and large number of Partnership Units eligible for exchange.

The market price of shares of our Class A common stock could decline as a result of sales of a large number of shares of our Class A common stock in the market or the perception that such sales could occur. These sales, or the possibility that these sales may occur, also might make it more difficult for us to issue or sell shares of our Class A common stock in the future at a time and at a price that we deem appropriate.

In addition, we and the holders of Partnership Units (other than PJT Partners Inc.) have entered into an exchange agreement, as amended. See “Certain Relationships and Related Person Transactions—Exchange Agreement” in our 2024 Proxy Statement. 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 our Class A common stock or to settle exchanges by issuing our Class A common stock to the exchanging Partnership Unit holder. The market price of shares of our Class A common stock could decline as a result of issuances or sales of our Class A common stock to fund exchanges of Partnership Units, or sales by exchanging holders of Partnership Units of our Class A common stock received in stock-settled exchanges or, in each case, the perception that such issuances or sales could occur. These issuances or sales, or the possibility that they may occur, also might make it more difficult for holders of our Class A common stock to sell such stock in the future at a time and at a price that they deem appropriate.

Our decision to repurchase shares of our Class A common stock will reduce our public float, which could cause our share price to decline.

On February 6, 2024, the Company announced that the Board authorized a \$500 million Class A common stock repurchase program, which replaced the then-existing \$200 million repurchase program authorized on April 25, 2022. 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, after taking into account our results of operations, financial position and capital requirements, general business conditions, legal, tax and regulatory constraints or restrictions, any contractual restrictions (including any restrictions contained in the credit agreement) and other factors we deem relevant.

The repurchases under the share repurchase plan will reduce our "public float," (the number of shares of our Class A common stock that are owned by non-affiliated stockholders and available for trading in the securities markets), which may reduce the volume of trading in our shares and result in reduced liquidity and cause fluctuations in the trading price of our common stock unrelated to our performance. Furthermore, certain institutional holders of shares of our Class A common stock (including index funds) may require a minimum market capitalization of each of their holdings in excess of our market capitalization and therefore be required to dispose of shares of our Class A common stock, which may cause the value of our Class A common stock to decline. There can be no assurance that this reduction in our public float will not result in a lower share price or reduced liquidity in the trading market for shares of our Class A common stock during and upon completion of our share repurchase plan.

The market price of our Class A common stock may be volatile, which could cause the value of our Class A common stock to decline.

Securities markets worldwide experience significant price and volume fluctuations. This market volatility, as well as general economic, market or political conditions, could reduce the market price of our Class A common stock in spite of our operating performance. In addition, our operating results could be below the expectations of public market analysts and investors, and in response, the market price of our Class A common stock could decrease significantly.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

As required by Item 106 of Regulation S-K, the following sets forth certain information regarding our cybersecurity strategy, risk management, and governance.

Cybersecurity Strategy and Risk Management

Our Cybersecurity and Technology Risk Program (the "Program") is designed to protect critical assets, scale with business growth and identify and mitigate threats, enabling us to securely conduct the Company's business. The Program's design applies concepts from the frameworks of the National Institute of Standards and Technology ("NIST") as guidelines, incorporating their applicable principles while adapting certain elements to align with our specific operational needs and objectives. The Program and other cybersecurity processes have been integrated into our overall risk management framework.

Information Security Policies and Procedures

As part of the Program, the Company has adopted Information Security Policies and Procedures ("ISP") that utilize concepts set forth in the NIST Special Publications and Internal/Interagency Reports and other industry-accepted guidance.

The ISP sets forth the controls and activities designed to protect our systems and data, such as establishing network perimeter security, managing system access, monitoring user activity and maintaining physical security. Other components of the Program related to assessing, identifying and managing risks from cybersecurity threats include annual cybersecurity training for all employees, regular review and update of our business critical and financial systems and the use of a variety of tools and methods to manage access to, and maintain the integrity of,

our information systems. Our employees are critical in helping mitigate our cybersecurity risk and we continue to raise awareness and engagement through our formal training, frequent phishing campaigns and communication from our information security team with reinforcement from senior leaders across the Company. We also perform annual external penetration tests to identify certain potential vulnerabilities, and maintain a business continuity plan, which is tested annually.

The Company engages third parties to test and advise on the Program, including to conduct our annual external penetration test. At times, the Company may engage external experts to support the Program by, for example, facilitating an internal audit, advising on a cybersecurity incident or advising on legal and regulatory requirements.

The Company has processes to identify risks from cybersecurity threats associated with its use of third-party service providers. Each third-party service provider is evaluated at onboarding for compliance with our cybersecurity standards. Risks identified through this assessment are logged and remediation plans are discussed with appropriate stakeholders.

Cyber Incident Response Plan

The Company has adopted a written Cyber Incident Response Plan (the “Plan”) to guide our response to cybersecurity incidents. The Plan established the Cyber Incident Response Team (“CIRT”), which is responsible for leading the Company’s response in the event of a cybersecurity incident and is comprised of the Company’s Chief Technology Officer (“CTO”), Chief Information Security Officer (“CISO”) and Chief Operating Officer as well as other senior management.

Cybersecurity Risks

We do not believe that any risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, have materially affected or are reasonably likely to materially affect us, including our business strategy, results of operations, or financial condition. However, as discussed more fully in “Part I. Item 1A. Risk Factors—Risks Relating to Our Business—Our business is subject to various cybersecurity and other operational risks” of this filing, the sophistication of cyber threats continues to increase, and the preventative actions we take to reduce the risk of cybersecurity incidents may be insufficient. Accordingly, our controls and procedures may not be able to address or limit all security breaches, and we may not be able to implement effective preventive measures against such security breaches in a timely manner.

Cybersecurity Governance

Board Oversight

Our Board retains responsibility for the oversight of management’s role in assessing and managing cybersecurity risk. The Board is aware of the threats presented by cybersecurity incidents and is committed to taking measures to help prevent and mitigate the effects of any such incidents. The Company’s management team, and either the CTO or the CISO or both, report at least twice annually to the Board on risks and issues including to evaluate the status of our cybersecurity efforts. The Board also discusses cybersecurity issues with external experts.

Management Oversight

The CIRT also acts as a cybersecurity risk committee. The CIRT has responsibilities that include receiving and reviewing reports from the CTO and CISO on their management, monitoring and coordination of the Company’s cybersecurity and technology risk management and any required remedial or corrective actions, reviewing reports from the CTO and CISO on the effectiveness of the ISP and serving as the primary response and escalation point for cybersecurity matters under the ISP.

CIRT members regularly report to the Operational Risk Committee, which is part of our overall risk management framework. The Operational Risk Committee is responsible for incorporating risk management considerations into our business activities. The Operational Risk Committee reports to the Executive Committee, our principal management-level policy-making committee that reports directly to the Board. Under the Plan, the Executive Committee is responsible for escalating and informing the Board about significant cybersecurity incidents

and steps being taken by management to address them. In the event of an ongoing threat incident, the CIRT may engage directly with members of the Executive Committee in real-time.

Our CISO leads management's efforts to assess and manage cybersecurity risks through execution and enforcement of the Program, implementation of the ISP, reporting cybersecurity risks to senior managers of the Company, and meeting at least twice annually with the Board to discuss cybersecurity risks. The CISO works closely with the CTO, the Company's Executive Committee and other senior managers, including through his participation in the Operational Risk Committee and the CIRT.

In addition to the processes described above, our CISO leads a team of information security specialists with which he holds dedicated cybersecurity meetings and regularly reviews key cybersecurity metrics. The information security team monitors public cybersecurity threats and meets with external experts periodically to review these threats and to stay abreast of the evolving threat landscape. Our CISO brings over 25 years of experience in the field of cybersecurity and technology infrastructure having held similar roles at leading global asset managers and investment banks. He has a broad technical background in information security strategy, risk management, and enterprise system design.

ITEM 2. PROPERTIES

Our principal executive offices are located in leased office space at 280 Park Avenue, New York, New York 10017. We currently lease office space for our employees in Boston, Chicago, Dubai, Frankfurt, Hong Kong, Houston, London, Los Angeles, Madrid, Munich, Paris, Riyadh, San Francisco, and Tokyo. We do not own any real property. We consider these arrangements to be adequate for our present needs.

ITEM 3. 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 regulatory organizations in countries in which we conduct business undertake periodic examinations and may initiate administrative proceedings regarding the Company's and its affiliates' businesses, including, among other matters, accounting, compliance, 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. 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.

Further disclosure regarding legal proceedings is provided in Note 14. "Commitments and Contingencies—Contingencies, Litigation" in the "Notes to Consolidated Financial Statements" in "Part II. Item 8. Financial Statements and Supplementary Data" of this filing.

ITEM 4. MINE SAFETY DISCLOSURES

None.

PART II.

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our Class A common stock is traded on the NYSE under the symbol "PJT." There is no publicly traded market for our Class B common stock, which is held by the limited partners of PJT Partners Holdings LP.

As of February 20, 2025, there were 71 holders of record of our Class A common stock. This does not include the number of holders that hold our Class A common stock in "street name" through banks or broker-dealers.

Dividend Policy

The Company currently plans to regularly pay quarterly dividends. The declaration and payment of any future dividends will be at the sole discretion of the Board. The Board will take into account general economic, market and industry conditions; our financial condition and operating results; our available cash and current anticipated cash needs; cash settlement of Partnership Unit exchanges; previous amounts of dividend payments and share repurchases; level of indebtedness; capital requirements; contractual, legal, tax and regulatory restrictions and implications on the payment of dividends by us to our stockholders; and such other considerations as the Board may deem relevant from time to time.

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 described below. In accordance with the partnership agreement of PJT Partners Holdings LP, we intend to cause PJT Partners Holdings LP to make pro rata cash distributions, to the extent of available cash, to the holders of the partnership interests in PJT Partners Holdings LP, including PJT Partners Inc., in amounts equal to 50% of the taxable income allocated to such holders for purposes of funding their tax obligations in respect of the income of PJT Partners Holdings LP that is allocated to them, which we refer to as "tax distributions." In certain periods, we expect that PJT Partners Inc. will receive tax distributions in excess of the amount required to cover cash dividends, if any, declared by us, and taxes and payments under the tax receivable agreement payable by PJT Partners Inc. To the extent the amount of accumulated cash at PJT Partners Inc. becomes material in future periods, we anticipate that the Board will consider appropriate actions, which may include increasing our cash dividend or paying special cash dividends to holders of our Class A common stock. Partnership Unit holders will not be precluded from effecting exchanges under our exchange agreement, as amended, prior to any such actions being taken. Because PJT Partners Inc. must pay taxes and make payments under the tax receivable agreement, amounts ultimately distributed as dividends to holders of our Class A common stock are expected to be less than the amounts distributed by PJT Partners Holdings LP to its limited partners on a per unit basis.

Our revolving credit facility includes, and financing arrangements that we may enter into in the future may include, restrictive covenants that may limit our ability to pay dividends or repurchase our capital stock. In addition, PJT Partners Holdings LP is generally prohibited under Delaware law from making a distribution to a partner to the extent that, at the time of the distribution, after giving effect to the distribution, liabilities of PJT Partners Holdings LP (with certain exceptions) exceed the fair value of its assets. Subsidiaries of PJT Partners Holdings LP are generally subject to similar legal limitations on their ability to make distributions to PJT Partners Holdings LP.

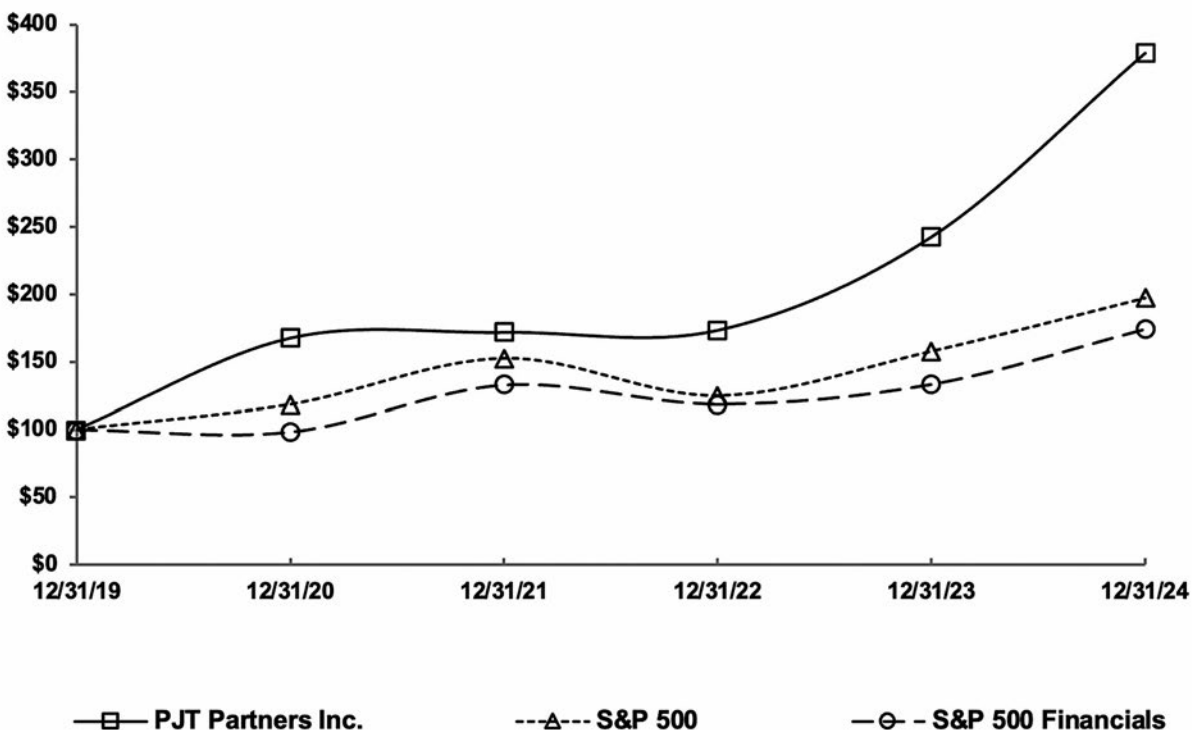
Stock Performance

The following performance graph and related information shall not be deemed “soliciting material” or to be “filed” with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933, as amended, or the Exchange Act except to the extent we specifically incorporate it by reference into such filing. Our stock price performance shown in the graph below is not indicative of future stock price performance.

The stock performance graph below compares the performance of an investment in our Class A common stock from December 31, 2019 through December 31, 2024, with that of the S&P 500 Index and the S&P Financials Index. The graph assumes \$100 was invested in our Class A common stock on December 31, 2019, and in the S&P 500 Index and the S&P Financials Index on December 31, 2019. It also assumes that the dividends were reinvested on the date of payment without payment of commissions. The performance shown in the graph represents past performance and should not be considered an indication of future performance.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*

Among PJT Partners Inc., the S&P 500 Index
and the S&P 500 Financials Index



*\$100 invested on 12/31/19 in stock or index, including reinvestment of dividends.
Fiscal year ending December 31.

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Share Repurchases in the Fourth Quarter of 2024

	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)
October 1 to October 31	69,000	\$ 141.04	69,000	\$ 317.4 million
November 1 to November 30	92,500	156.11	92,500	303.0 million
December 1 to December 31	157,500	160.86	157,500	277.7 million
Total	<u>319,000</u>	<u>\$ 155.19</u>	<u>319,000</u>	<u>\$ 277.7 million</u>

- (a) On February 6, 2024, the Company announced that the Board authorized a \$500 million Class A common stock repurchase program, which replaced the then-existing \$200 million repurchase program authorized on April 25, 2022. As of December 31, 2024, the Company had \$277.7 million remaining under the existing authorization. Under the new repurchase program, which has no expiration date, 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.

Unregistered Sales/Issuances of Equity Securities and Use of Proceeds

There were no unregistered sales/issuances of equity securities during the fourth quarter of 2024.

ITEM 6. [RESERVED]

ITEM 7. 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 Consolidated Financial Statements and the related notes included in this Annual Report on Form 10-K.

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.

Further information regarding our business is provided in "Part I. Item 1. Business" of this filing.

Business Environment

Economic and global financial conditions can materially affect our operational and financial performance. See "Part I. Item 1A. Risk Factors" of this filing 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 influencing global M&A activity in the intermediate term, including monetary policy, greater economic and geopolitical uncertainty and global growth. Worldwide M&A announced volumes in 2024 were up 10% compared with 2023¹. How these macroeconomic factors will impact the strength of strategic activity in the intermediate term is still uncertain. While we expect the markets to recover to historical relationships between M&A activity and broader market benchmarks, the pace of such recovery remains unclear.

Global restructuring and special situations activity remained strong throughout 2024 due to continued elevated levels of liability management and more traditional balance sheet restructurings. A number of factors continue to drive activity, as corporates and sponsors confront elevated interest rates, challenged business models, technological disruption, and changing consumer preferences. Activity throughout 2024 was dispersed across companies, creditors and financial sponsors as well as a broad cross section of industries and geographies, demonstrating a continued multi-year cycle of elevated activity, particularly in liability management.

Fund placement activity remained challenged in 2024 given the global macroeconomic environment and supply of alternative investment opportunities in the market seeking capital. Additionally, 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 solutions, investors' need for liquidity continues to be a driver for increased market volumes, and, absent any unexpected macroeconomic headwinds, these favorable conditions should persist.

¹ Source: LSEG Global Mergers & Acquisitions Review for Full Year of 2024 as of December 31, 2024.

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 and the complexity of each of those engagements and the fees we charge for our services.

We provide a range of strategic advisory, shareholder advisory, capital markets advisory, and restructuring and special situations 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 General Partner solutions and investing solutions to clients seeking portfolio liquidity, unfunded commitment relief and investments in secondary markets. Our fund placement services primarily serve a diverse range of investment strategies,

including private equity, alternative credit/hedge funds, and real estate. 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; 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 Consolidated Statements of Financial Condition.

Expenses

Compensation and Benefits – Compensation and Benefits expense includes salaries, restricted and unrestricted cash awards, benefits, employer taxes and equity-based compensation associated with the grants of equity-based awards. Changes in this expense are driven by fluctuations in the number of employees, the 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 restricted and unrestricted cash award and equity plans can also have a significant impact and may vary from year to year. Certain awards are expensed over the requisite service period for partners and employees who are or will become retirement eligible prior to the stated vesting date. Over time, a greater number of partners and employees may become retirement eligible and the related requisite service period over which the expense is recognized will be shorter than the stated vesting period.

We maintain compensation programs, including salaries, annual incentive compensation (that may include components of unrestricted 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 objective 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 and our continued investment in senior talent may also increase compensation and benefits expense. These hires generally do not generate significant revenue in the year they are hired.

Our remaining expenses are the other costs typical to operating our business, which generally consist of:

- *Occupancy and Related* – consisting primarily of costs related to leased property, including rent, maintenance, real estate taxes, utilities and other related costs. Our company headquarters are located in New York, New York, and we maintain additional offices in the U.S. and throughout the world;
- *Travel and Related* – consisting primarily of costs for our partners and employees to render services where our clients are located;
- *Professional Fees* – consisting primarily of consulting, audit and tax, senior advisors, recruiting, legal and other professional services;
- *Communications and Information Services* – consisting primarily of costs for our technology infrastructure, business applications and cybersecurity related costs;
- *Depreciation and Amortization* – consisting of depreciation and amortization on our furniture, equipment, leasehold improvements and intangible assets; and
- *Other Expenses* – consisting primarily of provision for credit losses, regulatory fees, insurance, fees paid for access to external market data, advertising, charitable contributions, and other general operating expenses.

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 consolidated financial statements.

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

The Organization for Economic Co-operation and Development ("OECD") Pillar Two Model Rules ("Pillar Two") set forth a global 15% minimum tax on the income arising in each jurisdiction in which we operate. Many jurisdictions have implemented or are in the process of implementing changes contemplated by Pillar Two, and when enacted by the various jurisdictions in which we do business, such changes may increase our taxes in such jurisdictions. Based on the available legislation, we concluded that Pillar Two did not have a material impact on our 2024 consolidated financial statements. The OECD continues to release additional guidance, including administrative guidance on interpretation and application of Pillar Two. We will continue to assess the potential future impacts of Pillar Two and will continue to review and monitor the issuance of additional guidance by both the OECD and various foreign jurisdictions.

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, 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 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 Consolidated Statements of Operations.

Consolidated Results of Operations

The following table sets forth our consolidated results of operations for the years ended December 31, 2024, 2023 and 2022:

	Year Ended December 31,			2024 vs. 2023		2023 vs. 2022	
	2024	2023	2022	\$	%	\$	%
(Dollars in Thousands)							
Revenues							
Advisory Fees	\$ 1,314,003	\$ 1,026,646	\$ 823,496	\$ 287,357	28%	\$ 203,150	25%
Placement Fees	146,258	102,611	192,890	43,647	43%	(90,279)	(47%)
Interest Income and Other	32,916	23,925	9,119	8,991	38%	14,806	162%
Total Revenues	<u>1,493,177</u>	<u>1,153,182</u>	<u>1,025,505</u>	<u>339,995</u>	<u>29%</u>	<u>127,677</u>	<u>12%</u>
Expenses							
Compensation and Benefits	1,032,070	805,385	669,141	226,685	28%	136,244	20%
Occupancy and Related	50,695	40,420	35,253	10,275	25%	5,167	15%
Travel and Related	37,003	31,190	30,404	5,813	19%	786	3%
Professional Fees	37,619	36,581	27,200	1,038	3%	9,381	34%
Communications and Information Services	20,050	17,157	16,897	2,893	17%	260	2%
Depreciation and Amortization	12,799	14,047	15,475	(1,248)	(9%)	(1,428)	(9%)
Other Expenses	32,372	30,793	29,664	1,579	5%	1,129	4%
Total Expenses	<u>1,222,608</u>	<u>975,573</u>	<u>824,034</u>	<u>247,035</u>	<u>25%</u>	<u>151,539</u>	<u>18%</u>
Income Before Provision for Taxes	<u>270,569</u>	<u>177,609</u>	<u>201,471</u>	<u>92,960</u>	<u>52%</u>	<u>(23,862)</u>	<u>(12%)</u>
Provision for Taxes	<u>32,096</u>	<u>31,927</u>	<u>36,699</u>	<u>169</u>	<u>1%</u>	<u>(4,772)</u>	<u>(13%)</u>
Net Income	<u>238,473</u>	<u>145,682</u>	<u>164,772</u>	<u>92,791</u>	<u>64%</u>	<u>(19,090)</u>	<u>(12%)</u>
Net Income Attributable to Non-Controlling Interests	<u>104,080</u>	<u>63,883</u>	<u>74,238</u>	<u>40,197</u>	<u>63%</u>	<u>(10,355)</u>	<u>(14%)</u>
Net Income Attributable to PJT Partners Inc.	<u>\$ 134,393</u>	<u>\$ 81,799</u>	<u>\$ 90,534</u>	<u>\$ 52,594</u>	<u>64%</u>	<u>\$ (8,735)</u>	<u>(10%)</u>

Revenues

The following table provides revenue statistics for the years ended December 31, 2024, 2023 and 2022:

	Year Ended December 31,		
	2024	2023	2022
Total Number of Clients	420	381	405
Total Number of Fees of at least \$1 Million from Client Transactions	230	198	187

There were no clients representing greater than 10% of revenues for the years ended December 31, 2024, 2023 and 2022.

Total Revenues were \$1,493.2 million for the year ended December 31, 2024, compared with \$1,153.2 million for the year ended December 31, 2023, a 29% increase. Advisory Fees were \$1,314.0 million for the year ended December 31, 2024, an increase of \$287.4 million compared with \$1,026.6 million for the year ended December 31, 2023. The increase in Advisory Fees was due to increases in strategic advisory, restructuring and private capital solutions. Placement Fees were \$146.3 million for the year ended December 31, 2024, an increase of \$43.6 million compared with \$102.6 million for the year ended December 31, 2023. The increase in Placement Fees was due to an increase in fund placement revenues. Interest Income and Other revenues were \$32.9 million, an increase from \$23.9 million in the prior year, principally due to higher interest income as a result of higher average cash, cash equivalents and short-term investments balances.

Expenses

Expenses were \$1,222.6 million for the year ended December 31, 2024, an increase of \$247.0 million compared with \$975.6 million for the year ended December 31, 2023. The increase in expenses was principally attributable to increases in Compensation and Benefits, Occupancy and Related, Travel and Related, and

Communications and Information Services expenses of \$226.7 million, \$10.3 million, \$5.8 million, and \$2.9 million, respectively. The increase in Compensation and Benefits was driven by higher revenues compared with the prior year period, partially offset by a lower accrual rate. Occupancy and Related increased principally due to the expansion of, and lease term extension for, our New York headquarters in the fourth quarter of 2023 and further expansion of our London office in the third quarter of 2024. Travel and Related increased due to increased levels of business travel. Communications and Information Services increased principally due to investments in technology infrastructure.

Provision for Taxes

The Company's Provision for Taxes for the year ended December 31, 2024, was \$32.1 million compared with \$31.9 million for the year ended December 31, 2023. This resulted in an effective tax rate of 11.9% and 18.0%, respectively, based on our Income Before Provision for Taxes of \$270.6 million and \$177.6 million for the years ended December 31, 2024 and 2023, respectively.

Non-Controlling Interests

Net Income Attributable to Non-Controlling Interests is calculated by multiplying the Income Before Provision for Taxes by 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 PJT Partners Inc. Class A common stock after considering any contractual arrangements that govern the allocation of income.

We have omitted the discussion of the earliest of the three years covered in the 2024 Annual Report on Form 10-K. Such discussion is included in "Part II. Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in the 2023 Annual Report on Form 10-K, as filed with the Securities and Exchange Commission on February 28, 2024, and is incorporated herein by reference.

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 July 29, 2024, PJT Partners Holdings LP, as borrower the ("Borrower"), entered into a syndicated revolving credit agreement (the "Credit Agreement") and related documents with Bank of America, N.A., as the administrative agent (the "Administrative Agent"), and certain other financial institutions party thereto as lenders. The Credit Agreement provides for a revolving credit facility with aggregate principal amount of up to \$100 million and replaced the Company's Renewal and Modification Agreement and Amended and Restated Loan Agreement with First Republic Bank (now part of JPMorgan Chase) in its entirety. Further information regarding the Credit Agreement can be found in Note 14. "Commitments and Contingencies—Commitments, Line of Credit" in the "Notes to Consolidated Financial Statements" in "—Item 8. Financial Statements and Supplementary Data" of this filing.

As of December 31, 2024, there were no borrowings outstanding under the Credit Agreement. As of December 31, 2023, there were no borrowings outstanding under then-existing Renewal and Modification Agreement and the Amended and Restated Loan Agreement with First Republic Bank (now part of JPMorgan Chase).

As of December 31, 2024, the Company was in compliance with the debt covenants under the Credit Agreement. As of December 31, 2023, the Company was in compliance with the debt covenants under then-existing Renewal and Modification Agreement and the Amended and Restated Loan Agreement with First Republic Bank (now part of JPMorgan Chase).

We evaluate our cash needs on a regular basis. As of December 31, 2024 and 2023, we had cash, cash equivalents and short-term investments of \$546.8 million and \$436.9 million, respectively. The vast majority of these balances are either held in institutions labeled by the Financial Stability Board as global systemically important banks, money market funds 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 December 31, 2024 and 2023, total accounts receivable, net of allowance for credit losses, was \$320.8 million and \$263.5 million, respectively. As of December 31, 2024 and 2023, the allowance for credit losses was \$2.5 million and \$2.4 million, respectively. Included in Accounts Receivable, Net are long-term receivables of \$88.6 million and \$84.4 million as of December 31, 2024 and 2023, 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, dividend payments, 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 will depend, in part, on our ability to generate or raise cash in the future which 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 our revolving credit facility, and our ability to renew it, 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: business performance; our credit ratings or absence of a credit rating; the liquidity of the overall capital markets; the current state of the economy; and 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 liquidity and capital needs.

Regulatory Capital

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 15. "Regulated Entities" in the "Notes to Consolidated Financial Statements" in "—Item 8. Financial Statements and Supplementary Data" of this filing for further information. The licenses under which we operate are meant to be appropriate to conduct our business. We actively monitor our regulatory capital base and 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, as amended, between us and certain of the holders Partnership Units (other than PJT Partners Inc.), holders of Partnership Units have the right, subject to the terms and conditions set forth in the partnership agreement of PJT Partners Holdings LP, on a quarterly basis, to exchange all or part of the Partnership Units. Further, the Company may also require holders of Partnership Unit who are not Service Providers (as defined in the Partnership Agreement of PJT Partners Holdings LP) to exchange such Partnership Units. We retain the sole option to determine whether to settle the exchange in either cash or for shares of PJT Partners Inc. 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 PJT Partners Inc. Class A common stock or to settle exchanges by issuing PJT Partners Inc. Class A common stock to the exchanging holder of Partnership Units.

See Note 13. “Transactions with Related Parties—Exchange Agreement” in the “Notes to Consolidated Financial Statements” in “—Item 8. Financial Statements and Supplementary Data” of this filing for further information.

Share Repurchase Program

On February 6, 2024, the Company announced that the Board authorized a \$500 million Class A common stock repurchase program, which replaced the then-existing \$200 million repurchase program authorized on April 25, 2022. As of December 31, 2024, we had \$277.7 million remaining under our existing authorization. Under the new repurchase program, which has no expiration date, 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.

See Note 11. “Stockholders’ Equity—Treasury Stock” in the “Notes to Consolidated Financial Statements” in “—Item 8. Financial Statements and Supplementary Data” of this filing for further information.

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, but not limited to, 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 \$2.0 million and \$2.3 million as of December 31, 2024 and 2023, 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.

Contractual Obligations

We have entered into operating leases, primarily with respect to office space in our various locations. Further disclosure regarding our leases is provided in Note 12. “Leases” in the “Notes to Consolidated Financial Statements” in “—Item 8. Financial Statements and Supplementary Data” of this filing.

As of December 31, 2024, we had an amount due of \$29.3 million pursuant to the tax receivable agreement, which represents management’s best estimate of the amounts currently expected to be owed under the tax receivable agreement. Actual payments may differ significantly from estimated payments. Further disclosure regarding the tax receivable agreement is presented in Note 2. “Summary of Significant Accounting Policies—Amount Due Pursuant to Tax Receivable Agreement” and Note 13. “Transactions with Related Parties—Tax Receivable Agreement” in the “Notes to Consolidated Financial Statements” in “—Item 8. Financial Statements and Supplementary Data” of this filing.

Estimating the amount of payments that may be made under the tax receivable agreement entered into with the holders of Partnership Units (other than PJT Partners Inc.) is by its nature imprecise, insofar as the calculation of amounts payable depends on a variety of factors. While the actual increase in tax basis, as well as the amount and timing of any payments under the tax receivable agreement, will vary depending upon a number of factors, including the timing of exchanges, the price of shares of our Class A common stock at the time of the exchange, the extent to which such exchanges are taxable and the amount and timing of our income, we expect that as a result of the size of the transfers and increases in the tax basis of the tangible and intangible assets of PJT Partners Holdings LP, the payments that PJT Partners Inc. may make under the tax receivable agreement will be substantial. There may be a material negative effect on our liquidity if, as a result of timing discrepancies or otherwise, the payments under the tax receivable agreement exceed the actual cash tax savings that PJT Partners Inc. realizes in respect of the tax attributes subject to the tax receivable agreement and/or distributions to PJT Partners Inc. by PJT Partners Holdings LP are not sufficient to permit PJT Partners Inc. to make payments under the tax receivable agreement after it has paid taxes. Late payments under the tax receivable agreement generally will accrue interest at an uncapped rate equal to SOFR plus 500 basis points.

Pursuant to the employee matters agreement entered into with our former Parent, we have agreed to pay 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 amount of the tax benefit liability was \$0.5 million as of December 31, 2024. Further disclosure regarding this liability is provided in Note 14. “Commitments and Contingencies—Transactions and Agreements with former Parent, Employee Matters Agreement” in the “Notes to Consolidated Financial Statements” in “—Item 8. Financial Statements and Supplementary Data” of this filing.

Other

See Notes 8, 10, 12 and 14 in the “Notes to Consolidated Financial Statements” in “—Item 8. Financial Statements and Supplementary Data” 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

We prepare our consolidated financial statements in conformity with accounting principles generally accepted in the U.S. In applying many of these accounting principles, we need to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. We base our estimates and judgments on historical experience and other assumptions that we believe are reasonable under the circumstances, which are often subjective. Actual results may be affected negatively based on changing circumstances. If actual amounts are ultimately different from our estimates, the revisions are included in our results of operations for the period in which the actual amounts become known. We believe the following comprise the most significant estimates and judgments used in the preparation of our consolidated financial statements and could potentially produce materially different results if we were to change underlying assumptions, estimates and/or judgments.

Revenue from Contracts with Customers

At contract inception, we assess the services promised in our contracts with customers and identify a performance obligation for each promise to transfer to the customer a service (or a bundle of services) that is distinct. To identify the performance obligations, we consider all of the services promised in the contract regardless of whether they are explicitly stated or are implied by customary business practices. Additionally, we allocate the transaction price to the respective performance obligation(s) by estimating the amount of consideration in which we expect to be entitled to in exchange for transferring the promised services to the customer.

For performance obligations that are satisfied over time, determining a measure of progress requires management to make judgments that affect the timing of revenue recognized.

For performance obligations that are satisfied at a point in time, we have determined that the customer is able to direct the use of, and obtain substantially all of the benefits from, the output of the service at the time it is provided to the client. Additionally, at that point we have a present right to payment, we have transferred the output of the service and the customer has significant risks and rewards of ownership.

Compensation and Benefits

Compensation and Benefits includes salaries, restricted and unrestricted cash awards, benefits, employer taxes and equity-based compensation associated with the grants of equity-based awards. Compensation costs relating to the issuance of equity-based awards with a requisite service period to partners and employees is measured at fair value at the grant date, taking into consideration expected forfeitures, and expensed over the vesting period on a straight-line basis. Equity-based awards that do not require future service are expensed immediately. Restricted cash awards are expensed over the vesting period on a straight-line basis. Certain awards are expensed over the expected service period for partners and employees who are or will become retirement eligible prior to the stated vesting date.

In certain instances, we may grant equity-based awards containing both a service and a market condition. The effect of the market condition is reflected in the grant date fair value of the award and, for some awards, in the requisite service period based on a derived service period. Compensation cost is recognized for an award with a market condition over the requisite service period, provided that the requisite service period is completed, irrespective of whether the market condition is satisfied. If a recipient terminates employment before completion of the requisite service period, any compensation cost previously recognized is reversed. If the market condition is satisfied after the service condition but before the derived service period, the remaining unrecognized compensation cost is accelerated.

At our discretion, we may provide compensation to certain employees with repayment obligations and/or service provisions. Such payments are recorded in Compensation and Benefits in the Consolidated Statements of Operations. We assess the potential risk of forfeiture and likelihood of recouping amounts paid, and if deemed necessary, record a provision for forfeitures in the financial statements.

Recent Accounting Developments

Information regarding recent accounting developments and their impact on PJT Partners can be found in Note 2. “Summary of Significant Accounting Policies—Recent Accounting Developments” in the “Notes to Consolidated Financial Statements” in “—Item 8. Financial Statements and Supplementary Data” of this filing.

ITEM 7A. 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 consolidated financial statements.

Risks Related to Cash, Cash Equivalents and Investments

Our cash and cash equivalents include short-term highly liquid investments and money market funds 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 ten financial institutions. In addition to cash and cash equivalents, we hold investments in Treasury securities, certain of which are classified as Investments in our 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 December 31, 2024 and 2023, the allowance for credit losses was \$2.5 million and \$2.4 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, the Japanese yen, the United Arab Emirates dirham, and the Saudi riyal. For the years ended December 31, 2024, 2023 and 2022, the impact of the fluctuation of foreign currencies in Other Comprehensive Income (Loss), Net of Tax – Currency Translation Adjustment in the Consolidated Statements of Comprehensive Income were a loss of \$2.2 million, a gain of \$3.2 million and a loss of \$5.3 million, respectively, and in Interest Income and Other in the Consolidated Statements of Operations, losses of \$2.0 million, \$3.5 million and a gain of \$0.9 million, respectively. We have not entered into any transactions to hedge our exposure to these foreign currency fluctuations through the use of derivative instruments or other methods. Given the geopolitical uncertainty and the ongoing economic impact, elevated interest rates and heightened inflation, exchange rate fluctuations between the U.S. dollar and other currencies could unfavorably affect our consolidated financial statements.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of PJT Partners Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial condition of PJT Partners Inc. and subsidiaries (the "Company") as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive income, changes in equity, and cash flows for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 27, 2025, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue from Contracts with Customers – Refer to Notes 2 & 3 to the financial statements

Critical Audit Matter Description

The Company's services provided under contracts with customers include advisory and placement services. Fees related to these services are primarily recognized over time using a time-based method as the customer simultaneously receives and consumes the benefits as they are provided. With respect to the transaction price, the consideration to which the Company expects to be entitled is predominantly variable as the consideration is susceptible to factors outside of the Company's influence and/or contains a large number and broad range of possible consideration amounts. As such, these amounts are excluded from the transaction price until the uncertainty associated with the variable consideration is subsequently resolved and the Company has determined it is probable that there is not a significant risk of a revenue reversal in the future.

In certain circumstances, management may be required to apply judgment in determining the timing of when there is no longer uncertainty associated with the variable consideration and when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur (e.g. when publicly available information regarding the close of a transaction is not available). We identified revenue recognition as a critical audit matter because of the judgment involved in determining the timing of when there is no longer uncertainty associated with the variable consideration and whether it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. This required a high degree of auditor judgment and increased extent of effort to audit and evaluate the client's determination.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the timing of recording of revenue from contracts with customers included the following, among others:

- We tested the effectiveness of controls over revenue, including those over the timing of recording revenue.
- We selected a sample of contracts for which revenue was recognized prior to December 31st and shortly thereafter and performed the following:
 - o Evaluated whether the Company appropriately recognized revenue in the correct period by obtaining and evaluating evidence, including, but not limited to, inquiry with management, transaction close documents, transaction related press releases, confirmations, court approvals, executed agreements and communications regarding the extent of uncertainty associated with variable consideration.
 - o Evaluated whether it was probable that a significant reversal in the amount of cumulative revenue recognized would not occur by obtaining and evaluating evidence indicated above.

/s/ Deloitte & Touche LLP

New York, New York
February 27, 2025

We have served as the Company's auditor since 2015.

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

	December 31,	
	2024	2023
Assets		
Cash and Cash Equivalents	\$ 483,877	\$ 355,543
Investments (at fair value)	62,912	81,382
Accounts Receivable (net of allowance for credit losses of \$2,525 and \$2,391 at December 31, 2024 and December 31, 2023, respectively)	320,783	263,529
Intangible Assets, Net	13,033	12,960
Goodwill	191,614	172,725
Furniture, Equipment and Leasehold Improvements, Net	22,137	25,901
Operating Lease Right-of-Use Assets	312,903	299,200
Other Assets	142,892	151,278
Deferred Tax Asset, Net	85,183	72,460
Total Assets	\$ 1,635,334	\$ 1,434,978
Liabilities and Equity		
Accrued Compensation and Benefits	\$ 299,255	\$ 174,402
Accounts Payable, Accrued Expenses and Other Liabilities	33,624	22,302
Operating Lease Liabilities	354,520	330,600
Amount Due Pursuant to Tax Receivable Agreement	29,343	29,672
Taxes Payable	7,353	6,573
Deferred Revenue	9,596	10,265
Total Liabilities	733,691	573,814
Commitments and Contingencies		
Equity		
Class A Common Stock, par value \$0.01 per share (3,000,000,000 shares authorized; 34,032,059 and 32,356,489 issued at December 31, 2024 and December 31, 2023, respectively; 23,688,184 and 24,185,439 outstanding at December 31, 2024 and December 31, 2023, respectively)	340	324
Class B Common Stock, par value \$0.01 per share (1,000,000 shares authorized; 125 issued and outstanding at December 31, 2024; 144 issued and outstanding at December 31, 2023)	—	—
Additional Paid-In Capital	688,702	619,702
Retained Earnings	228,594	118,332
Accumulated Other Comprehensive Loss	(1,661)	(467)
Treasury Stock at Cost (10,343,875 and 8,171,050 shares at December 31, 2024 and December 31, 2023, respectively)	(728,962)	(493,222)
Total PJT Partners Inc. Equity	187,013	244,669
Non-Controlling Interests	714,630	616,495
Total Equity	901,643	861,164
Total Liabilities and Equity	\$ 1,635,334	\$ 1,434,978

See notes to consolidated financial statements.

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

	Year Ended December 31,		
	2024	2023	2022
Revenues			
Advisory Fees	\$ 1,314,003	\$ 1,026,646	\$ 823,496
Placement Fees	146,258	102,611	192,890
Interest Income and Other	32,916	23,925	9,119
Total Revenues	<u>1,493,177</u>	<u>1,153,182</u>	<u>1,025,505</u>
Expenses			
Compensation and Benefits	1,032,070	805,385	669,141
Occupancy and Related	50,695	40,420	35,253
Travel and Related	37,003	31,190	30,404
Professional Fees	37,619	36,581	27,200
Communications and Information Services	20,050	17,157	16,897
Depreciation and Amortization	12,799	14,047	15,475
Other Expenses	32,372	30,793	29,664
Total Expenses	<u>1,222,608</u>	<u>975,573</u>	<u>824,034</u>
Income Before Provision for Taxes	<u>270,569</u>	<u>177,609</u>	<u>201,471</u>
Provision for Taxes	<u>32,096</u>	<u>31,927</u>	<u>36,699</u>
Net Income	<u>238,473</u>	<u>145,682</u>	<u>164,772</u>
Net Income Attributable to			
Non-Controlling Interests	<u>104,080</u>	<u>63,883</u>	<u>74,238</u>
Net Income Attributable to PJT Partners Inc.	<u>\$ 134,393</u>	<u>\$ 81,799</u>	<u>\$ 90,534</u>
Net Income Per Share of Class A Common Stock			
Basic	<u>\$ 5.28</u>	<u>\$ 3.24</u>	<u>\$ 3.61</u>
Diluted	<u>\$ 4.92</u>	<u>\$ 3.12</u>	<u>\$ 3.51</u>
Weighted-Average Shares of Class A Common			
Stock Outstanding			
Basic	<u>25,454,445</u>	<u>25,255,327</u>	<u>25,077,835</u>
Diluted	<u>44,105,131</u>	<u>41,882,034</u>	<u>26,616,640</u>

See notes to consolidated financial statements.

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

	Year Ended December 31,		
	2024	2023	2022
Net Income	\$ 238,473	\$ 145,682	\$ 164,772
Other Comprehensive Income (Loss), Net of Tax —			
Currency Translation Adjustment	(2,232)	3,249	(5,304)
Comprehensive Income	236,241	148,931	159,468
Less:			
Comprehensive Income Attributable to Non-			
Controlling Interests	103,042	65,325	71,839
Comprehensive Income Attributable to PJT Partners Inc.	<u>\$ 133,199</u>	<u>\$ 83,606</u>	<u>\$ 87,629</u>

See notes to consolidated financial statements.

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

	Shares		Class A		Class B	Additional		Retained	Accumulated		Treasury	Non-	Total	
	Class A	Class B	Common	Common	Common	Paid-In	Earnings	Other	Stock	Controlling	Stock	Interests		
	Stock	Stock	Stock	Stock	Stock	Capital		(Loss)		Interests				
Balance at December 31, 2023	32,356,489	144	\$	324	\$	\$ 619,702	\$ 118,332	\$	(467)	\$	\$ (493,222)	\$ 616,495	\$	861,164
Net Income	—	—	—	—	—	—	134,393	—	(1,194)	—	—	104,080	—	238,473
Other Comprehensive Loss	—	—	—	—	—	—	—	—	—	—	—	(1,038)	—	(2,332)
Dividends Declared (\$1.00 Per Share of Class A Common Stock)	—	—	—	—	—	—	(24,131)	—	—	—	—	—	—	(24,131)
Tax Distributions	—	—	—	—	—	—	—	—	—	—	—	—	—	(47,821)
Equity-Based Compensation	—	—	—	—	—	185,371	—	—	—	—	—	23,814	—	209,185
Net Share Settlement	—	—	—	—	—	(37,477)	—	—	—	—	—	—	—	(37,477)
Deliveries of Vested Shares of Class A Common Stock	1,675,570	—	—	16	—	(16)	—	—	—	—	—	—	—	—
Change in Ownership Interest	—	(19)	—	—	—	(78,878)	—	—	—	—	—	19,100	—	(59,778)
Treasury Stock Purchases	—	—	—	—	—	—	—	—	—	—	—	—	—	(235,740)
Balance at December 31, 2024	34,032,059	125	\$	340	\$	\$ 688,702	\$ 228,594	\$	(1,661)	\$	\$ (728,962)	\$ 714,630	\$	901,643

	Shares		Class A		Class B	Additional		Retained	Accumulated		Treasury	Non-	Total	
	Class A	Class B	Common	Common	Common	Paid-In	Earnings	Other	Stock	Controlling	Stock	Interests		
	Stock	Stock	Stock	Stock	Stock	Capital		(Loss)		Interests				
Balance at December 31, 2022	31,062,575	158	\$	310	\$	\$ 502,585	\$ 60,969	\$	(2,274)	\$	\$ (376,484)	\$ 574,452	\$	759,558
Net Income	—	—	—	—	—	—	81,799	—	—	—	—	63,883	—	145,682
Other Comprehensive Income	—	—	—	—	—	—	—	1,807	—	—	—	1,442	—	3,249
Dividends Declared (\$1.00 Per Share of Class A Common Stock)	—	—	—	—	—	—	(24,436)	—	—	—	—	—	—	(24,436)
Tax Distributions	—	—	—	—	—	—	—	—	—	—	—	—	—	(42,909)
Equity-Based Compensation	—	—	—	—	—	157,837	—	—	—	—	—	20,698	—	178,535
Net Share Settlement	—	—	—	—	—	(19,406)	—	—	—	—	—	—	—	(19,406)
Deliveries of Vested Shares of Class A Common Stock	1,293,914	—	—	14	—	(14)	—	—	—	—	—	—	—	—
Change in Ownership Interest	—	(14)	—	—	—	(21,300)	—	—	—	—	—	(1,071)	—	(22,371)
Treasury Stock Purchases	—	—	—	—	—	—	—	—	—	—	(116,738)	—	—	(116,738)
Balance at December 31, 2023	32,356,489	144	\$	324	\$	\$ 619,702	\$ 118,332	\$	(467)	\$	\$ (493,222)	\$ 616,495	\$	861,164

(continued)

See notes to consolidated financial statements.

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

	Shares		Treasury Stock	Class A Common Stock	Class B Common Stock	Additional Paid-In Capital	Retained Earnings (Deficit)	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Non- Controlling Interests	Total
	Class A Common Stock	Class B Common Stock									
Balance at December 31, 2021	29,248,457	159	(4,929,044)	\$ 292	\$ —	\$ 391,242	\$ (4,933)	\$ 631	\$ (267,000)	\$ 517,340	\$ 637,572
Net Income	—	—	—	—	—	—	90,534	—	—	74,238	164,772
Other Comprehensive Loss	—	—	—	—	—	—	—	(2,905)	—	(2,399)	(5,304)
Dividends Declared (\$1.00 Per Share of Class A Common Stock)	—	—	—	—	—	—	(24,632)	—	—	—	(24,632)
Tax Distributions	—	—	—	—	—	—	—	—	—	(38,338)	(38,338)
Equity-Based Compensation	—	—	—	—	—	143,949	—	—	—	21,579	165,528
Net Share Settlement	—	—	—	—	—	(17,792)	—	—	—	—	(17,792)
Deliveries of Vested Shares of Class A Common Stock	1,814,118	—	—	18	—	(18)	—	—	—	—	—
Change in Ownership Interest	—	(1)	—	—	—	(14,796)	—	—	—	2,032	(12,764)
Treasury Stock Purchases	—	—	(1,654,245)	—	—	—	—	—	(109,484)	—	(109,484)
Balance at December 31, 2022	31,062,575	158	(6,583,289)	\$ 310	\$ —	\$ 502,585	\$ 60,969	\$ (2,274)	\$ (376,484)	\$ 574,452	\$ 759,558

See notes to consolidated financial statements.

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

	Year Ended December 31,		
	2024	2023	2022
Operating Activities			
Net Income	\$ 238,473	\$ 145,682	\$ 164,772
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities			
Equity-Based Compensation Expense	209,185	178,535	165,528
Depreciation and Amortization Expense	12,799	14,047	15,475
Amortization of Operating Lease Right-of-Use Assets	15,867	22,613	20,735
Deferred Taxes	(8,524)	(1,929)	1,784
Provision for Credit Losses	3,710	4,889	2,817
Other	(1,888)	(935)	2,793
Cash Flows Due to Changes in Operating Assets and Liabilities			
Accounts Receivable	(55,920)	51,904	(32,497)
Other Assets	11,031	(33,515)	(42,659)
Accrued Compensation and Benefits	118,142	88,238	(35,347)
Accounts Payable, Accrued Expenses and Other Liabilities	(12,197)	(28,240)	(20,830)
Taxes Payable	908	3,022	105
Deferred Revenue	(636)	(2,777)	55
Net Cash Provided by Operating Activities	530,950	441,534	242,731
Investing Activities			
Purchases of Investments	(369,988)	(328,767)	(143,929)
Proceeds from Sales and Maturities of Investments	392,074	298,348	94,128
Purchases of Furniture, Equipment and Leasehold Improvements	(3,298)	(3,927)	(3,434)
Cash Paid for Acquisition, Net of Cash Received	(10,727)	—	—
Net Cash Provided by (Used in) Investing Activities	8,061	(34,346)	(53,235)
Financing Activities			
Dividends	(24,131)	(24,436)	(24,632)
Proceeds from Revolving Credit Facility	—	15,000	42,000
Payments on Revolving Credit Facility	—	(15,000)	(42,000)
Tax Distributions	(47,821)	(42,909)	(38,338)
Employee Taxes Paid for Shares Withheld	(37,477)	(19,406)	(17,792)
Cash-Settled Exchanges of Partnership Units	(60,677)	(22,288)	(15,120)
Treasury Stock Purchases	(235,104)	(116,738)	(109,484)
Payments Pursuant to Tax Receivable Agreement	(3,474)	(2,300)	(4,655)
Net Cash Used in Financing Activities	(408,684)	(228,077)	(210,021)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(1,993)	3,197	(6,721)
Net Increase (Decrease) in Cash and Cash Equivalents	128,334	182,308	(27,246)
Cash and Cash Equivalents, Beginning of Period	355,543	173,235	200,481
Cash and Cash Equivalents, End of Period	<u>\$ 483,877</u>	<u>\$ 355,543</u>	<u>\$ 173,235</u>
Supplemental Disclosure of Cash Flows Information			
Payments for Income Taxes, Net of Refunds Received	<u>\$ 36,082</u>	<u>\$ 23,288</u>	<u>\$ 28,578</u>
Payments for Interest	<u>\$ —</u>	<u>\$ 20</u>	<u>\$ 133</u>

See notes to consolidated financial statements.

PJT Partners Inc.
Notes to Consolidated Financial Statements
(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 and placement services designed to help clients achieve their strategic objectives.

On October 1, 2015, Blackstone Inc. (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 the former Parent 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.”

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, PJT Partners Japan K.K., and deNovo Corporate Advisors MENA LLC (“deNovo MENA”), deNovo Partners (DIFC) Limited (“deNovo DIFC”), and deNovo Partners Finance (collectively with deNovo MENA and deNovo DIFC, “deNovo Partners”).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Company prepared the accompanying consolidated financial statements in conformity with accounting principles generally accepted in the U.S. (“GAAP”).

Intercompany transactions have been eliminated for all periods presented.

Use of Estimates

The preparation of consolidated financial statements and related disclosures in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the period in which they are determined to be necessary. In preparing the consolidated financial statements, management makes estimates regarding the recognition of revenue, adequacy of the allowance for credit losses, assumptions used in the provision for income taxes, measurement of equity-based compensation and other matters that affect the reported amounts and disclosures in the consolidated financial statements.

Business Combinations

The purchase price allocations for acquisitions are based on estimates of the fair value of tangible and intangible assets acquired and liabilities assumed. The Company engages independent valuation specialists, when necessary, to assist with purchase price allocations and uses recognized valuation techniques, including the income and market approaches, to determine fair value. Management makes estimates and assumptions in determining purchase price allocations and valuation analyses, which may involve significant unobservable inputs. The excess of the purchase price over the estimated fair values of the underlying assets acquired and liabilities assumed is allocated to goodwill. In certain circumstances, the allocations of the purchase price are based upon preliminary estimates and assumptions. Accordingly, the allocations may be subject to revision when the Company receives final information, including appraisals and other analyses.

Assets acquired and liabilities assumed in business combinations are recorded in the Company's Consolidated Statements of Financial Condition as of the respective acquisition dates based upon their estimated fair values at such dates. The results of operations of businesses acquired by the Company are included in the Company's Consolidated Statements of Operations from their respective dates of acquisition.

Revenue Recognition

The Company provides a range of strategic advisory, shareholder advisory, capital markets advisory, and restructuring and special situations services to corporations, financial sponsors, institutional investors and governments around the world. In conjunction with providing restructuring advice, the Company may also assist with raising various forms of financing, including debt and equity. Private capital solutions services include providing General Partner solutions and investing solutions to clients seeking portfolio liquidity, unfunded commitment relief and investments in secondary markets. The Company's fund placement services primarily serve a diverse range of investment strategies, including private equity, alternative credit/hedge funds, and real estate. The Company advises 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. The Company also provides public and private placement fundraising services to corporate clients.

At contract inception, the Company assesses the services promised in its contracts with customers and identifies a performance obligation for each promise to transfer to the customer a service (or a bundle of services) that is distinct. To identify the performance obligations, the Company considers all of the services promised in the contract regardless of whether they are explicitly stated or are implied by customary business practices. Additionally, the Company allocates the transaction price to the respective performance obligation(s) by estimating the amount of consideration in which the Company expects to be entitled to in exchange for transferring the promised services to the customer.

The Company's primary performance obligation with respect to advisory and placement services is to stand ready to perform a broad range of services the client may need over the course of the engagement. Fees related to these performance obligations are recognized over time using a time-based measure of progress.

The Company may also be engaged to provide a fairness opinion to the client, amend contract terms, provide underwriting services or arrange interim financing. The Company has determined that the delivery of these services represents a separate performance obligation that is satisfied at a point in time when each is completed and delivered to the client as the customer is able to direct the use of, and obtain substantially all of the benefits from, the service at that point.

With respect to the transaction price, the consideration to which the Company expects to be entitled to is predominantly variable as the consideration is susceptible to factors outside of the Company's influence and/or contain a large number and broad range of possible consideration amounts. As such, these amounts are excluded from the transaction price until the uncertainty associated with the variable consideration is subsequently resolved and the Company has determined it is probable that there is not a significant risk of a revenue reversal in the future. With respect to contracts to provide advisory services, fees may vary in each engagement, but payments are generally due promptly upon completion of a specified event or, for retainer fees, periodically over the course of the engagement. With respect to contracts to provide placement services, fees are generally payable upon completion of a fund closing or may be paid in installments over three or four years with interest being charged to the outstanding balance. With respect to such fees paid over time, the Company has determined there is not a significant financing component related to such contracts. Fees earned for placement services to corporate clients are typically payable upon completion.

Additionally, the Company is typically reimbursed for certain professional fees and other expenses incurred that are necessary in order to provide services to the customer. These expenses are recorded in the relevant expense caption in the Consolidated Statements of Operations when incurred and recognized as revenue and recorded in Accounts Receivable, Net when these amounts are invoiced to the customer. Such revenue amounts are recorded in Interest Income and Other in the Consolidated Statements of Operations.

Determining the Timing of Satisfaction of Performance Obligations

For performance obligations that are satisfied over time, determining a measure of progress requires management to make judgments that affect the timing of revenue recognized. The Company has determined that the methods described above provide a faithful depiction of the transfer of services to the customer.

For performance obligations that are satisfied at a point in time, the Company has determined that the customer is able to direct the use of, and obtain substantially all of the benefits from, the output of the service at the time it is provided to the client. Additionally, at that point the Company has a present right to payment, the Company has transferred the output of the service and the customer has significant risks and rewards of ownership.

Contract Balances

The timing of revenue recognition may differ from the timing of payment. The Company records a receivable when revenue is recognized prior to payment and the Company has an unconditional right to payment.

The Company may receive non-refundable up-front fees in its contracts with customers, which are recorded as revenues in the period over which services are estimated to be provided. Additionally, the Company may receive payment of certain announcement, retainer or milestone fees before the performance obligation has been fully satisfied. Such fees give rise to a contract liability and are recorded as Deferred Revenue in the Consolidated Statements of Financial Condition.

The Company does not establish a provision for refunds or similar obligations. Additionally, the Company is the principal in the satisfaction of performance obligations.

To obtain a contract with a customer, the Company may incur incremental costs. The Company has determined that these costs would have been incurred regardless of whether the contract with the customer was obtained. Additionally, the Company does not expect to recover any of these costs from the customer; therefore, the costs of obtaining contracts with customers are expensed as incurred.

Costs to fulfill contracts consist of out-of-pocket expenses that are part of performing services and are generally expensed as incurred, except for performance obligations that are satisfied at a point in time. For contracts with customers where a performance obligation is satisfied at a point in time, out-of-pocket expenses, where material, are capitalized and subsequently expensed in the Consolidated Statements of Operations upon satisfaction of the performance obligation.

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; 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 Consolidated Statements of Financial Condition.

Fair Value of Financial Instruments

The carrying value of financial instruments, including accounts receivable, other assets, accounts payable, accrued expenses, taxes payable and other liabilities approximates their fair value. The carrying value of cash and cash equivalents and investments are reported at fair value.

GAAP establishes a hierarchical disclosure framework that prioritizes and ranks the level of market price observability used in measuring financial instruments at fair value. Market price observability is affected by a number of factors, including the type of financial instrument, the characteristics specific to the financial instrument and the state of the marketplace, including the existence and transparency of transactions between market participants. Financial instruments with readily available quoted prices in active markets generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value.

Financial instruments measured and reported at fair value are classified and disclosed based on the observability of inputs used in the determination of fair values, as follows:

- Level I – Quoted prices are available in active markets for identical financial instruments as of the reporting date.
- Level II – Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.
- Level III – Pricing inputs are unobservable for the financial instruments and includes situations where there is little, if any, market activity for the financial instrument. The inputs into the determination of fair value require significant management judgment or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the determination of which category within the fair value hierarchy is appropriate for any given financial instrument is based on the lowest level of input that is significant to the fair value measurement.

In making an assessment of the fair value hierarchy classification of investments in Treasury securities, the Company considers the amount of trading activity, observability of pricing inputs as well as whether the securities are of the most recent issuance of that security with the same maturity (referred to as “on-the-run,” which is the most liquid version of the maturity band). These securities are recorded at fair value using broker quotes, reflecting inputs from auction yields. The financial instruments described above are classified as either Level I or Level II in the fair value hierarchy.

Cash, Cash Equivalents and Investments

Cash and Cash Equivalents include (i) highly liquid money market funds, (ii) short-term interest bearing and non-interest bearing accounts, and (iii) short-term 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. Also included in Cash and Cash Equivalents are amounts held in bank accounts that are subject to advance notification to withdraw, which totaled \$10.7 million and \$9.2 million as of December 31, 2024 and 2023, respectively.

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

Accounts Receivable

Accounts Receivable, Net includes receivables related to services provided in contracts with customers. Included in Accounts Receivable, Net are long-term receivables that relate to placement fees that are generally paid in installments over a period of three to four years. The Company generally charges interest on long-term receivables as mutually agreed upon with the receivable counterparty.

Additional disclosures regarding accounts receivable are discussed in Note 4. “Accounts Receivable and Allowance for Credit Losses.”

Allowance for Credit Losses

The Company estimates the allowance for credit losses using relevant available information from internal and external sources relating to past events, current conditions and reasonable and supportable forecasts. Historical credit loss experience, including write-offs and recoveries that have occurred during the period, provides the basis for the estimation of expected credit losses.

The allowance for credit losses is measured on a collective basis when similar risk characteristics exist in the Company’s accounts receivable. The Company has classified its accounts receivable into short-term and long-term receivables, both of which relate to revenues from contracts with customers, in estimating the allowance for credit losses. Short-term receivables generally have payment terms less than one year and share similar historical credit loss patterns including write-offs and recoveries. These receivables arise from the Company’s performance obligation of standing ready to perform. Long-term receivables are generally paid in installments over a period of

three to four years. These receivables share similar historical credit loss patterns including write-offs and recoveries, and arise from the Company's performance obligation of providing corporate and fund placement services.

The Company measures the allowance for credit losses using the loss-rate method by multiplying the historical loss rate by the asset's amortized cost (including accrued interest) at the balance sheet date. The historical loss rate is derived from the Company's historical loss experience over the prior three year period.

The Company reduces both the gross receivable and the allowance for credit losses in the period in which the receivable(s) are deemed uncollectible. The Company considers a receivable to be uncollectible at the point when all efforts at collection have been exhausted. A recovery may occur if cash is received after a receivable balance has been written off. Such recovery would be recorded as an increase to the allowance at the time of the recovery.

Goodwill and Intangible Assets

Goodwill recorded arose from the contribution and reorganization of former Parent's predecessor entities in 2007 immediately prior to former Parent's initial public offering ("IPO"), the acquisition of PJT Capital LP that occurred on October 1, 2015, the acquisition of CamberView Partners Holdings, LLC ("CamberView") that occurred on October 1, 2018 and the acquisition of deNovo Partners that occurred on October 1, 2024. Goodwill is reviewed for impairment at least annually utilizing a qualitative or quantitative approach and more frequently if circumstances indicate impairment may have occurred. Goodwill is tested for impairment at the reporting unit level. A reporting unit is a component of an operating segment for which discrete financial information is available that is regularly reviewed by management. The impairment testing for goodwill under the qualitative approach is based first on a qualitative assessment to determine if it is more likely than not that the fair value of the Company's reporting unit is less than its respective carrying value. If it is determined that it is more likely than not that the reporting unit's fair value is less than its carrying value or when the quantitative approach is used, a quantitative assessment is performed to (a) calculate the fair value of the reporting unit and compare it to its carrying value, and (b) if the carrying value exceeds its fair value, to measure an impairment loss.

The Company's intangible assets are derived from (a) customer relationships that were established as part of former Parent's IPO and the acquisitions of CamberView and deNovo Partners, and (b) the value of the trade name as part of the acquisitions of PJT Capital LP, CamberView and deNovo Partners. Identifiable finite-lived intangible assets are amortized on a straight-line basis over their estimated useful lives, reflecting the average time over which such intangible assets are expected to contribute to cash flows. Amortization expense is included in Depreciation and Amortization in the Consolidated Statements of Operations. The Company does not hold any indefinite-lived intangible assets. Intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

Furniture, Equipment and Leasehold Improvements

Furniture, Equipment and Leasehold Improvements, Net consist primarily of leasehold improvements, furniture, fixtures and equipment and office equipment, and are recorded at cost less accumulated depreciation and amortization. Depreciation and amortization are calculated using the straight-line method over the assets' estimated useful economic lives, which for leasehold improvements are the lesser of the lease terms or the life of the asset, generally ten to fifteen years, and five to seven years for other fixed assets. The Company evaluates long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Depreciation and amortization are included in Depreciation and Amortization in the Consolidated Statements of Operations.

Leases

The Company determines at inception if an arrangement is, or contains, a lease.

The Company leases office space under non-cancelable lease agreements, which expire at various dates through 2041. The lease arrangements for office space typically contain payments to the lessor for common area maintenance charges and reimbursement for certain other costs that are not fixed. The Company accounts for these costs as variable lease costs and does not include them in the lease component.

Right-of-Use Assets (“ROU assets”) represent the Company’s right to use an underlying asset for the lease term and lease liabilities represent the Company’s obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the commencement date based on the present value of the lease payments over the lease term. The Company’s lease agreements generally do not provide an implicit rate, so the Company estimates the incremental borrowing rate considering the collateral, term and the economic environment of the lease arrangement with reference to the Company’s revolving credit agreement. Certain leases may include options to extend or terminate and the Company reflects such renewal or termination option in the lease term when it is reasonably certain to exercise the option.

The Company records ROU assets and lease liabilities for operating leases in Operating Lease Right-of-Use Assets and Operating Lease Liabilities, respectively, on the Consolidated Statements of Financial Condition.

The Company does not record ROU assets or lease liabilities for leases with a term of twelve months or less. Lease expense for such leases is recognized on a straight-line basis.

Foreign Currency

In the normal course of business, the Company may enter into transactions not denominated in U.S. dollars. Foreign exchange gains and losses arising on such transactions are recorded in Interest Income and Other in the Consolidated Statements of Operations. In addition, the Company consolidates a number of businesses that have a non-U.S. dollar functional currency. Non-U.S. dollar denominated assets and liabilities are translated to U.S. dollars at the exchange rate prevailing at the reporting date and income, expenses, gains and losses are translated at the prevailing monthly average exchange rate on the dates they were recorded. Cumulative translation adjustments arising from the translation of non-U.S. dollar denominated operations are recorded in Other Comprehensive Income.

Non-Controlling Interests

Non-Controlling Interests are presented separately from Equity in the Consolidated Statements of Financial Condition and the portion of net income attributable to the non-controlling interests is presented separately in the Consolidated Statements of Operations.

Repurchases of Common Stock

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 Company may structure such repurchases as either a purchase of treasury stock or a retirement of shares. The Company records its purchases of treasury stock at cost, including excise tax on net share repurchases, as a separate component of Equity. The Company may re-issue treasury stock, at average cost.

Compensation and Benefits

Compensation and Benefits includes salaries, restricted and unrestricted cash awards, benefits, employer taxes and equity-based compensation associated with the grants of equity-based awards. Compensation costs relating to the issuance of equity-based awards with a requisite service period to partners and employees is measured at fair value at the grant date, taking into consideration expected forfeitures, and expensed over the vesting period on a straight-line basis. Equity-based awards that do not require future service are expensed immediately. Restricted cash awards are expensed over the vesting period on a straight-line basis. Certain awards are expensed over the expected service period for partners and employees who are or will become retirement eligible prior to the stated vesting date.

In certain instances, the Company may grant equity-based awards containing both a service and a market condition. The effect of the market condition is reflected in the grant date fair value of the award and, for some awards, in the requisite service period based on a derived service period. Compensation cost is recognized for an award with a market condition over the requisite service period, provided that the requisite service period is completed, irrespective of whether the market condition is satisfied. If a recipient terminates employment before completion of the requisite service period, any compensation cost previously recognized is reversed. If the market condition is satisfied after the service condition but before the derived service period, the remaining unrecognized compensation cost is accelerated.

At the Company's discretion, the Company may provide compensation to certain employees with repayment obligations and/or service provisions. Such payments are recorded in Compensation and Benefits in the Consolidated Statements of Operations. The Company assesses the potential risk of forfeiture and likelihood of recouping amounts paid, and if deemed necessary, records a provision for forfeitures in the financial statements.

Income Taxes

PJT Partners Inc. is a corporation subject to U.S. federal and state corporate income taxes in jurisdictions where it does business. The Company's 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.

PJT Partners Holdings LP and its operating subsidiaries are subject to certain state, local and foreign income taxes, as applicable. These taxes have been reflected in the Company's consolidated financial statements.

Current tax liabilities are recorded in Taxes Payable in the Consolidated Statements of Financial Condition.

The Company uses the asset and liability method of accounting for deferred tax assets and liabilities. Under this method, deferred tax assets and liabilities are recognized for the expected future tax consequences of differences between the carrying amounts of assets and liabilities and their respective tax bases, using the enacted tax rates in effect for the year in which the differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period when the change is enacted. Deferred tax assets are reduced by a valuation allowance when the Company believes that it is more likely than not that some portion or all of the deferred tax assets will not be realized.

The Company records uncertain tax positions on the basis of a two-step process: (a) a determination is made whether it is more likely than not that the tax positions will be sustained based on the technical merits of the position, and (b) those tax positions that meet the recognition threshold described in the first step are recorded based on the largest amount of tax benefit that is more likely than not to be realized upon ultimate settlement with the tax authority.

The effects of tax adjustments and settlements with taxing authorities are presented in the Company's consolidated financial statements in the period to which they relate as if the Company were a separate tax filer in those years.

The Company recognizes accrued interest and penalties related to uncertain tax positions in Other Expenses in the Consolidated Statements of Operations, as applicable.

Unrecognized tax benefits are recorded in Taxes Payable in the Consolidated Statements of Financial Condition, as applicable.

The Organization for Economic Co-operation and Development ("OECD") Pillar Two Model Rules ("Pillar Two") set forth a global 15% minimum tax on the income arising in each jurisdiction in which the Company operates. Many jurisdictions have implemented or are in the process of implementing changes contemplated by Pillar Two, and when enacted by the various jurisdictions in which the Company does business, such changes may increase Company's taxes in such jurisdictions. Based on the available legislation, the Company concluded that Pillar Two did not have a material impact on its 2024 consolidated financial statements. The OECD continues to release additional guidance, including administrative guidance on interpretation and application of Pillar Two. The Company will continue to assess the potential future impacts of Pillar Two and will continue to review and monitor the issuance of additional guidance by both the OECD and various foreign jurisdictions.

Amount Due Pursuant to Tax Receivable Agreement

Holders of common units of partnership interest in PJT Partners Holdings LP (“Partnership Units”) (other than PJT Partners Inc.) have the right, subject to the terms and conditions set forth in the partnership agreement of PJT Partners Holdings LP, on a quarterly basis (subject to the terms of the exchange agreement, as amended), exchange all or part of their Partnership Units. Further, the Company may also require Partnership Unit holders who are not Service Providers (as defined in the Partnership Agreement of PJT Partners Holdings LP) to exchange such Partnership Units. The Company retains the sole option to determine whether to settle the exchange in either cash or 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. PJT Partners Holdings LP has made an election under Section 754 of the Internal Revenue Code effective for each taxable year in which an exchange of Partnership Units for cash or for shares of PJT Partners Inc. Class A common stock occurs, which is expected to result in increases to the tax basis of the assets of PJT Partners Holdings LP at the time of an exchange of Partnership Units. Stock-settled exchanges and certain of these cash-settled exchanges are expected to result in increases in the tax basis of the tangible and intangible assets of PJT Partners Holdings LP. These increases in tax basis may reduce the amount of tax that PJT Partners Inc. would otherwise be required to pay in the future. These increases in tax basis may also decrease gains (or increase losses) on future dispositions of certain capital assets to the extent tax basis is allocated to those capital assets.

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. This payment obligation is an obligation of PJT Partners Inc. and not of PJT Partners Holdings LP. PJT Partners Inc. expects to benefit from the remaining 15% of cash tax savings, if any, in income tax it realizes.

For purposes of the tax receivable agreement, the cash tax savings in income tax is computed by comparing the actual income tax liability of PJT Partners Inc. (calculated with certain assumptions) to the amount of such taxes that PJT Partners Inc. would have been required to pay had there been no increase to the tax basis of the assets of PJT Partners Holdings LP as a result of the exchanges and had PJT Partners Inc. not entered into the tax receivable agreement. The term of the tax receivable agreement continues until all such tax benefits have been utilized or expired, unless PJT Partners Inc. exercises its right to terminate the tax receivable agreement for an amount based on the agreed payments remaining to be made under the agreement or PJT Partners Inc. breaches any of its material obligations under the tax receivable agreement in which case all obligations generally will be accelerated and due as if PJT Partners Inc. had exercised its right to terminate the tax receivable agreement.

The Company accounts for the effects of these increases in tax basis and associated payments under the tax receivable agreement arising from exchanges as follows:

- the Company records an increase in deferred tax assets for the estimated income tax effects of the increases in tax basis based on enacted federal, state and local tax rates at the date of the exchange;
- to the extent the Company estimates that it will not realize the full benefit represented by the deferred tax asset, based on an analysis that will consider, among other things, the Company’s expectation of future earnings, the Company reduces the deferred tax asset with a valuation allowance; and
- the Company records 85% of the estimated realizable tax benefit (which is the recorded deferred tax asset less any recorded valuation allowance) as an increase to the Amount Due Pursuant to Tax Receivable Agreement and the remaining 15% of the estimated realizable tax benefit as an increase to Additional Paid-In Capital.

The effects of changes in estimates after the date of the redemption or exchange as well as subsequent changes in the enacted tax rates are included in net income.

Net Income Per Share of Class A Common Stock

Basic Net Income Per Share is computed using the weighted-average number of shares of PJT Partners Inc. Class A common stock outstanding; vested, undelivered restricted stock units ("RSUs"); and unvested RSUs that have met requisite service requirements.

Diluted Net Income Per Share is computed using the number of shares of PJT Partners Inc. Class A common stock included in the Basic Net Income Per Share calculation, and if dilutive, the incremental common stock that the Company would issue upon the assumed vesting of RSUs using the treasury stock method and the assumed conversion of Partnership Units using the if-converted method.

Contingencies and Litigation

Due to inherent difficulty of determining whether any loss 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, the Company 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. The Company records loss contingencies if (a) information available prior to issuance of the consolidated financial statements indicates that it is probable that an asset had been impaired or a liability had been incurred at the date of the consolidated financial statements, and (b) the amount of loss can be reasonably estimated. If one or both criteria for accrual are not met, but there is at least a reasonable possibility that a loss will occur, the Company does not record an accrual for a loss contingency but describes the contingency and provides detail, when possible, of the estimated potential loss or range of loss. If an estimate cannot be made, a statement to that effect is made. Costs incurred with defending matters are expensed as incurred.

Insurance Reimbursements

Receipts from insurance reimbursements up to the amount of the losses recognized are considered recoveries. These recoveries are accounted for when they are probable of receipt. Insurance recoveries are not recognized prior to the recognition of the related loss. Any receivable for insurance recoveries is recorded separately from the corresponding liability, and only if recovery is determined to be probable and reasonably estimable. Insurance reimbursements are recorded in Professional Fees and Other Expenses in the Consolidated Statements of Operations and in Other Assets in the Consolidated Statements of Financial Condition.

Recent Accounting Developments

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2023-07, Improvements to Reportable Segment Disclosures ("ASU 2023-07"). ASU 2023-07 primarily requires incremental segment information disclosures and enhanced disclosures about significant segment expenses. The guidance is effective for annual reporting periods beginning after December 15, 2023, with early adoption permitted. The Company retrospectively adopted ASU 2023-07 on January 1, 2024.

In December 2023, the FASB issued Accounting Standards Update 2023-09, Improvement to Income Tax Disclosures ("ASU 2023-09"). ASU 2023-09 provides guidance to enhance existing income tax disclosures related to the effective tax rate reconciliation and income taxes paid. The guidance is effective for annual reporting periods beginning after December 15, 2024, with early adoption permitted. The Company is currently assessing the impact that adoption will have on its consolidated financial statements.

In March 2024, the FASB issued Accounting Standards Update 2024-01, Scope Application of Profits Interest and Similar Awards ("ASU 2024-01"). ASU 2024-01 provides guidance that clarifies appropriate accounting for profits interest and similar awards. The guidance is effective for annual and interim reporting periods beginning after December 15, 2024, with early adoption permitted. The Company adopted ASU 2024-01 on January 1, 2025 with no material impact on its consolidated financial statements.

In November 2024, the FASB issued Accounting Standards Update 2024-03, Disaggregation of Income Statement Expenses ("ASU 2024-03"). ASU 2024-03 primarily requires enhanced disclosures about certain types of expenses. The guidance is effective for annual reporting periods beginning after December 15, 2026 and interim

reporting periods within annual reporting periods beginning after December 15, 2027, with early adoption permitted. The Company is currently assessing the impact that adoption will have on its consolidated financial statements.

3. REVENUES FROM CONTRACTS WITH CUSTOMERS

The following table provides a disaggregation of revenues recognized from contracts with customers for the years ended December 31, 2024, 2023 and 2022:

	Year Ended December 31,		
	2024	2023	2022
Advisory Fees	\$ 1,314,003	\$ 1,026,646	\$ 823,496
Placement Fees	146,258	102,611	192,890
Interest Income from Placement Fees and Other	15,795	17,019	10,173
Revenues from Contracts with Customers	<u>\$ 1,476,056</u>	<u>\$ 1,146,276</u>	<u>\$ 1,026,559</u>

Remaining Performance Obligations and Revenue Recognized from Past Performance

As of December 31, 2024, the aggregate amount of the transaction price allocated to performance obligations yet to be satisfied was \$60.6 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 \$23.0 million, \$22.6 million and \$57.8 million for the years ended December 31, 2024, 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 revenues recognized by the Company during the years ended December 31, 2024, 2023 and 2022 were 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 years ended December 31, 2024 and 2023.

For the years ended December 31, 2024 and 2023, \$10.0 million and \$12.6 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 December 31, 2024 and 2023, the Company recorded \$1.5 million and \$2.0 million, respectively, in Accounts Payable, Accrued Expenses and Other Liabilities in the 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:

	Year Ended December 31,		
	2024	2023	2022
Beginning Balance	\$ 2,391	\$ 1,945	\$ 1,853
Provision for Credit Losses	3,710	4,889	2,817
Write-offs	(3,826)	(4,443)	(2,725)
Recoveries	250	—	—
Ending Balance	<u>\$ 2,525</u>	<u>\$ 2,391</u>	<u>\$ 1,945</u>

Included in Accounts Receivable, Net is accrued interest of \$3.7 million and \$3.4 million as of December 31, 2024 and 2023, respectively, related to placement fees.

Included in Accounts Receivable, Net are long-term receivables of \$88.6 million and \$84.4 million as of December 31, 2024 and 2023, 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 \$3.5 million and \$1.3 million as of December 31, 2024 and 2023, respectively, that were outstanding more than 90 days. The Company's allowance for credit losses with respect to long-term receivables was \$1.1 million and \$0.6 million as of December 31, 2024 and 2023, respectively.

5. GOODWILL AND INTANGIBLE ASSETS

Changes in the carrying value of goodwill consist of the following:

	December 31,	
	2024	2023
Beginning Balance	\$ 172,725	\$ 172,725
Goodwill Acquired	18,889	—
Ending Balance	<u>\$ 191,614</u>	<u>\$ 172,725</u>

As of December 31, 2024 and 2023, the Company's assessment did not result in any impairment of goodwill.

Intangible Assets, Net consists of the following:

	December 31,	
	2024	2023
Finite-Lived Intangible Assets		
Customer Relationships	\$ 66,376	\$ 61,276
Trade Name	9,900	9,800
Total Intangible Assets	<u>76,276</u>	<u>71,076</u>
Accumulated Amortization		
Customer Relationships	(53,846)	(49,314)
Trade Name	(9,397)	(8,802)
Total Accumulated Amortization	<u>(63,243)</u>	<u>(58,116)</u>
Intangible Assets, Net	<u>\$ 13,033</u>	<u>\$ 12,960</u>

Changes in the Company's Intangible Assets, Net consist of the following:

	Year Ended December 31,		
	2024	2023	2022
Beginning Balance	\$ 12,960	\$ 17,880	\$ 24,386
Additions	5,200	—	—
Amortization Expense	(5,127)	(4,920)	(6,506)
Ending Balance	<u>\$ 13,033</u>	<u>\$ 12,960</u>	<u>\$ 17,880</u>

Amortization of Intangible Assets held at December 31, 2024 is expected to be \$5.6 million for the year ending December 31, 2025, \$4.0 million for the year ending December 31, 2026, and \$0.7 million for each of the years ending December 31, 2027, 2028 and 2029. The intangible assets as of December 31, 2024 are expected to amortize over a weighted-average period of 3.6 years.

6. FURNITURE, EQUIPMENT AND LEASEHOLD IMPROVEMENTS

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

	December 31,	
	2024	2023
Leasehold Improvements	\$ 59,198	\$ 56,456
Furniture and Fixtures	17,316	17,027
Office Equipment	7,197	6,467
Total Furniture, Equipment and Leasehold Improvements	<u>83,711</u>	<u>79,950</u>
Accumulated Depreciation	<u>(61,574)</u>	<u>(54,049)</u>
Furniture, Equipment and Leasehold Improvements, Net	<u>\$ 22,137</u>	<u>\$ 25,901</u>

Depreciation expense was \$7.7 million, \$9.1 million and \$9.0 million for the years ended December 31, 2024, 2023 and 2022, respectively.

7. FAIR VALUE MEASUREMENTS

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

	December 31, 2024			
	Level I	Level II	Level III	Total
Treasury Securities	\$ —	\$ 62,912	\$ —	\$ 62,912
Money Market Funds	—	100,726	—	100,726
Total	<u>\$ —</u>	<u>\$ 163,638</u>	<u>\$ —</u>	<u>\$ 163,638</u>

	December 31, 2023			
	Level I	Level II	Level III	Total
Treasury Securities	<u>\$ —</u>	<u>\$ 183,514</u>	<u>\$ —</u>	<u>\$ 183,514</u>

Investments in Treasury securities were included in Investments at December 31, 2024 and in both Cash and Cash Equivalents and Investments at December 31, 2023 in the Consolidated Statements of Financial Condition. Investments in money market funds were included in Cash and Cash Equivalents at December 31, 2024 in the Consolidated Statements of Financial Condition.

8. INCOME TAXES

The Company's pretax income is associated with activities in domestic and international jurisdictions, as follows:

	Year Ended December 31,		
	2024	2023	2022
Income Before Provision for Taxes			
Domestic	\$ 309,432	\$ 181,815	\$ 237,635
International	(38,863)	(4,206)	(36,164)
Total	<u>\$ 270,569</u>	<u>\$ 177,609</u>	<u>\$ 201,471</u>

The Provision for Income Taxes consists of the following:

	Year Ended December 31,		
	2024	2023	2022
Current			
Federal Income Tax	\$ 27,367	\$ 22,907	\$ 22,492
State and Local Income Tax	10,969	7,478	10,664
Foreign Income Tax	2,284	3,471	1,759
	<u>40,620</u>	<u>33,856</u>	<u>34,915</u>
Deferred			
Federal Income Tax	(3,196)	(3,550)	534
State and Local Income Tax	(5,328)	1,599	1,151
Foreign Income Tax	—	22	99
	<u>(8,524)</u>	<u>(1,929)</u>	<u>1,784</u>
Provision for Taxes	<u>\$ 32,096</u>	<u>\$ 31,927</u>	<u>\$ 36,699</u>

The following table summarizes the Company's tax position:

	Year Ended December 31,		
	2024	2023	2022
Income Before Provision for Taxes	\$ 270,569	\$ 177,609	\$ 201,471
Provision for Taxes	\$ 32,096	\$ 31,927	\$ 36,699
Effective Income Tax Rate	11.9%	18.0%	18.2%

The following table reconciles the U.S. federal statutory tax rate to the effective income tax rate:

	Year Ended December 31,		
	2024	2023	2022
Expected Income Tax Expense at the Federal Statutory Rate	21.0%	21.0%	21.0%
Permanent Differences for Compensation Income Not Subject to U.S. Corporate Income Taxes	-3.4%	-0.4%	-0.8%
Foreign Income Taxes	-8.8%	-8.4%	-8.3%
State and Local Income Taxes, Net of Federal Benefit	0.8%	1.1%	0.8%
Return to Provision	2.8%	3.5%	3.9%
Rate Change Impact	0.3%	0.0%	0.8%
Other	-1.1%	0.8%	0.3%
Effective Income Tax Rate	0.3%	0.4%	0.5%
	11.9%	18.0%	18.2%

Deferred income taxes reflect the net tax effects of temporary differences that may exist between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes using enacted tax rates in effect for the year in which the differences are expected to reverse. A summary of the tax effects of the temporary differences is as follows:

	December 31,	
	2024	2023
Deferred Tax Assets		
Operating Lease Liabilities	\$ 49,256	\$ 43,835
Tax Basis Step-Up from former Parent	4,551	7,515
Deferred Compensation	44,560	33,573
Partner Exchange Basis Step-Up	39,047	36,740
Fixed Assets	462	—
Other	5,926	4,769
Total Deferred Tax Assets	<u>\$ 143,802</u>	<u>\$ 126,432</u>
Deferred Tax Liabilities		
Operating Lease Right-of-Use Assets	\$ 45,827	\$ 42,110
Intangible Assets	3,238	2,674
Fixed Assets	—	303
Other	9,554	8,885
Total Deferred Tax Liabilities	<u>58,619</u>	<u>53,972</u>
Deferred Tax Asset, Net	<u>\$ 85,183</u>	<u>\$ 72,460</u>

The realization of deferred tax assets arising from timing differences and net operating losses requires taxable income in future years in order to deduct the reversing timing differences and absorb the net operating losses. The Company assesses positive and negative evidence in determining whether to record a valuation allowance with respect to deferred tax assets. This assessment is performed separately for each taxing jurisdiction. The Company has concluded that it is more likely than not that the deferred tax assets will be realized.

The Company does not believe that it meets the indefinite reversal criteria that would allow the Company to refrain from recognizing any deferred tax liability with respect to its foreign subsidiaries. Accordingly, the Company records a deferred tax liability with respect to an outside basis difference in its investment in a foreign subsidiary, where applicable.

The Company is subject to taxation in the U.S. and various state, local and foreign jurisdictions. As of December 31, 2024, the Company is not generally subject to examination by the tax authorities for years before 2021.

The Company had no unrecognized tax benefits as of December 31, 2024 and 2023.

The Company does not anticipate a material increase or decrease in unrecognized tax benefits during the coming year.

For the years ended December 31, 2024, 2023 and 2022, no interest or penalties were accrued with respect to unrecognized tax positions and there were no settlements with taxing authorities.

9. NET INCOME PER SHARE OF CLASS A COMMON STOCK

Basic and diluted net income per share of PJT Partners Inc. Class A common stock for the years ended December 31, 2024, 2023 and 2022 is presented below:

	Year Ended December 31,		
	2024	2023	2022
<i>Numerator:</i>			
Net Income Attributable to Shares of Class A Common Stock — Basic	\$ 134,393	\$ 81,799	\$ 90,534
Incremental Net Income from Dilutive Securities	82,718	49,031	2,810
Net Income Attributable to Shares of Class A Common Stock — Diluted	<u>\$ 217,111</u>	<u>\$ 130,830</u>	<u>\$ 93,344</u>
<i>Denominator:</i>			
Weighted-Average Shares of Class A Common Stock Outstanding — Basic	25,454,445	25,255,327	25,077,835
Weighted-Average Number of Incremental Shares from Unvested RSUs	2,979,117	1,711,829	1,538,805
Weighted-Average Number of Incremental Shares from Partnership Units	15,671,569	14,914,878	—
Weighted-Average Shares of Class A Common Stock Outstanding — Diluted	<u>44,105,131</u>	<u>41,882,034</u>	<u>26,616,640</u>
Net Income Per Share of Class A Common Stock Basic	<u>\$ 5.28</u>	<u>\$ 3.24</u>	<u>\$ 3.61</u>
Diluted	<u>\$ 4.92</u>	<u>\$ 3.12</u>	<u>\$ 3.51</u>

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 PJT Partners Inc. Class A common stock, weighted-average PJT Partners Inc. Class A common stock outstanding would be 41,126,014 for the year ended December 31, 2024, excluding unvested 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 PJT Partners Inc. 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 each of the years ended December 31, 2024 and December 31, 2023, there were no anti-dilutive securities. For the year ended December 31, 2022, there were 15,045,194 weighted-average Partnership Units that were anti-dilutive.

10. EQUITY-BASED AND OTHER DEFERRED COMPENSATION

Overview

On May 24, 2023 the Company adopted the Second Amended and Restated PJT Partners Inc. 2015 Omnibus Incentive Plan (the “PJT Equity Plan”), which amended the Amended and Restated 2015 PJT Partners Inc. Omnibus Incentive Plan. The PJT Equity Plan authorized an additional 16 million shares of PJT Partners Inc. Class A common stock for the purpose of providing incentive compensation measured by reference to the value of the Company's Class A common stock or Partnership Units. The PJT Equity Plan provides for the granting of incentive stock options, nonqualified stock options, stock appreciation rights, restricted stock, restricted stock units, partnership interests and other stock-based or cash-based awards. Since October 1, 2015, the Company has authorized 33 million shares of the Company's Class A common stock for issuance of new awards under the PJT Equity Plan, of which 13.3 million were available for issuance as of December 31, 2024. The Company intends to use PJT Partners' Class A common stock to satisfy vested awards under the PJT Equity Plan.

The following table represents equity-based compensation expense and related income tax benefit for the years ended December 31, 2024, 2023 and 2022:

	Year Ended December 31,		
	2024	2023	2022
Equity-Based Compensation Expense	\$ 209,185	\$ 178,535	\$ 165,528
Income Tax Benefit	\$ 28,220	\$ 23,553	\$ 21,548

Restricted Stock Units

Pursuant to the PJT Equity Plan and in connection with the annual compensation processes and any ongoing hiring process or acquisitions, the Company issues RSUs, which generally vest over a service life of three to five years. Awards are generally forfeited if the individual ceases to be employed by the Company prior to vesting.

The following table summarizes activity related to unvested RSUs for the year ended December 31, 2024:

	Restricted Stock Units	
	Number of Units	Weighted-Average Grant Date Fair Value (in dollars)
Balance, December 31, 2023	5,362,277	\$ 73.23
Granted	2,584,351	105.11
Dividends Reinvested on RSUs	(9,269)	66.53
Forfeited	(284,719)	80.18
Vested	(1,374,187)	69.58
Balance, December 31, 2024	6,278,453	\$ 86.85

As of December 31, 2024, there was \$264.0 million of estimated unrecognized compensation expense related to unvested RSU awards. This cost is expected to be recognized over a weighted-average period of 1.5 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 granted for the years ended December 31, 2023 and 2022 was \$78.03 and \$63.88, respectively.

RSU Awards with Both Service and Market Conditions

The Company has granted RSU awards containing both service and market conditions. The service condition requirement for these awards is generally three to five years. The market condition will generally be satisfied upon the publicly traded shares of PJT Partners Inc. Class A common stock achieving certain volume-weighted average share price targets over various trading periods during the life of the award.

Effective February 10, 2022, the Company granted RSU awards containing both service and market conditions. The effect of the service and market conditions is reflected in the grant date fair value of the award. Compensation cost is recognized over the requisite service period, provided that the service period is completed, irrespective of whether the market condition is satisfied. The service condition requirement with respect to such RSU awards is five years with 20% vesting per annum. The market condition requirement will be 50% satisfied upon the dividend-adjusted publicly traded shares of PJT Partners Inc. Class A common stock achieving a volume-weighted average share price over any consecutive 20-day trading period ("20-day VWAP") of \$100 and the other 50% will be satisfied ratably upon the dividend-adjusted publicly traded shares of PJT Partners Inc. Class A common stock achieving a 20-day VWAP above \$100 with the market condition fully satisfied upon achieving a 20-day VWAP of \$130 prior to February 26, 2027. No portion of these awards will become vested until both the service and market conditions have been satisfied. During the year ended December 31, 2024, the Company had achieved a 20-day VWAP in excess of the final \$130 market condition, resulting in 100% of the awards satisfying the market conditions. As of December 31, 2024, 40% of the service condition of the awards has also been satisfied.

The following table summarizes activity related to unvested RSU awards with both a service and market condition for the year ended December 31, 2024:

	RSU Awards with Both Service and Market Conditions	
	Number of Units	Weighted- Average Grant Date Fair Value (in dollars)
Balance, December 31, 2023	1,419,798	\$ 42.74
Forfeited	(62,521)	41.97
Vested	(447,641)	42.58
Balance, December 31, 2024	<u>909,636</u>	<u>\$ 42.87</u>

As of December 31, 2024, there was \$8.9 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 1.2 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 years ended December 31, 2023 and 2022 was \$60.13 and \$41.97, respectively.

Partnership Units

In connection with the annual compensation processes and any ongoing hiring process or acquisitions, certain individuals are issued Partnership Units that, subject to certain terms and conditions, are exchangeable. The Company retains the sole option to determine whether to settle the exchange in either cash or for shares of PJT Partners Inc. Class A common stock on a one-for-one basis. These Partnership Units generally vest over a service life of three to five years.

The following table summarizes activity related to unvested Partnership Units for the year ended December 31, 2024:

	Partnership Units	
	Number of Partnership Units	Weighted- Average Grant Date Fair Value (in dollars)
Balance, December 31, 2023	673,241	\$ 75.43
Granted	37,567	106.41
Vested	(76,332)	51.21
Balance, December 31, 2024	<u>634,476</u>	<u>\$ 80.18</u>

As of December 31, 2024, there was \$32.8 million of estimated unrecognized compensation expense related to unvested Partnership Units. This cost is expected to be recognized over a weighted-average period of 1.8 years. The Company assumes a forfeiture rate of 1.0% 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 years ended December 31, 2023 and 2022 was \$76.82 and \$62.05, respectively.

Partnership Unit Awards with Both Service and Market Conditions

Effective February 10, 2022, the Company granted Partnership Unit awards containing both service and market conditions. The effect of the service and market conditions is reflected in the grant date fair value of the award. Compensation cost is recognized over the requisite service period, provided that the service period is completed, irrespective of whether the market condition is satisfied. The service condition requirement with respect to such Partnership Unit awards is five years with 20% vesting per annum. The market condition requirement will be 50% satisfied upon the dividend-adjusted publicly traded shares of PJT Partners Inc. Class A common stock achieving a 20-day VWAP of \$100 and the other 50% will be satisfied ratably upon the dividend-adjusted publicly traded shares of PJT Partners Inc. Class A common stock achieving a 20-day VWAP above \$100 with the market condition fully satisfied upon achieving a 20-day VWAP of \$130 prior to February 26, 2027. No portion of these awards will become vested until both the service and market conditions have been satisfied. During the year ended December 31, 2024, the Company had achieved a 20-day VWAP in excess of the final \$130 market condition, resulting in 100% of the awards satisfying the market conditions. As of December 31, 2024, 40% of the service condition of the awards has also been satisfied.

The following table summarizes activity related to unvested Partnership Unit awards with both a service and market condition for the year ended December 31, 2024:

	Partnership Unit Awards with Both Service and Market Conditions	
	Number of Partnership Units	Weighted- Average Grant Date Fair Value (in dollars)
Balance, December 31, 2023	996,991	\$ 39.10
Vested	(332,336)	39.10
Balance, December 31, 2024	<u>664,655</u>	<u>\$ 39.10</u>

As of December 31, 2024, there was \$6.1 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 1.2 years. The Company assumes a forfeiture rate of 1.0% annually based on expected turnover and periodically reassesses this rate. For the year ended December 31, 2023, no Partnership Unit awards with both a service and market condition were granted. The weighted-average grant date fair value with respect to Partnership Unit awards with both a service and market condition granted for the year ended December 31, 2022 was \$39.10.

Units Expected to Vest

The following unvested units, after expected forfeitures, as of December 31, 2024, are expected to vest:

	Units	Weighted- Average Service Period in Years
Restricted Stock Units	6,988,674	1.4
Partnership Units	1,289,105	1.5
Total Equity-Based Awards	<u>8,277,779</u>	<u>1.4</u>

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 \$50.8 million, \$41.9 million and \$26.6 million for the years ended December 31, 2024, 2023 and 2022, respectively. As of December 31, 2024, there was \$56.6 million of unrecognized compensation expense related to these awards. The weighted-average period over which this compensation cost is expected to be recognized is 1.6 years.

11. STOCKHOLDERS' EQUITY

Class A and Class B Common Stock

Holders of shares of the Company's Class A common stock are (a) entitled to one vote for each share held of record on all matters on which stockholders are entitled to vote generally, including the election or removal of directors; (b) entitled to receive dividends when and if declared by the Company's Board of Directors (the "Board"); and (c) entitled to receive pro rata the Company's remaining assets available for distribution upon any liquidation, dissolution or winding up of the Company.

Holders of Partnership Units are granted an accompanying share of Class B common stock. This share of Class B common stock entitles the holder to a number of votes commensurate with such holder's vested and unvested Partnership Units and does not provide any voting power in excess of the holder's economic interest in the Company. Rather, it merely provides a vehicle for a Partnership Unit holder to vote such holder's economic interest in the Company and does not give disproportionate or super-voting rights to holders of Partnership Units and Class B common stock.

In an effort to preserve the tax-free nature of the spin-off, the Company's Restated Certificate of Incorporation provided that holders of Class B common stock were limited to only one vote per share of Class B common stock solely with respect to the election or removal of directors. With the passage of time since the spin-off, this restriction on the voting rights of holders of Class B common stock is no longer operative. Pursuant to the Company's Restated Certificate of Incorporation, upon the request of a holder of Class B common stock and approval by the Board, such holder's Class B common stock would be equalized to provide the same number of votes for the election and removal of directors as it does for all other matters. Accordingly, as of December 31, 2024, the holders of 10.5 million vested and unvested Partnership Units have requested, and the Board has approved, that the shares of Class B common stock held by them provide them with the same number of votes for the election and removal of directors as they do for all other matters.

Holders of shares of the Company's Class B common stock vote together with holders of the Company's publicly traded Class A common stock as a single class on all matters on which such shareholders are entitled to vote generally, except as otherwise required by law.

Non-Controlling Interests

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 December 31, 2024 and 2023, the non-controlling interest of PJT Partners Holdings LP was 39.7% and 39.0%, respectively. The percentage of the Net Income Attributable to Non-Controlling Interests will vary from this percentage primarily due to the differing level of income taxes applicable to the controlling interest.

Subject to the terms and conditions set forth in the partnership agreement of PJT Partners Holdings LP, holders of Partnership Units have the right, on a quarterly basis, to exchange all or part of their Partnership Units. Further, the Company may also require holders of Partnership Unit who are not Service Providers (as defined in the Partnership Agreement of PJT Partners Holdings LP) to exchange such Partnership Units. The Company retains the sole option to determine whether to settle the exchange in either cash or for shares of PJT Partners Inc. Class A common stock on a one-for-one basis. Once the Company elects to settle the exchange for cash, the Company records a liability that is measured at fair value until the exchange price is crystallized. Fair value adjustments are recorded in Interest Income and Other in the Consolidated Statements of Operations.

PJT Partners Inc. operates and controls all of the business and affairs of PJT Partners Holdings LP and its operating subsidiaries indirectly through its equity interest in PJT Partners Holdings LP; therefore, the shares of PJT Partners Inc. Class A common stock outstanding represent the controlling interest.

Treasury Stock

On February 6, 2024, the Company announced that the Board authorized a \$500 million Class A common stock repurchase program, which replaced the then-existing \$200 million repurchase program authorized on April 25, 2022. As of December 31, 2024, the Company had \$277.7 million remaining under the existing authorization.

Under the new repurchase program, which has no expiration date, 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.

During the year ended December 31, 2024, the Company repurchased 2.2 million shares of the Company's Class A common stock at an average price per share of \$108.17, or \$235.1 million in aggregate, excluding excise tax on net share repurchases, pursuant to the share repurchase program. The result of these repurchases was an increase of \$235.1 million in Treasury Stock in the Company's Consolidated Statement of Financial Condition for the year ended December 31, 2024. With respect to repurchases of the Company's Class A common stock during the year ended December 31, 2023, the Company recorded an increase of \$116.7 million in Treasury Stock in the Company's Consolidated Statement of Financial Condition.

12. LEASES

The components of lease expense were as follows:

	Year Ended December 31,		
	2024	2023	2022
Operating Lease Cost	\$ 38,665	\$ 29,318	\$ 27,672
Variable Lease Cost	4,554	4,423	3,606
Sublease Income	(810)	(778)	(529)
Total Lease Cost	<u>\$ 42,409</u>	<u>\$ 32,963</u>	<u>\$ 30,749</u>

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

	Year Ended December 31,		
	2024	2023	2022
Cash Paid for Amounts Included in Measurement of Lease Liabilities			
Operating Cash Flows from Operating Leases	\$ 5,586	\$ 25,035	\$ 22,488
Right-of-Use Assets Obtained in Exchange for Operating Lease Liabilities	\$ 29,212	\$ 200,958	\$ 6,261

	Year Ended December 31,	
	2024	2023
Weighted-Average Remaining Lease Term (in years)	14.4	15.5
Weighted-Average Discount Rate	6.9%	6.8%

The following is a maturity analysis of the annual undiscounted cash flows of the Company's operating lease liabilities as of December 31, 2024:

Year Ending December 31,	
2025	\$ 28,925
2026	33,652
2027	34,782
2028	42,801
2029	42,524
Thereafter	405,880
Total Lease Payments	588,564
Less: Tenant Improvement Allowances	17,161
Less: Imputed Interest	216,883
Total	<u>\$ 354,520</u>

In December 2023, the Company entered into a lease amendment to its New York office lease that provides for the leasing of additional floor space. The lease associated with this additional floor space has not been included in Operating Lease Right-of-Use Assets and Operating Lease Liabilities as of December 31, 2024 on the

Consolidated Statement of Financial Condition as the Company does not yet have the right to use the premises. Commencement is currently anticipated to occur in the first quarter of 2025 with a term that expires in 2041.

13. TRANSACTIONS WITH RELATED PARTIES

Exchange Agreement

The Company has entered into an exchange agreement, as amended, 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 Third Amended and Restated Limited Partnership Agreement of PJT Partners Holdings LP (the "Partnership Agreement"), on a quarterly basis, to exchange all or part of their Partnership Units. 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. The Company retains the sole option to determine whether to settle the exchange in either cash or 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. The price per Partnership Unit to be received in a cash-settled exchange will be equal to the fair value of a share of PJT Partners Inc. Class A common stock (determined in accordance with and subject to adjustment under the exchange agreement, as amended). In the event cash-settled exchanges of Partnership Units are funded with new issuances of the Company's Class A common stock, the fair value of a share of PJT Partners Inc. Class A common stock will be deemed to be equal to the net proceeds per share of the Company's Class A common stock received by PJT Partners Inc. in the related issuance. Accordingly, in this event, the price per Partnership Unit to which an exchanging holder of Partnership Units will be entitled may be greater than or less than the then-current market value of PJT Partners Inc. Class A common stock. The exchange agreement, as amended, also provides that a holder of Partnership Units will not have the right to exchange Partnership Units in the event that PJT Partners Inc. determines that such exchange would be prohibited by law, or would result in any breach of any debt agreement or other material contract of PJT Partners Inc. or PJT Partners Holdings LP. The exchange agreement, as amended, also provides the Company with the ability to decline to exchange should it determine that the exchange would cause unreasonable financial burden on PJT Partners Holdings LP, as determined by the Board.

Certain holders of Partnership Units exchanged 0.5 million and 0.3 million Partnership Units for cash in the amounts of \$60.7 million and \$22.3 million, respectively, for the years ended December 31, 2024 and 2023. Such amounts are recorded as a reduction of Non-Controlling Interests in the Consolidated Statements of Financial Condition.

With respect to the fourth quarter 2024 exchange, certain holders of Partnership Units presented the Company with 0.3 million Partnership Units for exchange. The Company elected to exchange these Partnership Units for cash at an amount equal to the volume-weighted average price per share of the Company's Class A common stock of \$176.99 per Partnership Unit on February 6, 2025 (the Exchange Date), resulting in an aggregate amount of \$57.3 million.

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 PJT Partners Inc. 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 December 31, 2024 and 2023, the Company had amounts due of \$29.3 million and \$29.7 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. The Company expects to make the following payments with respect

to the tax receivable agreement: \$2.5 million for each of the years ending December 31, 2025, 2026, 2027, 2028 and 2029; and \$16.9 million in years thereafter. Actual payments may differ significantly from estimated amounts due.

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, is the CEO and co-founder of Dynasty. The sublease commenced on October 1, 2022 with an initial term of two years and an option to extend for an additional year. During the third quarter of 2024, Dynasty exercised the option to extend the term of the sublease for an additional year. The rent, terms and conditions of the Sublease were consistent with those similar to subleases in the market as of the time the Sublease was entered, and the Company recognized \$0.8 million of sublease income for each of the years ended December 31, 2024 and 2023. Such amounts are recorded in Interest Income and Other in the Consolidated Statements of Operations.

Aircraft Lease

The Company makes available to its CEO and, on occasion by exception, to other partners, including the Company's Named Executive Officers, personal use of a company leased aircraft when it is not being used for business purposes, for which the Company is reimbursed the full incremental costs associated with such use. Such amount is not material to the consolidated financial statements.

14. COMMITMENTS AND CONTINGENCIES

Commitments

Line of Credit

On July 29, 2024, PJT Partners Holdings LP, as borrower the (“Borrower”), entered into a syndicated revolving credit agreement (the “Credit Agreement”) and related documents with Bank of America, N.A., as the administrative agent (the “Administrative Agent”), and certain other financial institutions party thereto as lenders. The Credit Agreement provides for a revolving credit facility with aggregate principal amount of up to \$100 million and replaced the Company's Renewal and Modification Agreement and the Amended and Restated Loan Agreement with First Republic Bank (now part of JPMorgan Chase) in its entirety. Outstanding borrowings under the revolving credit facility bear interest of Secured Overnight Financing Rate plus 1.85% per annum. In connection with the closing of the Credit Agreement, the Borrower paid certain closing costs and fees. In addition, the Borrower will also pay a commitment fee on the unused portion of the revolving credit facility of 0.25% per annum, payable quarterly in arrears. The revolving credit facility will mature and the commitments thereunder will terminate on July 29, 2026, subject to extension by agreement of the Borrower and Administrative Agent.

The Credit Agreement contains usual and customary affirmative and negative covenants that among other things, limit or restrict the ability of the Borrower (subject to certain qualifications and exceptions) to make certain payments and enter into certain transactions. The Borrower is required to comply with the following financial covenants (in each case, as defined in the Credit Agreement):

- Minimum Consolidated Tangible Net Worth of \$300 million; and
- Maximum Consolidated Leverage Ratio of 1.5 to 1.00.

A breach of such covenants or any other event of default would entitle the Administrative Agent to accelerate the Borrower's debt obligations under the Credit Agreement.

As of December 31, 2024, there were no borrowings outstanding under the Credit Agreement. As of December 31, 2023, there were no borrowings outstanding under then-existing Renewal and Modification Agreement and the Amended and Restated Loan Agreement with First Republic Bank (now part of JPMorgan Chase).

As of December 31, 2024, the Company was in compliance with the debt covenants under the Credit Agreement. As of December 31, 2023, the Company was in compliance with the debt covenants under then-existing Renewal and Modification Agreement and the Amended and Restated Loan Agreement with First Republic Bank (now part of JPMorgan Chase).

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 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.

In June 2017, an action was filed in New York state court by affiliates of Moore Capital against defendants PJT Partners Inc., Park Hill Group LLC (PJT Partners Inc. and Park Hill Group LLC being referred herein, collectively, as the “PJT Defendants”) and Andrew W.W. Caspersen, arising out of the fraudulent conduct of Caspersen. A principal of Plaintiffs had a personal relationship with Caspersen and Plaintiffs had no relationship with the PJT Defendants. The PJT Defendants moved to dismiss the complaint. On August 13, 2018, the court dismissed all of the claims asserted against the PJT Defendants, except for the fraud-based apparent authority claim. Plaintiffs and the PJT Defendants appealed the court’s decision. On December 3, 2019, the appellate court dismissed the complaint in its entirety against the PJT Defendants. On January 2, 2020, Plaintiffs filed a motion with the appellate court seeking reargument or, alternatively, leave to appeal, which motion was denied by the appellate court. On September 15, 2020, the New York Court of Appeals granted Plaintiffs permission to file an appeal, which appeal was filed on December 30, 2020. On June 13, 2023, the New York Court of Appeals reversed the dismissals of the two lower courts and reinstated Plaintiffs’ claim for negligent supervision and retention for further proceedings at the state court. In December 2024, Plaintiffs and the PJT Defendants agreed to amicably resolve the action and, on December 20, 2024, the New York state court entered an order discontinuing the action with prejudice as against the PJT Defendants. The resolution, which is reflected net of received and expected insurance reimbursements in Other Expenses in the Consolidated Statements of Operations, was not material to the Company’s consolidated financial statements.

In connection with these matters, the Company has incurred and may continue to incur legal expenses, which are expensed as incurred and presented net of any insurance reimbursements. These expenses are recorded in Professional Fees and Other Expenses in the Consolidated Statements of Operations.

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 \$2.0 million and \$2.3 million as of December 31, 2024 and 2023, 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.

Transactions and Agreements with former Parent

Employee Matters Agreement

The Company is required to reimburse former Parent for the value of forfeited unvested equity awards granted to former Parent 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 Consolidated Statements of Financial Condition. The accrual for these forfeitures was \$0.9 million as of each of December 31, 2024 and 2023.

Pursuant to the Employee Matters Agreement, the Company has agreed to pay former Parent 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. As of December 31, 2024 and 2023, the Company had accrued \$0.5 million and \$0.1 million, respectively, which the Company anticipates will be payable to former Parent after the Company files its respective tax returns. The tax deduction and corresponding payable related to such deliveries will fluctuate primarily based on the price of former Parent's common stock at the time of delivery.

15. REGULATED ENTITIES

Certain subsidiaries of the Company are subject to various regulatory requirements in the U.S., United Kingdom, Hong Kong, Spain, Japan, United Arab Emirates and the Kingdom of Saudi Arabia, which specify, among other requirements, capital adequacy requirements.

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 computes net capital based upon the aggregate indebtedness standard, which requires the maintenance of minimum net capital, as defined, which shall be the greater of \$100 thousand or 6 2/3% of aggregate indebtedness, as defined, and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. PJT Partners LP had net capital of \$335.4 million and \$288.1 million as of December 31, 2024 and 2023, respectively, which exceeded the minimum net capital requirement by \$333.6 million and \$287.2 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).

PJT Partners (UK) Limited is authorized and regulated by the United Kingdom's Financial Conduct Authority and is required to maintain minimum capital of the greater of the permanent minimum requirement of £75 thousand or a fixed overhead requirement, defined as 25% of fixed overheads of the preceding year. One third of the fixed overhead requirement must be held in liquid assets. PJT Partners (HK) Limited is licensed with the Hong Kong Securities and Futures Commission and is subject to a minimum liquid capital requirement of HK\$3 million. PJT Partners Park Hill (Spain) A.V., S.A.U. is an investment firm authorized and regulated by Spain's National Securities Market Commission and is required to maintain minimum capital of the greater of the permanent minimum requirement of €75 thousand or 25% of the fixed overheads of the preceding year. One third of the fixed overhead requirement must be held in liquid assets. As of December 31, 2024 and 2023, these entities were in compliance with local capital adequacy requirements.

On April 1, 2024, PJT Partners Japan K.K. became a Type II financial instruments firm registered with the Kanto Local Finance Bureau and regulated by the Japan Financial Service Agency, and the entity is required to maintain minimum capital of ¥10 million Yen. deNovo DIFC, a Dubai International Financial Centre company authorized and regulated by the Dubai Financial Services Authority, is subject to a minimum capital requirement of \$30 thousand in the form of liquid assets as a lower prudential risk firm. deNovo Partners Finance, a limited liability company authorized and regulated by the Capital Market Authority of the Kingdom of Saudi Arabia, is subject to a minimum capital requirement of 25% of the fixed overheads of the preceding year. As of December 31, 2024, PJT Partners Japan K.K., deNovo DIFC and deNovo Partners Finance were in compliance with local capital adequacy requirements.

16. 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 ("CODM") in assessing performance and making resource allocation decisions. The Company's CODM is the Chief Executive Officer. 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 accounting policies of the reportable segment are the same as those described in the summary of significant accounting policies. The CODM assesses performance and allocates resources on a consolidated basis based on consolidated Net Income that is presented on the Consolidated Statements of Operations as well as other broad considerations, including the market opportunity, available expertise across the Company and the strength and efficacy of professionals' collaboration. The measure of segment assets is presented on the Consolidated Statements of Financial Condition as total consolidated assets. The CODM reviews segment assets at the same level or category as presented on the Consolidated Statements of Financial Condition. The CODM uses consolidated Net Income to assist in assessing performance, establishing compensation, and setting capital priorities including such actions as reinvesting profits into the business, offset dilution or pay dividends. The CODM is regularly provided with the consolidated expenses as presented on the Consolidated Statements of Operations.

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.

	Year Ended December 31,		
	2024	2023	2022
Revenues from Contracts with Customers			
United States	\$ 1,260,982	\$ 957,509	\$ 924,549
United Kingdom	159,186	165,583	79,105
Other International	55,888	23,184	22,905
Total Revenues from Contracts with Customers	1,476,056	1,146,276	1,026,559
Interest Income and Other ¹	17,121	6,906	(1,054)
Total Revenues	<u>\$ 1,493,177</u>	<u>\$ 1,153,182</u>	<u>\$ 1,025,505</u>
Assets			
	December 31,		
	2024	2023	
United States	\$ 1,363,744	\$ 1,215,470	
United Kingdom	176,551	175,314	
Other International	95,039	44,194	
Total	<u>\$ 1,635,334</u>	<u>\$ 1,434,978</u>	

¹ Includes revenues not otherwise derived from contracts with customers.

The Company was not subject to any material concentrations with respect to its revenues for the years ended December 31, 2024, 2023 and 2022. The Company was not subject to any material concentrations of credit risk with respect to its accounts receivable as of December 31, 2024 and 2023.

17. SUBSEQUENT EVENTS

The Board has declared a quarterly dividend of \$0.25 per share of the Company's Class A common stock, which will be paid on March 19, 2025 to the Company's Class A common stockholders of record on March 5, 2025.

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 13. "Transactions with Related Parties—Exchange Agreement".

SUPPLEMENTAL FINANCIAL INFORMATION

Not applicable.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure 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.

Changes in Internal Control over Financial Reporting

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.

Management's Report on Internal Control over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is a process designed by, or under the supervision of, its principal executive and principal financial officers to provide reasonable assurance regarding the reliability of financial reporting and the preparation of its financial statements for external reporting purposes in accordance with accounting principles generally accepted in the U.S.

The Company's internal control over financial reporting includes policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of assets; provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorizations of management and the directors; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on its financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Management conducted an assessment of the effectiveness of the Company's internal control over financial reporting as of December 31, 2024 based on the framework established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, management has determined that the Company's internal control over financial reporting as of December 31, 2024 was effective.

Deloitte & Touche LLP, an independent registered public accounting firm, has audited the Company's consolidated financial statements included in this Annual Report on Form 10-K and issued its report on the effectiveness of the Company's internal control over financial reporting as of December 31, 2024, which is included below.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of PJT Partners Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of PJT Partners Inc. and subsidiaries (the "Company") as of December 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2024, of the Company and our report dated February 27, 2025, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying *Management's Report on Internal Control over Financial Reporting*. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

New York, New York
February 27, 2025

ITEM 9B. OTHER INFORMATION

During the three months ended December 31, 2024, none of the Company's directors or officers (as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended) adopted, terminated, or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K of the Securities Act of 1933, as amended).

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information regarding directors and executive officers set forth under the caption “Proposal 1—Election of Directors” and “Executive Officers” in our definitive proxy statement to be filed in connection with our 2025 Annual Meeting of Shareholders (the “Proxy Statement”) is incorporated herein by reference.

The information regarding our Code of Business Conduct and Ethics, securities trading policies and procedures, our audit committee and our audit committee financial expertise under the caption “Corporate Governance” in the Proxy Statement is incorporated herein by reference.

If applicable, information regarding compliance with Section 16(a) of the Exchange Act will be included under the caption “Section 16(a) Reports” in the Proxy Statement, which information is incorporated by reference.

We post our Code of Business Conduct and Ethics on our corporate website at www.pjtpartners.com under the “Investor Relations/Governance/Governance Documents” section. Our Code of Business Conduct and Ethics applies to all directors, officers and employees, including our Chairman and Chief Executive Officer and our principal financial and accounting officer. We will post any amendments to the Code of Business Conduct and Ethics, and any waivers that are required to be disclosed by the rules of either the SEC or the NYSE, on our website within the required periods.

ITEM 11. EXECUTIVE COMPENSATION

The information contained in the sections captioned “Compensation of Our Executive Officers,” “Director Compensation” and “Report of the Compensation Committee” in the Proxy Statement is incorporated herein by reference.

Information regarding our compensation committee and compensation committee interlocks under the caption “Corporate Governance—Board Committees” and “Corporate Governance—Compensation Committee Interlocks and Insider Participation” in the Proxy Statement is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information contained in the sections captioned “Executive Compensation—Equity Compensation Plan Information” and “Security Ownership of Certain Beneficial Owners and Management” in the Proxy Statement is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information contained in the sections captioned “Certain Relationships and Related Person Transactions” and “Corporate Governance—Director Independence” in the Proxy Statement is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information regarding our independent registered public accounting firm fees and services in the section captioned “Proposal 3—Ratification of Independent Registered Public Accounting Firm” in the Proxy Statement is incorporated herein by reference.

PART IV.

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

1. *Financial Statements*

The consolidated financial statements required to be filed in this Annual Report on Form 10-K are included in Item 8 above.

2. *Financial Statement Schedules*

See “Index to Consolidated Financial Statements” in this Annual Report on Form 10-K included in Item 8 above.

3. *Exhibits:*

Exhibit Number	Description
2.1	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).
2.2	Agreement and Plan of Merger by and among CamberView Partners Holdings, LLC, PJT Partners Inc., PJT Partners Holdings LP, Blue Merger Sub LLC and CC CVP Partners Holdings, L.L.C., dated as of August 27, 2018 (incorporated herein by reference to Exhibit 2.2 to the Registrant’s Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 2, 2018.)
3.1	Restated Certificate of Incorporation of PJT Partners Inc. (incorporated herein by reference to Exhibit 3.1 to the Registrant’s Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on July 28, 2023).
3.2	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).
4.1	Description of Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934 (incorporated herein by reference to Exhibit 4.1 to the Registrant’s Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 27, 2020).
10.1	Employee Matters Agreement by and among The Blackstone Group L.P., Blackstone Holdings I L.P., New Advisory GP L.L.C., PJT Partners Inc., PJT Partners Holdings LP, PJT Capital LP, and PJT Management, LLC, dated as of October 1, 2015 (incorporated herein by reference to Exhibit 10.1 to the Registrant’s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 5, 2015).
10.2	Tax Matters Agreement by and among The Blackstone Group L.P., Blackstone Holdings I/II GP Inc., PJT Partners Inc., PJT Partners Holdings LP, StoneCo IV Corporation, PJT Capital LP, PJT Management, LLC and the seller parties defined therein, dated as of October 1, 2015 (incorporated herein by reference to Exhibit 10.2 to the Registrant’s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 5, 2015).
10.3	Credit Agreement, by and among PJT Partners Holdings LP and Bank of America, N.A., as the administrative agent and L/C issuer, the lenders party thereto, dated as of July 29, 2024 (incorporated herein by reference to Exhibit 10.2 to the Registrant’s Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on August 2, 2024).
10.4	Third Amended and Restated Limited Partnership Agreement of PJT Partners Holdings LP, dated as of April 25, 2024 (incorporated herein by reference to Exhibit 10.1 to the Registrant’s Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on August 2, 2024).

Exhibit Number	Description
10.5	Exchange Agreement by and among PJT Partners Inc., PJT Partners Holdings LP and the holders of partnership units from time to time party thereto, dated as of October 1, 2015 (incorporated herein by reference to Exhibit 10.6 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on October 5, 2015).
10.6	First Amendment to the Exchange Agreement by and among PJT Partners Inc., PJT Partners Holdings LP and the holders of partnership units from time to time party thereto, dated as of January 10, 2024 (incorporated herein by reference to Exhibit 10.13 to the Registrant's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 28, 2024).
10.7	Tax Receivable Agreement by and among PJT Partners Inc., PJT Partners Holdings LP and each of the limited partners from time to time party thereto, dated as of October 1, 2015 (incorporated herein by reference to Exhibit 10.7 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on October 5, 2015).
10.8	Registration Rights Agreement by and among PJT Partners Inc. and the covered persons from time to time party thereto, dated as of October 1, 2015 (incorporated herein by reference to Exhibit 10.8 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on October 5, 2015).
10.9+	Amended and Restated PJT Partners Inc. 2015 Omnibus Incentive Plan (incorporated herein by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on April 25, 2019).
10.10+	Second Amended and Restated PJT Partners Inc. 2015 Omnibus Incentive Plan (incorporated herein by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on May 25, 2023)
10.11+	PJT Partners Inc. Amended and Restated Bonus Deferral Plan, dated as of February 22, 2023 (incorporated herein by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on May 3, 2023).
10.12+	Form of PJT Partners Holdings LP Restricted Bonus Component Agreement (incorporated herein by reference to Exhibit 10.13 to the Registrant's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 29, 2016).
10.13+	Partner Agreement between PJT Partners Holdings LP and Paul J. Taubman, dated as of October 9, 2014 (incorporated herein by reference to Exhibit 10.9 to the Registrant's Registration Statement on Form 10 filed with the Securities Exchange Commission on September 3, 2015).
10.14+	Partner Agreement between PJT Partners Holdings LP and Ji-Yeun Lee, dated as of October 9, 2014 (incorporated herein by reference to Exhibit 10.15 to the Registrant's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 29, 2016).
10.15+	Amendment to Partner Agreement between PJT Partners Holdings LP and Ji-Yeun Lee, dated as of October 1, 2015 (incorporated herein by reference to Exhibit 10.16 to the Registrant's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 29, 2016).
10.16+	Amendment to Partner Non-Competition and Non-Solicitation Agreement between PJT Partners Holdings LP and Ji-Yeun Lee, dated as of October 1, 2015 (incorporated herein by reference to Exhibit 10.17 to the Registrant's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 29, 2016).
10.17+	Partner Agreement between PJT Partners Holdings LP and Helen T. Meates, dated as of October 1, 2015 (incorporated herein by reference to Exhibit 10.18 to the Registrant's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 29, 2016).
10.18+	Partner Agreement between PJT Partners Holdings LP and David Travin, dated as of January 1, 2021 (incorporated herein by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on April 28, 2022).

Exhibit Number	Description
10.19+	Form of Director Restricted Stock Unit Grant Agreement (one-time award) (incorporated herein by reference to Exhibit 10.25 to the Registrant's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 29, 2016).
10.20+	Form of Director Restricted Stock Unit Grant Agreement (annual retainer) (incorporated herein by reference to Exhibit 10.26 to the Registrant's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 29, 2016).
10.21+	Form of Restricted Stock Unit Award Agreement (incorporated herein by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on August 12, 2016).
10.22+	Form of Special Equity Restricted Stock Unit Award Agreement (incorporated herein by reference to Exhibit 10.30 to the Registrant's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 28, 2017).
10.23+	Form of Performance LTIP Unit Grant Agreement (incorporated herein by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on April 28, 2022).
10.24+	Form of Performance Restricted Stock Unit Grant Agreement (incorporated herein by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on April 28, 2022).
10.25	Form of Director Indemnification Agreement (incorporated herein by reference to Exhibit 10.31 to the Registrant's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 28, 2017).
19.1	PJT Partners Inc. Securities Trading Policies and Procedures
21.1	Subsidiaries of PJT Partners Inc.
23.1	Consent of Deloitte & Touche LLP.
31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a).
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a).
32.1	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).
32.2	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).
97.1	PJT Partners Inc. Incentive Compensation Clawback Policy (incorporated herein by reference to Exhibit 97.1 to the Registrant's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 28, 2024).
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 With Embedded Linkbase Documents.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

+ Indicates management or compensatory 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.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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: February 27, 2025

PJT Partners Inc.

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

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant, in the capacities and on the dates indicated.

<u>Name</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Paul J. Taubman</u> Paul J. Taubman	Chairman and Chief Executive Officer (Principal Executive Officer)	February 27, 2025
<u>/s/ Helen T. Meates</u> Helen T. Meates	Chief Financial Officer (Principal Financial and Accounting Officer)	February 27, 2025
<u>/s/ K. Don Cornwell</u> K. Don Cornwell	Director	February 27, 2025
<u>/s/ James Costos</u> James Costos	Director	February 27, 2025
<u>/s/ Emily K. Rafferty</u> Emily K. Rafferty	Director	February 27, 2025
<u>/s/ Thomas M. Ryan</u> Thomas M. Ryan	Director	February 27, 2025
<u>/s/ Grace Reksten Skaugen</u> Grace Reksten Skaugen	Director	February 27, 2025
<u>/s/ Kenneth C. Whitney</u> Kenneth C. Whitney	Director	February 27, 2025

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Corporate Information

Corporate Headquarters

PJT Partners Inc.
280 Park Avenue, New York, NY 10017
212.364.7800
www.pjtpartners.com

Stock Listing

PJT Partners Inc. Class A common stock is traded on the New York Stock Exchange under the symbol "PJT." At the close of business on April 21, 2025, there were 70 shareholders of record of our Class A common stock. This does not include shareholders who hold Class A common stock in "street name" through banks or broker-dealers.

Internet Information

Information on PJT Partners' financial reports and its services is available on the internet at www.pjtpartners.com.

Form 10-K

Our Annual Report on Form 10-K is incorporated herein and has been filed with the Securities and Exchange Commission. To request a copy of our Form 10-K, free of charge from the company, please contact Investor Relations.

Corporate Governance at PJT Partners

PJT Partners' Corporate Governance Guidelines, Code of Business Conduct and Ethics, additional information about PJT Partners' Board and its committees and corporate governance at PJT Partners are posted on the corporate governance section of the "Investor Relations" page of the PJT Partners website at www.pjtpartners.com. Shareholders who would like to request printed copies of PJT Partners' Corporate Governance Guidelines, Code of Business Conduct and Ethics or the charters of the Board's Audit, Nominating/Corporate Governance or Compensation Committees (all of which are posted on the PJT Partners website), may do so by sending their requests to our Corporate Secretary, 280 Park Avenue, New York, NY 10017.

Inquiries

Analysts, institutional investors, individual shareholders and others seeking general information should contact Investor Relations at 212.364.7810 or via e-mail at investorrelations@pjtpartners.com.

Annual Meeting of Shareholders

Shareholders are invited to attend the PJT Partners Inc. annual meeting of shareholders on June 18, 2025, beginning at 10:00 a.m., Eastern Time. The meeting will be held virtually via live audio webcast by visiting www.virtualshareholdermeeting.com/PJT2025.

Shareholder Account Assistance

Registered shareholder records are maintained by our Transfer Agent:
American Stock Transfer & Trust Company, LLC
6201 15th Avenue, Brooklyn, NY 11219
Shareholder Service Number: 800.937.5449
www.astfinancial.com

Independent Registered Public Accounting Firm

Deloitte & Touche LLP
30 Rockefeller Plaza, New York, NY 10112

Stock Exchange

The New York Stock Exchange – NYSE Ticker Symbol – PJT

Executive Officers

Paul J. Taubman

*Chairman and
Chief Executive Officer*

Ji-Yeun Lee

Managing Partner

Helen T. Meates

Chief Financial Officer

David A. Travin

General Counsel

Board of Directors

Paul J. Taubman

Chairman

K. Don Cornwell

James Costos^{1,3}

Emily K. Rafferty^{2,3}

*Chair, Nominating/Corporate
Governance Committee*

Thomas M. Ryan^{2,3}

*Lead Independent Director
Chair, Compensation Committee*

Grace R. Skaugen¹

Kenneth C. Whitney¹

Chair, Audit Committee

Committee Memberships:

¹ Audit Committee

² Compensation Committee

³ Nominating/Corporate Governance Committee

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