UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the three months ended March 31, 2022

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: 001-40937

P10, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware **(State or other jurisdiction of incorporation or organization)**	**87-2908160** **(I.R.S. Employer Identification No.)**
4514 Cole Ave, Suite 1600 **Dallas, TX** **(Address of principal executive offices)**	**75205** **(Zip Code)**

Registrant's telephone number, including area code: (214) 865-7998

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, $0.001 par value per share	PX	NYSE
Series A Junior Participating Preferred Stock Purchase Rights		

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, 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	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☐
Emerging growth company	☒		

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its 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. ☐

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 May 9, 2022, there were 35,743,597 shares of the registrant's Class A common stock and 81,449,150 shares of the Registrant's Class B common stock, issued and outstanding.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

P10, Inc.
Consolidated Balance Sheets
(in thousands, except share amounts)

	As of March 31, 2022 (Unaudited)	As of December 31, 2021
ASSETS		
Cash and cash equivalents	$ 23,655	$ 40,916
Restricted cash	2,017	2,566
Accounts receivable	2,602	2,087
Note receivable	2,776	2,552
Due from related parties	18,871	13,124
Investment in unconsolidated subsidiaries	2,031	1,803
Prepaid expenses and other assets	4,055	4,759
Property and equipment, net	1,149	981
Right-of-use assets	14,193	14,789
Deferred tax assets, net	42,847	45,151
Intangibles, net	122,642	128,788
Goodwill	418,690	418,701
Total assets	$ 655,528	$ 676,217
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES:		
Accounts payable	$ 742	$ 401
Accrued expenses	10,714	12,474
Due to related parties	405	2,258
Other liabilities	13,727	1,808
Contingent consideration	23,090	22,963
Deferred revenues	11,929	12,953
Lease liabilities	15,296	15,700
Debt obligations	187,690	212,496
Total liabilities	263,593	281,053
COMMITMENTS AND CONTINGENCIES (NOTE 14)		
STOCKHOLDERS' EQUITY:		
Class A common stock, $0.001 par value; 510,000,000 shares authorized; 35,686,073 issued and 35,686,073 outstanding as of March 31, 2022, and 34,464,920 issued and 34,464,920 outstanding December 31, 2021, respectively	35	34
Class B common stock, $0.001 par value; 180,000,000 shares authorized; 81,630,126 shares issued and 81,506,674 shares outstanding as of March 31, 2022, 82,851,279 shares issued and 82,727,827 shares outstanding as of December 31, 2021, respectively	82	83
Treasury stock	(273)	(273)
Additional paid-in-capital	639,384	650,405
Accumulated deficit	(247,293)	(255,085)
Total stockholders' equity	391,935	395,164
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 655,528	$ 676,217

The Notes to Consolidated Financial Statements are an integral part of these statements.

P10, Inc.
Consolidated Statements of Operations
(Unaudited, in thousands except per share amounts)

	For the Three Months Ended March 31,	
	2022	2021
REVENUES		
Management and advisory fees	$ 43,027	$ 32,573
Other revenue	254	195
Total revenues	43,281	32,768
OPERATING EXPENSES		
Compensation and benefits	18,494	11,936
Professional fees	2,612	2,731
General, administrative and other	4,112	2,037
Contingent consideration expense	127	28
Amortization of intangibles	6,181	7,484
Strategic alliance expense	152	—
Total operating expenses	31,678	24,216
INCOME FROM OPERATIONS	11,603	8,552
OTHER (EXPENSE)/INCOME		
Interest expense implied on notes payable to sellers	—	(215)
Interest expense, net	(1,385)	(5,255)
Other income	329	288
Total other (expense)	(1,056)	(5,182)
Net income before income taxes	10,547	3,370
Income tax expense	(2,755)	(661)
NET INCOME	$ 7,792	$ 2,709
Less: preferred dividends attributable to redeemable noncontrolling interest	-	(494)
NET INCOME ATTRIBUTABLE TO P10	$ 7,792	$ 2,215
Earnings per share		
Basic earnings per share	$ 0.07	$ 0.03
Diluted earnings per share	$ 0.06	$ 0.02
Weighted average shares outstanding, basic	117,193	62,465
Weighted average shares outstanding, diluted	121,537	66,577

The Notes to Consolidated Financial Statements are an integral part of these statements.

P10, Inc.

Consolidated Statements of Changes in Stockholders' Equity

(Unaudited, in thousands)

	Common Stock		Common Stock - Class A		Common Stock - Class B		Treasury stock		Additional	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Paid-in-capital	Deficit	Equity
Balance at December 31, 2020	62,464	$ 63	—	$ —	—	$ —	123	$ (273)	$ 324,310	$ (264,259)	$ 59,841
Stock-based compensation	—	—	—	—	—	—	—	—	424	—	424
Net income attributable to P10	—	—	—	—	—	—	—	—	—	2,215	2,215
Balance at March 31, 2021	62,464	63	—	—	—	$ —	123	$ (273)	$ 324,734	$ (262,044)	$ 62,480

	Common Stock		Common Stock - Class A		Common Stock - Class B		Treasury stock		Additional	Accumulated	Total Stockholders'
	Shares	Amount	Units	Amount	Units	Amount	Units	Amount	Paid-in-capital	Deficit	Equity
Balance at December 31, 2021	—	$ —	34,464	$ 34	82,727	$ 83	123	$ (273)	$ 650,405	$ (255,085)	$ 395,164
Stock-based compensation	—	—	—	—	—	—	—	—	1,515	—	1,515
Deferred offering costs	—	—	—	—	—	—	—	—	(70)	—	(70)
Net income attributable to P10	—	—	—	—	—	—	—	—	—	7,792	7,792
Exchange of Class B common stock for Class A common stock	—	—	1,222	1	(1,220)	(1)	—	—	—	—	—
Settlement of stock options	—	—	—	—	—	—	—	—	(12,466)	—	(12,466)
Balance at March 31, 2022	—	$ —	35,686	$ 35	81,507	$ 82	123	$ (273)	$ 639,384	$ (247,293)	$ 391,935

The Notes to Consolidated Financial Statements are an integral part of these statements.

P10, Inc.
Consolidated Statements of Cash Flows
(Unaudited, in thousands)

	For the Three Months Ended March 31,	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 7,792	$ 2,709
Adjustments to reconcile net income to net cash provided by operating activities:		
Stock-based compensation	1,515	424
Depreciation expense	95	66
Amortization of intangibles	6,181	7,484
Amortization of debt issuance costs and debt discount	202	944
Income from unconsolidated subsidiaries	(326)	(220)
Deferred tax expense	2,304	117
Remeasurement of contingent consideration	127	28
Post close purchase price adjustment	11	—
Change in operating assets and liabilities:		
Accounts receivable	(515)	(511)
Due from related parties	(5,747)	192
Prepaid expenses and other assets	634	703
Right-of-use assets	596	400
Accounts payable	341	(252)
Accrued expenses	(14,226)	(278)
Due to related parties	(1,853)	(2,200)
Other liabilities	11,919	189
Deferred revenues	(1,024)	134
Lease liabilities	(404)	(453)
Net cash provided by operating activities	7,622	9,476
CASH FLOWS FROM INVESTING ACTIVITIES		
Note receivable	(231)	—
Proceeds from note receivable	7	—
Investments in unconsolidated subsidiaries	—	(2,087)
Proceeds from investments in unconsolidated subsidiaries	98	2,133
Software capitalization	(35)	—
Post-closing payments for Enhanced working capital	—	(1,207)
Purchases of property and equipment	(263)	(22)
Net cash used in investing activities	(424)	(1,183)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments on debt obligations	(25,000)	(7,258)
Payments of contingent consideration	—	(414)
Debt issuance costs	(8)	(27)
Net cash used in financing activities	(25,008)	(7,699)
Net change in cash, cash equivalents and restricted cash	(17,810)	594
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, beginning of period	43,482	12,783
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, end of period	$ 25,672	$ 13,377

The Notes to Consolidated Financial Statements are an integral part of these statements.

P10, Inc.
Consolidated Statements of Cash Flows
(Unaudited, in thousands)

	For the Three Months Ended March 31,	
	2022	2021
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest	$ 398	$ 4,624
Net cash (received)/paid for income taxes	$ (236)	$ 407
NON-CASH OPERATING, INVESTING AND FINANCING ACTIVITIES		
Additions to right-of-use assets	—	1,823
Additions to lease liabilities	—	1,823
Accrual for settlement of stock options	12,466	—
Additions to contingent consideration	127	—
RECONCILIATION OF CASH, CASH EQUIVALENTS AND RESTRICTED CASH		
Cash and cash equivalents	$ 23,655	$ 12,179
Restricted cash	2,017	1,198
Total cash, cash equivalents and restricted cash	$ 25,672	$ 13,377

The Notes to Consolidated Financial Statements are an integral part of these statements.

Note 1. Description of Business

Description of Business

On October 20, 2021, P10 Holdings, Inc. ("P10 Holdings"), in connection with its Initial Public Offering ("IPO"), completed a reorganization and restructure. In connection with the reorganization, P10, Inc. ("P10") became the parent company and all of the existing equity of P10 Holdings, which is a wholly owned subsidiary of P10 including the convertible preferred units of P10 Intermediate, as defined below, were converted into common stock of P10. The offering and reorganization included a reverse stock split of P10 Holdings common stock on a 0.7-for-1 basis pursuant to which every outstanding share of common stock decreased to 0.7 shares. The number of shares have been retrospectively adjusted within these financial statements to reflect this stock split. The reorganization was considered a transaction between entities under common control. As a result, the consolidated financial statements for periods prior to the reorganization and IPO are the consolidated financial statements of P10 Holdings as the predecessor to P10 for accounting and reporting purposes.

Following the reorganization and IPO, P10 has two classes of common stock, Class A common stock and Class B common stock. Each share of Class B common stock is entitled to ten votes while each share of Class A common stock is entitled to one vote.

P10 and its consolidated subsidiaries (the “Company”) operate as a multi-asset class private market solutions provider in the alternative asset management industry. Our mission is to provide our investors differentiated access to a broad set of solutions and investment vehicles across a multitude of asset classes and geographies. Our existing portfolio of solutions across private equity, venture capital, private credit and impact investing support our mission by offering a comprehensive set of investment vehicles to our investors, including primary fund of funds, secondary investment, direct investment and co-investments, alongside separate accounts (collectively the “Funds”).

The direct and indirect subsidiaries of the Company include P10 Holdings, P10 Intermediate Holdings, LLC (“P10 Intermediate”), which owns the subsidiaries P10 RCP Holdco, LLC (“Holdco”), Five Points Capital, Inc. (“Five Points”), TrueBridge Capital Partners, LLC (“TrueBridge”), Enhanced Capital Group, LLC (“ECG”), Bonaccord Capital Advisors, LLC ("Bonaccord") and Hark Capital Advisors, LLC ("Hark").

Prior to November 19, 2016, P10, formerly Active Power, Inc. designed, manufactured, sold, and serviced flywheel-based uninterruptible power supply products and serviced modular infrastructure solutions. On November 19, 2016, we completed the sale of substantially all our assets and liabilities and operations to Langley Holdings plc, a United Kingdom public limited company. Following the sale, we changed our name from Active Power, Inc. to P10 Industries, Inc. and became a non-operating company focused on monetizing our retained intellectual property and acquiring profitable businesses. For the period from December 2016 through September 2017, our business primarily consisted of cash, certain retained intellectual property assets and our net operating losses (“NOLs”) and other tax benefits. On March 22, 2017, we filed for re-organization under Chapter 11 of the Federal Bankruptcy Code, using a prepackaged plan of reorganization. The Company emerged from bankruptcy on May 3, 2017. On December 1, 2017, the Company changed its name from P10 Industries, Inc. to P10 Holdings, Inc. We were founded as a Texas corporation in 1992 and reincorporated in Delaware in 2000. Our headquarters is in Dallas, Texas.

On October 5, 2017, we closed on the acquisition of RCP Advisors 2, LLC ("RCP 2") and entered into a purchase agreement to acquire RCP Advisors 3, LLC ("RCP 3") in January 2018. On January 3, 2018, we closed on the acquisition of RCP 3. RCP 2 and RCP 3 are registered investment advisors with the United States Securities and Exchange Commission.

On April 1, 2020, the Company completed the acquisition of Five Points. Five Points is a leading lower middle market alternative investment manager focused on providing both equity and debt capital to private, growth-oriented companies and limited partner capital to other private equity funds, with all strategies focused exclusively in the U.S. lower middle market. Five Points is a registered investment advisor with the United States Securities and Exchange Commission.

On October 2, 2020, the Company completed the acquisition of TrueBridge. TrueBridge is an investment firm focused on investing in venture capital through fund-of-funds, co-investments, and separate accounts. TrueBridge is a registered investment advisor with the United States Securities and Exchange Commission.

On December 14, 2020, the Company completed the acquisition of 100% of the equity interest in ECG, and a noncontrolling interest in Enhanced Capital Partners, LLC (“ECP”) (collectively, “Enhanced”). Enhanced undertakes and manages equity and debt investments in impact initiatives across North America, targeting underserved areas and other socially responsible end markets including renewable energy, historic building renovations, and affordable housing. ECP is a registered investment advisor with the United States Securities and Exchange Commission.

On September 30, 2021, the Company completed acquisitions of Bonaccord and Hark. Bonaccord is an alternative asset manager focusing on acquiring minority equity interests in alternative asset management companies focused on private market strategies which may include private equity, private credit, real estate, and real asset strategies. Hark is engaged in the business of making loans to portfolio companies that are owned or controlled by financial sponsors, such as private equity funds or venture capital funds, and which do not meet traditional direct lending underwriting criteria but where the repayment of the loan by the portfolio company is guaranteed by its financial sponsor. See Note 3 for additional information on these acquisitions.

Note 2. Significant Accounting Policies

Basis of Presentation

The accompanying Consolidated Financial Statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Management believes it has made all necessary adjustments so that the Consolidated Financial Statements are presented fairly and that estimates made in preparing the Consolidated Financial Statements are reasonable and prudent. The Consolidated Financial Statements include the accounts of the Company, its wholly owned or majority-owned subsidiaries and entities in which the Company is deemed to have a direct or indirect controlling financial interest based on either a variable interest model or voting interest model. All intercompany transactions and balances have been eliminated upon consolidation. The results for the three months ended March 31, 2022 are not necessarily indicative of the results to be expected for the full year ended December 31, 2022.

Certain entities in which the Company holds an interest are investment companies that follow specialized accounting rules under U.S. GAAP and reflect their investments at estimated fair value. Accordingly, the carrying value of the Company's equity method investments in such entities retains the specialized accounting treatment.

Principles of Consolidation

The Company performs the variable interest analysis for all entities in which it has a potential variable interest. If the Company has a variable interest in the entity and the entity is a variable interest entity ("VIE"), we will also analyze whether the Company is the primary beneficiary of this entity and if consolidation is required.

Generally, VIEs are entities that lack sufficient equity to finance their activities without additional financial support from other parties, or whose equity holders, as a group, lack one or more of the following characteristics: (a) direct or indirect ability to make decisions, (b) obligation to absorb expected losses or (c) right to receive expected residual returns. A VIE must be evaluated quantitatively and qualitatively to determine the primary beneficiary, which is the reporting entity that has (a) the power to direct activities of a VIE that most significantly impact the VIE's economic performance and (b) the obligation to absorb losses of the VIE that could potentially be significant to the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE. The primary beneficiary is required to consolidate the VIE for financial reporting purposes.

To determine a VIE's primary beneficiary, we perform a qualitative assessment to determine which party, if any, has the power to direct activities of the VIE and the obligation to absorb losses and/or receive its benefits. This assessment involves identifying the activities that most significantly impact the VIE's economic performance and determining whether we, or another party, has the power to direct those activities. When evaluating whether we are the primary beneficiary of a VIE, we perform a qualitative analysis that considers the design of the VIE, the nature of our involvement and the variable interests held by other parties. See Note 7 for further information.

The Company has determined that certain of its subsidiaries are VIEs, and that the Company is the primary beneficiary of the entities, because it has the power to direct activities of the entities that most significantly impact the VIE's economic performance and has a controlling financial interest in each entity. Accordingly, the Company consolidates these entities, which includes Holdco, RCP 2, RCP 3, TrueBridge, Bonaccord, and Hark. The assets and liabilities of the consolidated VIEs are presented on a gross basis in the Consolidated Balance Sheets. As a result of the reorganization, it was determined that

P10 Intermediate no longer qualifies as a VIE, but would still be consolidated under the voting interest model. This change has been retrospectively adjusted. See Note 7 for more information on both consolidated and unconsolidated VIEs.

Entities that do not qualify as VIEs are assessed for consolidation under the voting interest model. Under the voting interest model, the Company consolidates those entities it controls through a majority voting interest or other means. P10 Holdings, P10 Intermediate, Five Points and ECG are concluded to be consolidated subsidiaries of P10 under the voting interest model.

Reclassifications

Certain reclassifications have been made within the Consolidated Financial Statements to conform prior periods with the current period presentation.

Use of Estimates

The preparation of the Consolidated Financial Statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the dates of the Consolidated Financial Statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid instruments with original maturities of three months or less to be cash equivalents. As of March 31, 2022, and December 31, 2021, cash equivalents include money market funds of $7.4 million and $10.7 million, respectively, which approximates fair value. The Company maintains its cash balances at various financial institutions, which may periodically exceed the Federal Deposit Insurance Corporation ("FDIC") insured limits. The Company believes it is not exposed to any significant credit risk on cash.

Restricted Cash

Restricted cash as of March 31, 2022 and December 31, 2021 was primarily cash that is restricted due to certain deposits being held for customers.

Accounts Receivable and Due from Related Parties

Accounts receivable is equal to contractual amounts reduced for allowances, if applicable. The Company considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been established as of March 31, 2022 and December 31, 2021. If accounts are subsequently determined to be uncollectible, they will be expensed in the period that determination is made.

Due from related parties represents receivables from the Funds for management fees earned but not yet received and reimbursable expenses from the Funds. These amounts are expected to be fully collectible.

Note Receivable

Note receivable is equal to contractual amounts owed from a signed, secured promissory note with the Company. In addition to contractual amounts, borrowers are obligated to pay interest on outstanding amounts. The Company considers the note receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been established as of March 31, 2022 or as of December 31, 2021. If accounts are subsequently determined to be uncollectible, they will be expensed in the period that determination is made. See Note 6 for further discussion surrounding the note receivable.

Investment in Unconsolidated Subsidiaries

For equity investments in entities that we do not control, but over which we exercise significant influence, we use the equity method of accounting. The equity method investments are initially recorded at cost, and their carrying amount is adjusted for the Company's share in the earnings or losses of each investee, and for distributions received. The Company evaluates its equity method investments for impairment whenever events or changes in circumstances indicate that the carrying amounts of such investments may not be recoverable.

For certain entities in which the Company does not have significant influence and fair value is not readily determinable, we value these investments under the measurement alternative. Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 825, *Financial Instruments*, requires equity securities to be recorded at cost and adjusted to fair value at each reporting period. However, the guidance allows for a measurement alternative, which is to record the investments at cost, less impairment, if any, and subsequently adjust for observable price changes of identical or similar investments of the same issuer.

Property and Equipment

Property and equipment are recorded at cost, less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Leasehold improvements are amortized over the terms of the respective leases or service lives of the improvements, whichever is shorter, using the straight-line method. Expenditures for major renewals and betterments that extend the useful lives of the property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. The estimated useful lives of the various assets are as follows:

Computers and purchased software	3 - 5 years
Furniture and fixtures	7 - 10 years

Long-lived Assets

Long-lived assets including property and equipment, lease right-of-use assets, and definite lived intangibles are evaluated for impairment under FASB ASC 360, *Property, Plant, and Equipment*. Long-lived assets are reviewed for possible impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The carrying value of long-lived assets are determined to not be recoverable if the undiscounted estimated future net operating cash flows directly related to the asset or asset group, including any disposal value, is less than the carrying amount of the asset. If the carrying value of an asset is determined to not be recoverable, the impairment loss is measured as the amount by which the carrying value of the asset exceeds its fair value on the measurement date. Fair value is based on the best information available, including prices for similar assets and estimated discounted cash flows.

Leases

The Company recognizes a lease liability and right-of-use asset in our Consolidated Balance Sheets for contracts that it determines are leases or contain a lease. The Company's leases primarily consist of operating leases for various office spaces. Right-of-use 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 leases. The Company's right-of-use assets and lease liabilities are recognized at lease commencement based on the present value of lease payments over the lease term. Lease right-of-use assets include initial direct costs incurred by the Company and are presented net of deferred rent, lease incentives and certain other existing lease liabilities. Absent an implicit interest rate in the lease, the Company uses its incremental borrowing rate, adjusted for the effects of collateralization, based on the information available at commencement in determining the present value of lease payments. The Company's lease terms may include options to extend or terminate the lease, and the Company would account for this when it is reasonably certain that the Company will exercise those options. Lease expense is recognized on a straight-line basis over the lease term. Additionally, upon amendments or other events, the Company may be required to remeasure our lease liability and right-of-use asset.

The Company does not recognize a lease liability or right-of-use asset on our Consolidated Balance Sheets for short-term leases. Instead, the Company recognizes short-term lease payments as an expense on a straight-line basis over the lease term. A short-term lease is defined as a lease that, at the commencement date, has a lease term of 12 months or less and does not include an option to purchase the underlying asset that the lessee is reasonably certain to exercise. When determining whether a lease qualifies as a short-term lease, the Company evaluates the lease term and the purchase option in the same manner as all other leases.

Goodwill and Intangible Assets

Goodwill is initially measured as the excess of the cost of the acquired business over the sum of the amounts assigned to identifiable assets acquired, less the liabilities assumed. As of March 31, 2022, goodwill recorded on our Consolidated Balance Sheets relates to the acquisitions of RCP 2, RCP 3, Five Points, TrueBridge, Enhanced, Bonaccord, and Hark. As of March 31, 2022, the intangible assets are comprised of indefinite-lived intangible assets and finite-lived intangible assets related to the acquisitions of RCP 2, RCP 3, Five Points, TrueBridge, Enhanced, Bonaccord and Hark.

Indefinite-lived intangible assets and goodwill are not amortized. Finite-lived technology is amortized using the straight-line method over its estimated useful life of 4 years. Finite-lived management and advisory contracts, which relate to acquired separate accounts and funds and investor/customer relationships with a specified termination date, are amortized in line with contractual revenue to be received, which range between 7 and 16 years. Certain of our trade names are considered to have finite-lives. Finite-lived trade names are amortized over 10 years in line with the pattern in which the economic benefits are expected to occur.

Goodwill is reviewed for impairment at least annually as of September 30 utilizing a qualitative or quantitative approach and more frequently if circumstances indicate impairment may have occurred. 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 the respective carrying value. The reporting unit is the reporting level for testing the impairment of goodwill. If it is determined that it is more likely than not that a reporting unit's fair value is less than its carrying value, then the Company will determine the fair value of the reporting unit and record an impairment charge for the difference between fair value and carrying value (not to exceed the carrying amount of goodwill).

Contingent Consideration

Contingent consideration is initially measured at fair value on the date of the acquisition. The liabilities are remeasured at fair value on each reporting date, with changes in the fair value reflected in operating expenses on our Consolidated Statements of Operations. As of March 31, 2022, contingent consideration recorded relates to the acquisitions of Hark and Bonaccord on the Consolidated Balance Sheets. The contingent consideration recorded as of March 31, 2021 on the Consolidated Balance Sheets relates to the TrueBridge acquisition.

Debt Issuance Costs

Costs incurred which are directly related to the issuance of debt are deferred and amortized using the effective interest method and are presented as a reduction to the carrying value of the associated debt on our Consolidated Balance Sheets. As these costs are amortized, they are included in interest expense, net within our Consolidated Statements of Operations.

Treasury Stock

The Company records common stock purchased for treasury at cost. At the date of subsequent reissuance, the treasury stock account is reduced by the cost of such stock using the average cost method.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between independent and knowledgeable parties who are willing and able to transact for an asset or liability at the measurement date. We use valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs when determining fair value and then we rank the estimated values based on the reliability of the inputs used following the fair value hierarchy set forth by the FASB.

As of March 31, 2022 and December 31, 2021, we used the following valuation techniques to measure fair value for assets and there were no changes to these methodologies during the periods presented:

Level 1—Assets were valued using the closing price reported in the active market in which the individual security was traded.

Level 2—Assets were valued using quoted prices in markets that are not active, broker dealer quotations, and other methods by which all significant inputs were observable at the measurement date.

Level 3—Assets were valued using unobservable inputs in which little or no market data exists as reported by the respective institutions at the measurement date.

The carrying values of financial instruments comprising cash and cash equivalents, prepaid assets, accounts payable, accounts receivable and due from related parties approximate fair values due to the short-term maturities of these instruments. The fair value of the credit facilities approximate carrying value based on the interest rates which approximate current market rates. The Company has a contingent consideration liability related to the acquisitions of Hark and Bonaccord that is measured at fair value and is remeasured on a recurring basis. See Note 11 for additional information.

Revenue Recognition

Revenue is recognized when, or as, the Company transfers promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled to in exchange for those goods or services. While the determination of who the customer is in a contractual arrangement will be made on a contract-by-contract basis, the customer will generally be the investment fund for the Company's significant management and advisory contracts.

Management and Advisory Fees

The Company earns management fees for asset management services provided to the Funds where the Company has discretion over investment decisions. The Company primarily earns fees for advisory services provided to clients where the Company does not have discretion over investment decisions. Management and advisory fees received in advance reflects the amount of fees that have been received prior to the period the fees are earned. These fees are recorded as deferred revenue on the Consolidated Balance Sheets.

For asset management and advisory services, the Company typically satisfies its performance obligations over time as the services are rendered, since the customers simultaneously receive and consume the benefits provided as the Company performs the service. The transaction price is the amount of consideration to which the Company expects to be entitled based on the terms of the arrangement. For certain funds, management fees are initially calculated based on committed capital during the investment period and on net invested capital through the remainder of the fund's term. Additionally, the management fee may step down for certain funds depending on the contractual arrangement. Advisory services are generally based upon fixed amounts and billed quarterly. Other advisory services include transaction and management fees associated with managing the origination and ongoing compliance of certain investments.

Other Revenue

Other revenue on our Consolidated Statements of Operations primarily consists of subscriptions, consulting agreements and referral fees. The subscription and consulting agreements typically have renewable one-year lives, and revenue is recognized ratably over the current term of the subscription or the agreement. If subscriptions or fees have been paid in advance, these fees are recorded as deferred revenue on our Consolidated Balance Sheets. Referral fee revenue is recognized upon the closing of certain opportunities.

Income Taxes

Current income tax expense represents our estimated taxes to be paid or refunded for the current period. In accordance with ASC 740, *Income Taxes*, we recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the financial reporting and tax basis of assets and liabilities, as well as for operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which the differences are expected to reverse. Valuation allowances are recorded to reduce deferred tax assets to the amount we believe is more likely than not to be realized.

Uncertain tax positions are recognized only when we believe it is more likely than not that the tax position will be upheld on examination by the taxing authorities based on the merits of the position. We recognize interest and penalties, if any, related to uncertain tax positions in income tax expense.

We file various federal and state and local tax returns based on federal and state local consolidation and stand-alone tax rules as applicable.

Earnings Per Share

Basic earnings per share (“EPS”) is calculated by dividing net income attributable to common stockholders by the weighted-average number of common shares outstanding during the period. Diluted EPS includes the determinants of basic EPS and common stock equivalents outstanding during the period adjusted to give effect to potentially dilutive securities. See Note 17 for additional information. Prior to the IPO, redeemable noncontrolling interests represented third party and related party interests in the Company's consolidated subsidiary, P10 Intermediate. Prior to the conversion of the redeemable convertible preferred shares issued by P10 Intermediate to class B shares, the numerator in the computation of diluted EPS was impacted by the redeemable convertible preferred shares. Under the if converted method, diluted EPS reflects a reduction in earnings that P10 would recognize by owning a smaller percentage of P10 Intermediate when the preferred shares are assumed to be converted.

The denominator in the computation of diluted EPS is impacted by additional common shares that would have been outstanding if dilutive potential shares of common stock had been issued. Potential shares of common stock that may be issued by the Company include shares of common stock that may be issued upon exercise of outstanding stock options and restricted stock units that have been issued, but not vested. Under the treasury stock method, the unexercised options are assumed to be exercised at the beginning of the period or at issuance, if later. The assumed proceeds are then used to purchase shares of common stock at the average market price during the period.

Stock-Based Compensation Expense

Stock-based compensation relates to grants for shares of P10 awarded to our employees through stock options as well as RSUs awarded to employees and RSAs issued to non-employee directors as compensation for service on the Company's board. RSUs and RSAs stock compensation expense are recorded ratably over the vesting period at the fair market value on the grant date. Stock option compensation cost is estimated at the grant date based on the fair-value of the award, which is determined using the Black Scholes option valuation model and is recognized as an expense ratably over the requisite service period of the award, generally five years. The share price used in the Black Scholes model is based on the trading price of our shares on the public markets. Expected life is based on the vesting period and expiration date of the option. Stock price volatility is estimated based on a group of similar publicly traded companies determined to be most reflective of the expected volatility of the Company due to the nature of operations of these entities. The risk-free rates are based on the U.S. Treasury yield in effect at the time of grant. Forfeitures are recognized as they occur.

Segment Reporting

The Company operates as an integrated private markets solution provider and a single operating segment. According to ASC 280, *Disclosures about Segments of an Enterprise and Related Information*, operating segments are defined as components of an enterprise for which separate financial information is evaluated regularly by the chief operating decision maker(s) in deciding how to allocate resources and in assessing performance.

Business Acquisitions

In accordance with ASC 805, *Business Combinations* ("ASC 805"), the Company identifies a business to have three key elements; inputs, processes, and outputs. While an integrated set of assets and activities that is a business usually has outputs, outputs are not required to be present. In addition, all the inputs and processes that a seller uses in operating a set of assets and activities are not required if market participants can acquire the set of assets and activities and continue to produce outputs. In addition, the Company also performs a screen test to determine when a set of assets and activities is not a business. The screen requires that when substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or a group of similar identifiable assets, the set of assets is not a business. If the set of assets and activities is not considered a business, it is accounted for as an asset acquisition using a cost accumulation model. In the cost accumulation model, the cost of the acquisition, including certain transaction costs, is allocated to the assets acquired on the basis of relative fair values.

The Company includes the results of operations of acquired businesses beginning on the respective acquisition dates. In accordance with ASC 805, the Company allocates the purchase price of an acquired business to its identifiable assets and liabilities based on the estimated fair values using the acquisition method. The excess of the purchase price over the amount allocated to the assets and liabilities, if any, is recorded as goodwill. The excess value of the net identifiable assets and liabilities acquired over the purchase price of an acquired business is recorded as a bargain purchase gain. The Company uses all available information to estimate fair values of identifiable intangible assets and property acquired. In making these determinations, the Company may engage an independent third-party valuation specialist to assist with the valuation of certain intangible assets, notes payable, and tax amortization benefits.

The consideration for certain of our acquisitions may include liability classified contingent consideration, which is determined based on formulas stated in the applicable purchase agreements. The amount to be paid under these arrangements is based on certain financial performance measures subsequent to the acquisitions. The contingent consideration included in the purchase price is measured at fair value on the date of the acquisition. The liabilities are remeasured at fair value on each reporting date, with changes in the fair value reflected in operating expenses on our Consolidated Statements of Operations.

For business acquisitions, the Company recognizes the fair value of goodwill and other acquired intangible assets, and estimated contingent consideration at the acquisition date as part of purchase price. This fair value measurement is based on unobservable (Level 3) inputs.

Recent Accounting Pronouncements

The Company adopted ASU No. 2019-12, *Income Taxes* ("Topic 740")*: Disclosure Framework - Simplifying the Accounting for Income Taxes*, on January 1, 2021, which simplified the accounting for income taxes by removing certain exceptions to the general principles of Topic 740 and clarifying and amending existing guidance. The adoption of this standard did not have a material impact on our financial statements.

Pronouncements Not Yet Adopted

In June 2016, the FASB issued ASU No. 2016-13, *Measurement of Credit Losses on Financial Instruments* ("ASU 2016-13"). ASU 2016-13 provides amendments to ASC 326, *Financial Instruments - Credit Losses*, which replaces the incurred loss impairment model with a current expected credit loss ("CECL") model. CECL requires a company to estimate lifetime expected credit losses based on relevant information about historical events, current conditions and reasonable and supportable forecasts. The guidance must be applied using the modified retrospective adoption method on January 1, 2023, with early adoption permitted.

On October 28, 2021, the FASB issued ASU 2021-08, which amends ASC 805 to "require acquiring entities to apply Topic 606 to recognize and measure contract assets and contract liabilities in a business combination." Under current GAAP, an acquirer generally recognizes such items at fair value on the acquisition date. The guidance is effective for fiscal years beginning after December 15, 2022.

(Unaudited, dollar amounts stated in thousands)

Note 3. Acquisitions

Acquisition of Bonaccord

On September 30, 2021, the Company completed the purchase of Bonaccord for total consideration of $56.4 million, which includes cash and contingent consideration. Bonaccord is engaged in the business of acquiring minority interests in alternative asset management companies focused on private market strategies which may include private equity, private client, real estate, and real asset strategies. The acquisition was accounted for as a business combination under the acquisition method of accounting pursuant to ASC 805.

The following is a summary of consideration paid:

		Fair Value
Cash	$	38,927
Contingent consideration		17,435
Total purchase consideration	$	56,362

A total of $35.0 million of the cash consideration was financed through an amendment to the term loan under the Facility with HPS Investment Partners, LLC ("HPS"). The additional draw had the same terms as the existing Facility, including the maturity date.

Included in total consideration is $17.4 million of contingent consideration, representing the fair value of expected future payments on the date of the acquisition. The amount ultimately owed to the sellers is based on achieving specific fundraising targets and any amounts paid to the sellers will be paid by October 2027, at which point the contingent consideration expires. Total contingent consideration payments will not exceed $20.0 million.

The fair value was derived from an analysis of the option pricing model and the scenario based model. The assumptions used in the analysis are inherently subjective; therefore, the ultimate amount of the liability may differ materially from the current estimate. As of March 31, 2022, the estimated fair value of the remaining contingent consideration totaled $19.2 million, with the increase since acquisition driven primarily by changes in the Company's borrowing rate due to the debt refinancing. See Note 11 for more details.

At the time of the acquisition, the Company entered into a Notice of Restricted Stock Units with certain employees of Bonaccord, for 1,113,637 Restricted Stock Units ("Bonaccord Units"), to be allocated and granted to employees at a later date for meeting certain performance metrics. The Bonaccord Units may not be transferred, sold, pledged, exchanged, assigned or otherwise encumbered or disposed of by any grantee until it has become vested. As of March 31, 2022, no Bonaccord Units have been allocated to specific employees or vested and no expense has been recorded in the Consolidated Statements of Operations. The Bonaccord Units will be allocated to specific employees as the performance metrics are met.

In connection with the acquisition, the Company incurred a total of $0.5 million of acquisition-related expenses. Total acquisition-related expenses were $0 and $0 for the three months ended March 31, 2022 and March 31, 2021, respectively. These costs are included in professional fees on the Consolidated Statement of Operations.

The acquisition date fair value of certain assets and liabilities, including intangible assets acquired and related weighted average expected lives are provisional and subject to revision within one year of the acquisition date. As such, our estimates of fair values are pending finalization, which may result in adjustments to goodwill.

The following table presents the provisional fair value of the net assets acquired as of the acquisition date:

(Unaudited, dollar amounts stated in thousands)

		Fair Value
ASSETS		
Prepaid expenses and other assets		9
Investment in partnership		1,396
Intangible assets		12,940
Total assets acquired	$	14,345
LIABILITIES		
Accrued expenses	$	919
Total liabilities assumed	$	919
Net identifiable assets acquired	$	13,426
Goodwill		42,936
Net assets acquired	$	56,362

The following table presents the provisional fair value of the identifiable intangible assets acquired:

		Fair Value	Weighted-Average Amortization Period
Value of management and advisory contracts	$	9,450	8
Value of trade name		3,490	10
Total identifiable intangible assets	$	12,940	

In connection with the acquisition, Bonaccord assumed a Strategic Alliance Agreement ("SAA"), providing a third-party the right to receive 15% of the net management fee earnings, which includes the management fees minus applicable expenses, for Bonaccord Fund I ("Fund I"), paid quarterly, in exchange for funding certain amounts of capital commitments to the fund. See Note 5 for more information.

Goodwill

The goodwill recorded as part of the acquisition includes the expected benefits that management believes will result from the acquisition, including the Company's build out of its investment product offering. Approximately $42.9 million of goodwill is expected to be deductible for tax purposes.

Acquisition of Hark

On September 30, 2021, the Company completed the purchase of Hark for total consideration of $7.2 million, which includes $5.0 million of cash and $2.2 million of estimated contingent consideration, with the fair value based on the scenario based method. The acquisition was accounted for as a business combination under the acquisition method of accounting pursuant to ASC 805. Hark is engaged in the business of making loans to portfolio companies that are owned or controlled by financial sponsors, such as private equity funds or venture capital funds, and which do not meet traditional direct lending underwriting criteria, but where the repayment of the loan by the portfolio company is guaranteed by its financial sponsor. The provisional fair value consisted of $2.5 million in net assets and $4.7 million in goodwill. The total contingent consideration payment will not exceed $5.4 million.

At the time of the acquisition, the Company entered into a Notice of Restricted Stock Units with an employee, which grants 95,455 Restricted Stock Units ("Hark Units") for meeting a certain performance metric. The Hark Units may not be transferred, sold, pledged, exchanged, assigned or otherwise encumbered or disposed of by any grantee until they have become vested. As of March 31, 2022, no Hark Units have vested and no expense has been recorded in the Consolidated Statements of Operations as we have not determined that the achievement of the performance metric is probable.

(Unaudited, dollar amounts stated in thousands)

Identifiable Intangible Assets

The fair value of management and advisory contracts acquired were estimated using the excess earnings method. Significant inputs to the valuation model include existing revenue, estimates of expenses and contributory asset charges, the economic life of the contracts and a discount rate based on a weighted average cost of capital.

The fair value of trade names acquired were estimated using the relief from royalty method. Significant inputs to the valuation model include estimates of existing and future revenue, estimated royalty rate, economic life and a discount rate based on a weighted average cost of capital.

The fair value of technology acquired was estimated using the relief from royalty method. Significant inputs to the valuation model include a royalty rate, an estimated life and a discount rate.

The management and advisory contracts, trade names and the acquired technology all have a finite useful life. The carrying value of the management fund and advisory contracts and trade names will be amortized in line with the pattern in which the economic benefits arise and are reviewed at least annually for indicators of impairment in value that is other than temporary. The technology will be amortized on a straight-line basis.

Pro-forma Financial Information

Prior Year Acquisition:

The following unaudited pro forma condensed consolidated results of operations of the Company assumes the acquisition of Bonaccord was completed on January 1, 2021:

	For the Three Months Ended March 31,	
	2022	2021
Revenue	$ 43,281	$ 36,455
Net income attributable to P10	7,792	3,248

Pro-forma adjustments include revenue and net income (loss) of the acquired business for each period. Other pro forma adjustments include intangible amortization expense and interest expense based on debt issued in connection with the acquisition as if the acquisition were completed on January 1, 2021.

Note 4. Revenue

The following presents revenues disaggregated by product offering:

	For the Three Months Ended March 31,	
	2022	2021
Management and advisory fees	$ 43,027	$ 32,573
Subscriptions	162	177
Other revenue	92	18
Total revenues	$ 43,281	$ 32,768

Note 5. Strategic Alliance Expense

In connection with the Bonaccord acquisition, Bonaccord assumed a SAA. This SAA provides the third-party the right to receive 15% of the net management fee earnings, which includes the management fees minus applicable expenses, for Fund I, paid quarterly, in exchange for funding certain amounts of capital commitments to the fund. Net management fee earnings the third-party has the right to receive is based on the total capital committed.

Within 60 days following the final closing of the next fund, Bonaccord Fund II ("Fund II"), the third-party has the opportunity to acquire equity interests in Bonaccord based on the amount of commitment made to subsequent Funds II and III that ranges from 0.1%-9.9% of equity in Bonaccord. If within 60 days of the final closing of Funds II and III, the third-party has not met specific equity commitments in the SAA, Bonaccord may elect to repurchase the equity interests at fair market value. In addition to this SAA, Bonaccord entered into another agreement with a third-party, similar to a placement fee arrangement, whereby the third party will receive 5% of net management fee revenues for Fund I. This expense is reported on the Consolidated Statements of Operations as strategic alliance expense in operating expenses. For the three months ended March 31, 2022, the strategic alliance expense reported was $0.2 million. In the three months ended March 31, 2021, there was no strategic alliance expense.

Note 6. Note Receivable

The Company's note receivable consists of an Advance Agreement and Secured Promissory Note that was executed on September 30, 2021 between the Company and BCP Partners Holdings, LP ("BCP") to lend funds to certain employees to be used to pay general partner commitments to certain funds managed by Bonaccord. This agreement provides for a note to BCP for $5.0 million, of which $2.8 million was drawn as of March 31, 2022 with a maturity date of September 30, 2031. The note will earn interest at the greater of (i) the applicable federal rate that must be charged to avoid imputation of interest under Section 1274(d) of the U.S. Internal Revenue Code and (ii) 5.5%. Interest will be paid on December 31st of each year commencing December 31, 2021, with any unpaid accrued interest being capitalized and added to the outstanding principal balance. There was no cash paid for interest as of December 31, 2021. Principal payments will be made periodically as mandatorily required payments from available cash flows at BCP. As of March 31, 2022 and December 31, 2021, the outstanding balance was $2.8 million and $2.6 million, respectively. The Company recognized interest income of $0.1 million and $0 for the three months ended March 31, 2022 and March 31, 2021, respectively. This is presented in other revenue on the Consolidated Statement of Operations.

Note 7. Variable Interest Entities

Consolidated VIEs

The Company consolidates certain VIEs for which it is the primary beneficiary. VIEs consist of certain operating entities not wholly owned by the Company and include Holdco, RCP 2, RCP 3, TrueBridge, Hark and Bonaccord. See Note 2 for more information on the Company's accounting policies related to the consolidation of VIEs. The assets of the consolidated VIEs totaled $398.6 million and $413.2 million as of March 31, 2022 and December 31, 2021, respectively. The liabilities of the consolidated VIEs totaled $47.2 million and $53.6 million as of March 31, 2022 and December 31, 2021, respectively. The assets of our consolidated VIE's are owned by those entities and not generally available to satisfy P10's obligations, and the liabilities of our consolidated VIE's are obligations of those entities and their creditors do not generally have recourse to the assets of P10.

Unconsolidated VIEs

Through its subsidiary, ECG, the Company holds variable interests in the form of direct equity interests in certain VIEs that are not consolidated because the Company is not the primary beneficiary. The Company's maximum exposure to loss is limited to the potential loss of assets recognized by the Company relating to these unconsolidated entities.

Note 8. Investment in Unconsolidated Subsidiaries

The Company's investment in unconsolidated subsidiaries consist of equity method investments primarily related to ECG's tax credit finance and asset management activities.

As of March 31, 2022, investment in unconsolidated subsidiaries totaled $2.0 million, of which $0.2 million related to ECG's tax credit finance businesses and $1.8 million related to ECG's asset management businesses. As of December 31, 2021, investment in unconsolidated subsidiaries totaled $1.8 million, of which $1.6 million related to ECG's asset management businesses and $0.2 million related to ECG's tax credit finance businesses.

(Unaudited, dollar amounts stated in thousands)

Asset Management

ECG manages some of its alternative asset management funds through various unconsolidated subsidiaries and records these investments under the equity method of accounting. ECG recorded its share of income in the amount of $0.3 million for the three months ended March 31, 2022 and $0.2 million for the three months ended March 31, 2021. For the three months ended March 31, 2022, ECG made $0 capital contributions and received distributions of $0.1 million.

Tax Credit Finance

ECG provides a wide range of tax credit transactions and consulting services through various entities which are wholly owned subsidiaries of Enhanced Tax Credit Finance, LLC ("ETCF"), which is a wholly owned subsidiary of ECG. Some of these subsidiaries own nominal interests, typically under 1.0%, in various VIEs and record these investments under the measurement alternative described in Note 2 above. For the three months ended March 31, 2022, ECG made $0 of capital contributions and received distributions of $0.

Note 9. Property and Equipment

Property and equipment consist of the following:

	As of March 31, 2022	As of December 31, 2021
Computers and purchased software	$ 471	$ 387
Furniture and fixtures	633	461
Leasehold improvements	576	601
Other	3	3
	$ 1,683	$ 1,452
Less: accumulated depreciation	(534)	(471)
Total property and equipment, net	$ 1,149	$ 981

Note 10. Goodwill and Intangibles

Changes in goodwill for the three months ended March 31, 2022 are as follows:

Balance at December 31, 2021	$ 418,701
Purchase price adjustment	(11)
Increase from acquisitions	-
Balance at March 31, 2022	$ 418,690

Intangibles consists of the following:

	As of March 31, 2022		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Indefinite-lived intangible assets:			
Trade names	$ 17,350	$ —	$ 17,350
Technology	30	—	30
Total indefinite-lived intangible assets	17,380	—	17,380
Finite-lived intangible assets:			
Trade names	21,440	(2,187)	19,253
Management and advisory contracts	151,166	(66,575)	84,591
Technology	8,195	(6,777)	1,418
Total finite-lived intangible assets	180,801	(75,539)	105,262
Total intangible assets	$ 198,181	$ (75,539)	$ 122,642

(Unaudited, dollar amounts stated in thousands)

	As of December 31, 2021		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Indefinite-lived intangible assets:			
Trade names	$ 17,350	$ —	$ 17,350
Technology	30	—	30
Total indefinite-lived intangible assets	17,380	—	17,380
Finite-lived intangible assets:			
Trade names	21,440	(1,785)	19,655
Management and advisory contracts	151,166	(60,934)	90,232
Technology	8,160	(6,639)	1,521
Total finite-lived intangible assets	180,766	(69,358)	111,408
Total intangible assets	$ 198,146	$ (69,358)	$ 128,788

Management and advisory contracts and finite lived trade names are amortized over 7 - 16 years and are being amortized in line with pattern in which the economic benefits are expected to arise. Technology is amortized on a straight-line basis over 4 years. The amortization expense for each of the next five years and thereafter are as follows:

Remainder of 2022	$ 18,479
2023	21,155
2024	17,590
2025	13,807
2026	10,878
Thereafter	23,353
Total amortization	$ 105,262

Note 11. Fair Value Measurements

The Company measures certain liabilities at fair value on a recurring basis. The following tables provide details regarding the classification of these liabilities within the fair value hierarchy as of the dates presented:

	As of March 31, 2022			
	Level I	Level II	Level III	Total
Liabilities				
Contingent consideration obligation	$ -	$ -	$ 23,090	$ 23,090
Total liabilities	$ -	$ -	$ 23,090	$ 23,090

	As of December 31, 2021			
	Level I	Level II	Level III	Total
Liabilities				
Contingent consideration obligation	$ -	$ -	$ 22,963	$ 22,963
Total liabilities	$ -	$ -	$ 22,963	$ 22,963

For the liabilities presented in the tables above, there were no changes in fair value hierarchy levels during the periods ended March 31, 2022 and December 31, 2021.

(Unaudited, dollar amounts stated in thousands)

The changes in the fair value of Level III financial instruments are set forth below:

Contingent Consideration Liability	**For the Three Months Ended March 31, 2022**	**For the Year Ended December 31, 2021**
Balance, beginning of year:	$ 22,963	$ 593
Additions	-	19,625
Change in fair value	127	3,472
Settlements	-	(727)
Balance, end of period:	$ 23,090	$ 22,963

The fair value of the contingent consideration liability represents the fair value of future payments upon satisfaction performance targets. The assumptions used in the analysis are inherently subjective; therefore, the ultimate amount of the contingent consideration liability primarily relate to the expected future payments of obligations with a discount rate applied. The contingent consideration liability is included in contingent consideration on the Consolidated Balance Sheets. Changes in the fair value of the liability are included in contingent consideration expense on the Consolidated Statements of Operations.

Note 12. Debt Obligations

Debt obligations consists of the following:

	As of March 31, 2022	**As of December 31, 2021**
Gross revolving credit facility state tax credits	$ —	$ -
Debt issuance costs	(4)	(8)
Revolving credit facility state tax credits, net	$ (4)	$ (8)
Revolver facility	$ 65,900	$ 90,900
Debt issuance costs	(2,802)	(3,163)
Revolver facility, net	$ 63,098	$ 87,737
Term Loan	$ 125,000	$ 125,000
Debt issuance costs	(404)	(233)
Term loan, net	$ 124,596	$ 124,767
Total debt obligations	$ 187,690	$ 212,496

Refinancing

On December 22, 2021, the Company extinguished its debt outstanding with HPS, as described below in the Credit and Guaranty Facility section and simultaneously entered into a new credit agreement with JP Morgan Chase Bank, N.A. ("JP Morgan") in order to gain more favorable interest terms. The Company used the proceeds from the new credit agreement with JP Morgan not only to repay the outstanding balance with HPS but also to repay the notes payable to sellers as described below in the Notes Payable to Sellers section.

Revolving Credit Facility State Tax Credits

Enhanced State Tax Credit Fund III, LLC, a subsidiary of ECG, has a $10 million revolving credit facility with a regional financial institution the funds from which can be used solely for the purchase of allocable state tax credits from various state tax credit incentive programs. The facility bears interest at 0.25% above the Prime Rate and matures on June 15, 2022. As of March 31, 2022 and December 31, 2021, the credit facility had an outstanding balance of $0.0 million and $0.0 million, respectively, and is reported net of unamortized debt issuance costs on our Consolidated Balance Sheets. As of March 31, 2022 and December 31, 2021, the Company’s investment in allocable state tax credits was $0 and $0. For the three months ended March 31, 2022 and 2021 $0 and $0 interest expense was incurred, respectively.

Notes Payable to Sellers

On October 5, 2017, the Company issued Secured Promissory Notes Payable (“2017 Seller Notes”) in the amount of $81.3 million to the owners of RCP 2 in connection with the acquisition of that entity. The 2017 Seller Notes were set to mature on January 15, 2025. On December 23, 2021, the Company used the proceeds from the new credit agreement with JP Morgan to repay the outstanding balance of the 2017 Sellers Notes.

On January 3, 2018, the Company issued Secured Promissory Notes Payable ("2018 Seller Notes") in the amount of $22.1 million to the owners of RCP 3 in connection with the acquisition of that entity. The 2018 Seller Notes were set to mature on January 15, 2025. On December 23, 2021, the Company used the proceeds from the new credit agreement with JP Morgan to repay the outstanding balance of the 2018 Sellers Notes.

On January 3, 2018, the Company issued tax amortization benefits in the amount of $48.4 million ("TAB Payments") to the owners of RCP 3 in connection with the acquisition of that entity. The TAB Payments were set to mature on April 15, 2037. On December 23, 2021, the Company used the proceeds from the new credit agreement with JP Morgan to repay the outstanding balance of the TAB Payments.

The 2017 Seller Notes, the 2018 Seller Notes and the TAB Payments are collectively referred to as "Notes Payable to Sellers" on our Consolidated Financial Statements.

Noncash interest expense was recorded on a periodic basis for the Notes Payable to Sellers. During the three months ended March 31, 2022 and March 31, 2021, we recorded combined interest expense on the 2018 Seller Notes and 2017 Seller Notes in the amount of $0, $0.2 million, respectively. During the three months ended March 31, 2022, we recorded $0 in interest expense related to the TAB Payments. For the three months ended March 31, 2021, we recorded $0.2 million on the TAB Payments.

Credit and Guaranty Facility

The Company's subsidiary, Holdco, entered into the Credit and Guaranty Facility (the "Facility") with HPS as administrative agent and collateral agent on October 7, 2017. The Facility initially provided for a $130.0 million senior secured credit facility in order to refinance the existing debt obligations of RCP Advisors and provide for the financing to repay the Seller Notes due resulting from the acquisition of RCP Advisors. The Facility provided for a $125 million five-year term, subject to certain EBITDA levels and conditions, and a $5 million one-year line of credit. The line of credit was repaid and subsequently expired during 2018. Holdco was permitted to draw up to $125 million in aggregate on the term loan in tranches through July 31, 2019.

On October 2, 2020 and December 14, 2020, in connection with the acquisitions of TrueBridge and Enhanced, the term loan under the Facility was amended adding an additional $91.4 million and $68.0 million to the Facility, respectively.

On September 30, 2021, in connection with the acquisition of Bonaccord, the term loan under the Facility was amended adding an additional $35.0 million to the Facility.

On October 28, 2021, a payment of $88.6 million was made, which included an optional repayment of $86.8 million, required prepayment penalty of $1.2 million, and an accrued interest payment of $0.6 million.

On December 22, 2021, the remaining principal balance of $200 million was repaid using the proceeds of the new credit facility with JP Morgan. In accordance with the Facility, the Company also paid the remaining accrued interest balance of $2.1 million and an early extinguishment fee of $3.7 million.

Revolving Credit Facility and Term Loan

On December 22, 2021, the Company entered into a new credit agreement (the "Credit Agreement") with JPMorgan, in its capacity as administrative agent and collateral agent, and Texas Capital Bank, as joint lead arrangers and joint bookrunners, and the other loan parties party thereto. The Credit Agreement consists of two facilities. The first is a revolving credit facility with an available balance of $125 million (the "Revolver Facility"). The second is a term loan for $125 million (the "Term Loan"). In addition to the Term Loan and Revolver Facility, the Credit Agreement also includes a $125 million accordion feature.

Both facilities are "Term SOFR Loans" meaning loans bearing interest based upon the "Adjusted Term SOFR Rate". The Adjusted Term SOFR Rate is the Secured Overnight Financing Rate ("SOFR") at the date of election, plus 0.10%. The

(Unaudited, dollar amounts stated in thousands)

Company can elect one or three months for the Revolver Facility and three or six months for the Term Loan. The Company elected a six month SOFR rate at the time of draw for the term loan and a one month SOFR rate for the Revolver Facility at the time of draw. Principal is contractually repaid at a rate of 1.25% on the term loan quarterly effective March 31, 2023. The Revolving Credit Facility has no contractual principal repayments until maturity, which is December 22, 2025 for both facilities.

The Credit Agreement contains affirmative and negative covenants typical of such financing transactions, and specific financial covenants which require P10 to maintain a minimum leverage ratio. As of March 31, 2022, P10 was in compliance with its financial covenants required under the facility. In February 2022, the Company repaid $25 million of the principal balance outstanding on the revolving credit facility. As of March 31, 2022, the balance drawn on the revolving credit facility is $65.9 million and on the term loan, the balance is $125.0 million. The balance as of December 31, 2021 was $90.9 million on the revolving credit facility and $125 million on the term loan. For the three months ended March 31, 2022 and March 31, 2021, $0.9 million and $0 of interest expense was incurred, respectively.

Debt Payable

Future principal maturities of debt as of March 31, 2022 are as follows:

2022	$	-
2023		6,250
2024		6,250
2025		178,400
	$	190,900

Debt Issuance Costs

Debt issuance costs are offset against the Revolving Credit Facility State Tax Credits, the Credit and Guaranty Facility, and the Revolver Facility and Term Loan. Unamortized debt issuance costs for the Credit and Guaranty Facility as of March 31, 2022 and December 31, 2021 were $0 and $0, respectively. Unamortized debt issuance costs for the Revolving Credit Facility State Tax Credits as of March 31, 2022 and December 31, 2021 were $4 thousand and $8 thousand, respectively. Unamortized debt issuance costs for the Revolver Facility and Term Loan as of March 31, 2022 and December 31, 2021 were $3.2 million and $3.4 million, respectively.

Amortization expense related to debt issuance costs totaled $0.2 million for the three months ended March 31, 2022 and $0.7 million for the three months ended March 31, 2021. This is reported in interest expense, net on the Consolidated Statements of Operations. During the three months ended March 31, 2022 and March 31, 2021, we recorded $8 thousand and $0.1 million in debt issuance costs, respectively, which is included in debt obligations on the Consolidated Balance Sheets.

Note 13. Related Party Transactions

Effective January 1, 2021, the Company entered into a sublease with 210 Capital, LLC, a related party, for office space serving as our corporate headquarters. The monthly rent expense is $20.3 thousand, and the lease expires December 31, 2029. P10 has paid $0.1 million and $0.1 million in rent to 210 Capital, LLC for the three months ended March 31, 2022 and March 31, 2021, respectively.

Effective April 1, 2020, P10 Intermediate paid a quarterly management fee of $250 thousand to Keystone Capital XXX, LLC, which was the holder of the Series B preferred shares issued by P10 Intermediate in connection with the acquisition of Five Points. As a result of that agreement, P10 Intermediate paid $0.1 million and $0.3 million for the three months ended March 31, 2022 and March 31, 2021, respectively. This management fee was terminated effective October 20, 2021 when the Company's redeemable noncontrolling interest was converted to Class B shares in connection with the Company's IPO.

As described in Note 1, through its subsidiaries, the Company serves as the investment manager to the Funds. Certain expenses incurred by the Funds are paid upfront and are reimbursed from the Funds as permissible per fund agreements. As of March 31, 2022, the total accounts receivable from the Funds totaled $3.1 million, of which $1.8 million related to reimbursable expenses and $1.4 million related to fees earned but not yet received. As of December 31, 2021, the total accounts receivable from the Funds totaled $2.4 million, of which $1.6 million related to reimbursable expenses and $0.8 million related to fees earned but not yet received. In certain instances, the Company may incur expenses related to specific products that never materialize.

(Unaudited, dollar amounts stated in thousands)

Upon the closing of the Company's acquisition of ECG and ECP, the Advisory Agreement between ECG and Enhanced PC immediately became effective. Under this agreement, ECG provides advisory services to Enhanced PC related to the assets and operations of the permanent capital subsidiaries owned by Enhanced PC, as contributed by both ECG and ECP, and new projects undertaken by Enhanced PC. In exchange for those services, which commenced on January 1, 2021, ECG receives advisory fees from Enhanced PC based on a declining fixed fee schedule, initially totaling $76.0 million over 7 years. As a result of new projects during 2021, ECG will receive additional advisory fees from Enhanced PC totaling $1.6 million over 7 years, based on a declining fixed fee schedule. This agreement is subject to customary termination provisions. For the three months ended March 31, 2022 and March 31, 2021, advisory fees earned or recognized under this agreement were $4.3 million and $4.8 million, respectively, and are reported in management and advisory fees on the Consolidated Statement of Operations. As of March 31, 2022 and December 31, 2021, the receivable balance was $13.6 million and $9.5 million, respectively, and is included in due from related parties on the Consolidated Balance Sheets.

Upon the closing of the Company's acquisition of ECG and ECP, the Administrative Services Agreement between ECG and Enhanced Capital Holdings, Inc. ("ECH"), the entity which holds a controlling equity interest in ECP, immediately became effective. Under this agreement, ECG pays ECH for the use of their employees to provide services to Enhanced PC at the direction of ECG. The Company recognized $2.2 million and $2.8 million for the three months ended March 31, 2022 and March 31, 2021, respectively, related to this agreement within compensation and benefits on our Consolidated Statements of Operations.

On September 10, 2021, Enhanced entered into a strategic partnership with Crossroads Systems, Inc, parent company of Capital Plus Financial ("CPF"), a leading certified development financial institution. Under the terms of the agreement, Enhanced will originate and manage loans across its diverse lines of business including small business loans to women and minority owned businesses, and loans to renewable energy and community development projects. The loans will be held by CPF and CPF will pay an advisory fee to Enhanced. The Company recognized $0.4 million for the three months ended March 31, 2022, which is included in management and advisory fees on the Consolidated Statements of Operations. No revenues were recognized for the three months ended March 31, 2021.

Upon the closing of the Bonaccord acquisition on September 30, 2021, an Advance Agreement and Secured Promissory Note was signed with BCP, an entity that was formed by employees of the Company. For details, see Note 6.

The Company utilizes services from Altvia, a technology platform for private capital markets. For the three months ended March 31, 2022 and March 31, 2021 the Company paid Altvia $0.1 million and $0.1 million respectively.

Note 14. Commitments and Contingencies

Operating Leases

The Company leases office space and various equipment under non-cancelable operating leases, with the longest lease expiring in 2032. These lease agreements provide for various renewal options. Rent expense for the various leased office space and equipment was approximately $0.8 million for the three months ended March 31, 2022 and $0.5 million for the three months ended March 31, 2021.

The following table presents information regarding the Company's operating leases as of March 31, 2022:

Operating lease right-of-use assets	$	14,193
Operating lease liabilities	$	15,296
Cash paid for lease liabilities	$	586
Weighted-average remaining lease term (in years)		7.54
Weighted-average discount rate		4.65 %

(Unaudited, dollar amounts stated in thousands)

The future contractual lease payments as of March 31, 2022 are as follows:

Remainder of 2022	$	1,599
2023		2,937
2024		3,184
2025		2,028
2026		1,690
Thereafter		8,061
Total undiscounted lease payments		19,499
Less discount		(3,243)
Less construction allowance		(960)
Total lease liabilities	$	15,296

Contingencies

We may be involved, either as plaintiff or defendant, in a variety of ongoing claims, demands, suits, investigations, tax matters and proceedings that arise from time to time in the ordinary course of our business. We evaluated all potentially significant litigation, government investigations, claims or assessments in which we are involved and do not believe that any of these matters, individually or in the aggregate, will result in losses that are materially in excess of amounts already recognized, if any.

Note 15. Income Taxes

The Company calculates its tax provision using the estimated annual effective tax rate methodology. The tax expense or benefit caused by an unusual or infrequent item is recorded in the quarter in which it occurs. To the extent that information is not available for the Company to fully determine the full year estimated impact of an item of income or tax adjustment, the Company calculates the tax impact of such item discretely.

Based on these methodologies, the Company's effective income tax rate for the three months ended March 31, 2022 and 2021 was 25.82% and 22.98%, respectively. The effective tax rate differs from the federal statutory rate of 21% due primarily to state and local income taxes.

The Company records deferred tax assets and liabilities for the future tax benefit or expense that will result from differences between the carrying value of its assets for income tax purposes and for financial reporting purposes, as well as for operating loss and tax credit carryovers. A valuation allowance is recorded to bring the net deferred tax assets to a level that, in management's view, is more likely than not to be realized in the foreseeable future. This level will be estimated based on a number of factors, especially the amount of net deferred tax assets of the Company that are actually expected to be realized, for tax purposes, in the foreseeable future. As of March 31, 2022, the Company has recorded a $12.8 million valuation allowance against deferred tax assets. There was no change to the valuation allowance during the period.

The Company monitors federal and state legislative activity and other developments that may impact our tax positions and their relation to the income tax provision. Any impacts will be recorded in the period in which the legislation is enacted or new regulations are issued. The Company is subject to examination by the United States Internal Revenue Service as well as state and local tax authorities. The Company is not currently under audit.

Note 16. Stockholders' Equity

Equity-Based Compensation

On July 20, 2021, the Board of Directors approved the P10 Holdings, Inc. 2021 Stock Incentive Plan (the "Plan"), which replaced the 2018 Incentive Plan, our previously existing equity compensation plan. The Plan provides for the issuance of 3,000,000 shares available for grant, in addition to those approved in the 2018 Incentive Plan ("2018 Plan"), for a total of 9,300,000 shares (previously unadjusted for the stock split of 12,000,000). The Compensation Committee of the Board of Directors may issue equity-based awards including stock options, stock appreciation rights, restricted stock units and restricted stock awards. Options previously granted under the 2018 Incentive Plan vest over a period of up to five years. The term of each option is no more than ten years from the date of grant. When the options are exercised, the Board of Directors has the option of issuing shares of common stock or paying a lump sum cash payment on the exercise date equal to the difference between the common stock's fair market value on the exercise date and the option price. All future awards will be granted under the Plan, and no additional awards will be granted under the 2018 Plan.

(Unaudited, dollar amounts stated in thousands)

On March 15, 2022, the Board of Directors approved the settlement of 1.1 million options from a grantee with a fair market value option price of $11.83, less a negotiated discount of 2.5%, totaling $12.5 million. This is presented in other liabilities on the Consolidated Balance Sheets.

A summary of stock option activity for the period ended March 31, 2022 is as follows:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Contractual Life Remaining (in years)	Aggregate Intrinsic Value (whole dollars)
Outstanding as of December 31, 2021	7,095,936	$ 3.71	7.45	$ 73,156,722
Granted	1,323,733	12.28		
Exercised	—	—		
Settled	(1,120,000)	0.41		
Expired/Forfeited	—	—		
Outstanding as of March 31, 2022	7,299,669	$ 5.95	8.08	$ 43,865,350
Exercisable as of March 31, 2022	363,445	$ 4.09	6.67	$ 2,920,165

The weighted average assumptions used in calculating the fair value of stock options granted during the three months ended March 31, 2022 and March 31, 2021 were as follows:

	For the Three Months Ended March 31,	
	2022	2021
Expected life	7.5 (yrs)	7.5 (yrs)
Expected volatility	35.40 %	41.70 %
Risk-free interest rate	1.83 %	0.79 %
Expected dividend yield	0.00 %	0.00 %

The Company has granted restricted stock awards ("RSAs") to certain employees. Holders of RSAs have no voting rights and are not eligible to receive dividends or other distributions paid with respect to any RSAs that have not vested. All of the shares currently vest one year from the grant date.

	Number of RSAs	Weighted-Average Grant Date Fair Value Per RSA
Outstanding as of December 31, 2021	36,033	$ 11.24
Granted	—	—
Vested	—	—
Forfeited	—	—
Outstanding as of March 31, 2022	36,033	$ 11.24

The Company has granted restricted stock units ("RSUs") to certain employees. Holders of RSUs have no voting rights and are not eligible to receive dividends or other distributions paid with respect to any RSUs that have not vested. All of the shares currently vest one year from the grant date.

	Number of RSUs	Weighted-Average Grant Date Fair Value Per RSU
Outstanding as of December 31, 2021	59,654	$ 12.74
Granted	508,135	12.30
Vested	—	—
Forfeited	—	—
Outstanding as of March 31, 2022	567,789	$ 12.35

(Unaudited, dollar amounts stated in thousands)

Compensation expense equal to the grant date fair value is recognized for these awards over the vesting period and is included in compensation and benefits on our Consolidated Statements of Operations. The stock-based compensation expense was $1.5 million and $0.4 million for the three months ended March 31, 2022 and March 31, 2021, respectively. Unrecognized stock-based compensation expense related to outstanding unvested stock options as of March 31, 2022 was $7.5 million and is expected to be recognized over a weighted average period of 3.05 years. Any future forfeitures will impact this amount.

Note 17. Earnings Per Share

The Company presents basic EPS and diluted EPS for our common stock. Basic EPS excludes potential dilution and is computed by dividing net income by the weighted-average number of common shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur if shares of common stock were issued pursuant to our stock-based compensation awards. Additionally, diluted EPS reflects the potential dilution that could occur if convertible preferred shares of P10 Intermediate were converted into common shares of P10 Intermediate. This is only applicable for the three months ended March 31, 2021 as the preferred shares of P10 Intermediate converted to Class B common shares effective with the IPO.

The following table presents a reconciliation of the numerators and denominators used in the computation of basic and diluted EPS:

	For the Three Months Ended March 31,	
	2022	2021
Numerator:		
Numerator for earnings per share		
Numerator for earnings per share assuming dilution	$ 7,792	$ 1,643
Denominator:		
Denominator for basic calculation—Weighted-average shares	117,193	62,465
Weighted shares assumed upon exercise of stock options	4,344	4,112
Denominator for earnings per share assuming dilution	121,537	66,577
Earnings per share—basic	$ 0.07	$ 0.03
Earnings per share—diluted	$ 0.06	$ 0.02

The computations of diluted earnings per share excluded 0.2 million options for the three months ended March 31, 2022 and 3.0 million options for the three months ended March 31, 2021, because the options and restricted stock units were anti-dilutive. See Note 3 for more information related to the restricted stock units.

Note 18. Redeemable Noncontrolling Interest

In connection with the closing of the acquisition of Five Points on April 1, 2020, the Company formed a new subsidiary, P10 Intermediate, which was the acquiring entity of Five Points. On April 1, 2020, P10 Intermediate issued three series (A, B and C) of redeemable convertible preferred shares. On October 2, 2020 and December 14, 2020, P10 Intermediate issued two additional series (D and E) in connection with the acquisitions of TrueBridge and Enhanced. The preferred shares on an as-if-converted basis represented approximately 40.9% of the aggregate issued and outstanding share capital of P10 Intermediate with P10 owning the remaining 59.1% through its 100% ownership of the outstanding common stock of P10 Intermediate. The third-party ownership interest represented a noncontrolling interest in P10 Intermediate, which the Company had a controlling interest in. Dividends on the preferred shares were recognized as preferred dividends attributable to redeemable non-controlling interest in our Consolidated Statements of Operations. In connection with the IPO on October 20, 2021, all preferred shares were contractually converted to Class B common shares.

Note 19. Subsequent Events

As further described in Note 16, on April 4, 2022, the Company made the cash payment to settle its liability with the grantee for their stock options.

The Board of Directors of the Company has declared a quarterly cash dividend of $0.03 per share of Class A and Class B common stock, payable on June 20, 2022, to the holders of record as of the close of business on May 31, 2022.

The Company announced that its Board of Directors has authorized a stock buyback program pursuant to which P10 may purchase up to $20 million of P10's outstanding shares of Class A Common Stock, par value $0.001 per share. P10 intends to fund the program through available cash balances and future operating cash flows. These shares may be repurchased from time to time in the open market at prevailing market prices, in privately negotiated transactions, in block trades, in accordance with Rule 10b5-1 trading plans and/or through other legally permissible means. The timing and amount of any repurchases pursuant to the program will depend on various factors including, the market price of its Class A Common Stock, trading volume, ongoing assessment of P10's working capital needs, general market conditions, and other factors. The buyback program does not obligate P10 to acquire any particular amount of common stock and it may be terminated or amended by the Board of Directors at any time.

In accordance with ASC 855, Subsequent Events, the Company evaluated all material events or transactions that occurred after December 31, 2021, the Consolidated Balance Sheet date, through the date the Consolidated Financial Statements were issued, and determined there have been no additional events or transactions that would materially impact the Consolidated Financial Statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis relates to the activities and operations of P10. As used in this section, "P10," the "Company", "we" or "our" includes P10 and only its consolidated subsidiaries. The following information should be read in conjunction with our selected financial and operating data and the accompanying consolidated financial statements and related notes contained elsewhere in this quarterly report on Form 10-Q. Our historical results discussed below, and the way we evaluate our results, may differ significantly from the descriptions of our business and key metrics used elsewhere in this quarterly report on Form 10-Q due to the effects of acquisitions which occurred during the year ended December 31, 2021, but may not have had a material impact on our statements of operations due to the limited period of time which they were included in our consolidated results. This quarterly report reflects the historical results of operations and financial position of P10 Holdings, our predecessor for accounting purposes, prior to the Reorganization and IPO. The following discussion may contain forward-looking statements that reflects our plans, estimates and beliefs. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those discussed below and elsewhere in this Form 10-Q, and in our annual report on Form 10-K for the year ended December 31, 2021, particularly in "Risk Factors" and the "Forward-Looking Information." Unless otherwise indicated, references in this Quarterly Report on Form 10-Q to fiscal 2022 and 2021 are to our fiscal years ended December 31, 2022 and 2021, respectively.

Business Overview

We are a leading multi-asset class private market solutions provider in the alternative asset management industry. Our mission is to provide our investors differentiated access to a broad set of solutions and investment vehicles across highly attractive asset classes and geographies that generate superior risk-adjusted returns. Our success and growth have been driven by our position in the private markets' ecosystem, providing investors with specialized private market solutions across a comprehensive set of investment strategies, including primary investment funds, secondary investment, direct investment and co-investments and advisory solutions. As investors entrust us with additional capital, our relationships with our fund managers are strengthened, which drives additional investment opportunities, sources more data, enables portfolio optimization and enhances returns, and in turn attracts new investors.

During 2020, we completed several acquisitions to expand the private market solutions available to our investors. On April 1, 2020, we completed our acquisition of Five Points to serve as our Private Credit solution (which also offers certain private equity solutions). On October 2, 2020, we completed our acquisition of TrueBridge Capital Partners, LLC (TrueBridge) to serve as our Venture Capital solution. On December 14, 2020, we completed our acquisition of 100% of the equity interest in Enhanced Capital Group, LLC (ECG) to serve as our Impact Investing solution. These acquisitions were accounted for as business combinations, and these entities are reported as consolidated subsidiaries of P10. Additionally, on December 14, 2020, we completed our acquisition of approximately 49% of the voting interests and 50% of the economic interests in ECP, which is a related party of ECG. As we only acquired a non-controlling interest in ECP, it is reported as an equity method investment in accordance with ASC 323, *Equity Method and Joint Ventures* ("ASC 323").

On September 30, 2021, we completed the acquisitions of Hark Capital Advisors, LLC (Hark) and Bonaccord Capital Advisors, LLC (Bonaccord) to further expand on solutions available to our investors. The effect of these acquisitions is reflected in our Consolidated Balance Sheet at December 31, 2021 and the Consolidated Statement of Operations from September 30, 2021 to December 31, 2021. These acquisitions were accounted for as business combinations and are reported as consolidated subsidiaries of P10.

On October 20, 2021, P10 Holdings, in connection with its IPO, completed a reorganization and restructure. In connection with the reorganization, P10 became the parent company and all of the existing equity of P10 Holdings, which is a wholly owned subsidiary of P10, and its consolidated subsidiaries, including the convertible preferred units of P10 Intermediate were converted into common stock of P10. The offering and reorganization included a reverse stock split of P10 Holdings common stock on a 0.7-for-1 basis pursuant to which every outstanding share of common stock decreased to 0.7 shares. Net proceeds from the sale of our Class A common stock, after deducting underwriting discounts and commissions but before expenses was approximately $129.4 million. Of the proceeds, $86.8 million was used to pay down outstanding term loan debt, $12.4 million was used to pay off RCP Seller's Notes, $1.1 million was used to cash settle certain option awards, $1.0 million was used to fund the dividend on P10 Intermediate's preferred stock and $4.5 million was used to pay expenses incurred in connection with the offering.

Following the reorganization and IPO, P10 has two classes of common stock, Class A common stock and Class B common stock. Each share of Class B common stock is entitled to ten votes while each share of Class A common stock is entitled to one vote.

On December 22, 2021, P10 entered into a $250 million credit agreement with a syndicate of banks, including JP Morgan Chase Bank and Texas Capital Bank as joint lead arrangers and bookrunners, which provided for the Term Loan in an aggregate principal amount of $125 million and Revolver Facility in an aggregate principal amount of $125 million with a four year term and an additional $125 million accordion feature. The variable interest rate is 210 basis points over the SOFR. Borrowings were used to pay down the outstanding balance under the previous credit facility with HPS and related transaction expenses, pay off Seller's Notes related to the RCP acquisition and to finance working capital needs and for general corporate purposes. During the first quarter of 2022, the Company paid down $25 million of the outstanding balance under the Revolver Facility and as of March 31, 2022, the outstanding balance was $65.9 million.

As of March 31, 2022, our private market solutions were comprised of the following:

- *Private Equity Solutions (PES)*. Under PES, we make direct and indirect investments in middle and lower- middle market private equity across North America. PES also makes minority equity investments in a diversified portfolio of mid-sized managers across private equity, private credit, real estate and real assets. The PES investment team, which is comprised of 41 investment professionals with an average of 24+ years of experience, has deep and long-standing investor and fund manager relationships in the middle and lower-middle market which it has cultivated over the past 20 years, including over 1,800+ investors, 200+ fund managers, 375+ private market funds and 1,900+ portfolio companies. We have 45 active investment vehicles. PES occupies a differentiated position within the private markets ecosystem helping our investors access, perform due diligence, analyze and invest in what we believe are attractive middle and lower-middle market private equity opportunities. We are further differentiated by the scale, depth, diversity and accuracy of our constantly expanding proprietary private markets database that contains comprehensive information on more than 4,900 investment firms, 9,000 funds, 42,000 individual transactions, 28,000 private companies and 250,000 financial metrics. As of March 31, 2022, PES managed $10.0 billion of FPAUM.
- *Venture Capital Solutions (VCS)*. Under VCS, we make investments in venture capital funds across North America and specialize in targeting high-performing, access-constrained opportunities. The VCS investment team, which is comprised of 15 investment professionals with an average of 20+ years of experience, has deep and long-standing investor and fund manager relationships in the venture market which it has cultivated over the past 14+ years, including over 540+ investors, 60+ fund managers, 55 direct investments, 230+ private market funds and 6,500+ portfolio companies. We have 12 active investment vehicles. Our VCS solution is differentiated by our innovative strategic partnerships and our vantage point within the venture capital and technology ecosystems, maximizing advantages for our investors. In addition, since 2011, we have partnered with Forbes to publish the Midas List, a ranking of the top value-creating venture capitalists. As of March 31, 2022, VCS managed $4.6 billion of FPAUM.
- *Impact Investing Solutions (IIS)*. Under IIS, we make equity, tax equity, and debt investments in impact initiatives across North America. IIS primarily targets investments in renewable energy development and historic building renovation projects, as well as providing capital to small businesses that are women or minority owned or operating in underserved communities. The IIS investment team, which is comprised of 12 investment professionals with an average of 21+ years of experience, has deep and long-standing relationships in the impact market which it has cultivated over the past 20 years, including deploying capital on behalf of over 82 investors. We currently have 35 active investment vehicles. We are differentiated in both the breadth of impact areas served, the type of capital deployed and the duration of our track record. We have collectively deployed over $4.8 billion into 700+ projects, supporting 390+ businesses across 38 states, Washington DC and Puerto Rico since 2000. We have invested $2.6 billion in Impact Assets across our Small Business Lending, Impact Real Estate and Climate Finance Strategies. Investments in solar assets will generate 16 billion KWh of renewable energy over the lifetime of the portfolio. As of March 31, 2022, IIS managed $1.7 billion of FPAUM.
- *Private Credit Solutions (PCS)*. Under PCS, we primarily make debt investments across North America, targeting lower middle market companies owned by leading financial sponsors and also offer certain private equity solutions. PCS also provides loans to mid-life, growth equity, venture and other funds backed by the unrealized investments at the fund level and provide financing for companies that would otherwise require equity. The PCS investment team, which is comprised of 25 investment professionals with an average of 22+ years of experience, has deep and long-standing relationships in the private credit market which it has cultivated over the past 22 years, including 240+ investors across 7 active investment vehicles and 185+ portfolio companies with over $1.9+ billion capital deployed. Our PCS is differentiated by our relationship-driven sourcing approach providing capital solutions for growth-oriented companies. We are further synergistically strengthened by our PES network of fund managers, characterized by more than 575 credit opportunities annually. We currently maintain 45+ active sponsor relationships and have 60+ platform investments. As of March 31, 2022, PCS managed $1.3 billion of FPAUM.

Sources of Revenue

Our sources of revenue currently include fund management fee contracts, advisory service fee contracts, consulting agreements, referral fees, subscriptions and other services. The majority of our revenues are generated through long-term, fixed fee management and advisory contracts with our investors for providing investment solutions in the following vehicles for our investors:

- *Primary Investment Funds.* Primary investment funds refer to investment vehicles which target investments in new private markets funds, which in turn invest directly in portfolio companies. P10's primary investment funds include both commingled investment vehicles with multiple investors as well as customizable separate accounts, which typically include one investor. Primary investments are made during a fundraising period in the form of capital commitments, which are called upon by the fund manager and utilized to finance its investments in portfolio companies during a predefined investment period. We receive a fee stream that is typically based on our investor's committed, locked-in capital; capital commitments that typically average ten to fifteen years, though they may vary by fund and strategy. We offer primary investment funds across private equity and venture capital solutions. Often, the fees are structured such that they step down, or decrease, over the life of the fund. Our primary funds comprise approximately $10.9 billion of our FPAUM as of March 31, 2022.
- *Direct and Co-Investment Funds.* Direct and co-investments involve acquiring an equity interest in or making a loan to an operating company, project, property, alternative asset manager, or asset, typically by co-investing alongside an investment by a fund manager or by investing directly in the underlying asset. P10's direct and co- investment funds include both commingled investment vehicles with multiple investors as well as customizable separate accounts, which typically include one investor. Capital committed to direct investments and co-investments is typically invested immediately, thereby advancing the timing of expected returns on investment. We typically receive fees from investors based upon committed capital, with some funds receiving fees based on invested capital; capital commitments, typically average ten to fifteen years, though they may vary by fund. We offer direct and co-investment funds across our private equity, venture capital, impact investing and private credit solutions. Often, the fees are structured such that they step down, or decrease, over the life of the fund. Our direct investing platform comprises approximately $5.4 billion of our FPAUM as of March 31, 2022.
- *Secondaries.* Secondaries refer to investments in existing private markets funds through the acquisition of an existing interest in a private markets fund by one investor from another in a negotiated transaction. In so doing, the buyer agrees to take on future funding obligations in exchange for future returns and distributions. Because secondary investments are generally made when a primary investment fund is three to seven years into its investment period and has deployed a significant portion of its capital into portfolio companies, these investments are viewed as more mature. We typically receive fees from investors on committed capital for a decade, the typical life of the fund. We currently offer secondaries funds across our private equity solutions. Often, the fees are structured such that they step down, or decrease, over the life of the fund. Our secondary funds comprise approximately $1.3 billion of our FPAUM as of March 31, 2022.

Operating Segments

We operate our business as a single operating segment, which is how our chief operating decision makers (our Co-Chief Executive Officers) evaluate financial performance and make decisions regarding the allocation of resources.

Trends Affecting Our Business

Our business is affected by a variety of factors, including conditions in the financial markets and economic and political conditions in the North American markets in which we operate, as well as changes in global economic conditions and regulatory or other governmental policies or actions, which can materially affect the values of the funds our platforms manage, as well as our ability to effectively manage investments. With interest rates remaining historically low, we continue to see investors turning towards alternative investments to achieve higher yields.

The continued growth of our business may be influenced by several factors, including the following market trends:

- *Accelerating demand for private markets solutions.* Our ability to attract new capital is dependent on investor demand for private markets solutions. We believe the composition of public markets is fundamentally shifting and will drive growth in private markets investing as fewer companies elect to become public corporations, while more companies are choosing to stay privately held or return to being privately held. Furthermore, investors continue to increase their exposure to passive strategies in search for lower fee alternatives as relative returns in active public market strategies have compressed. We believe the continued move away from active public market strategies into passive strategies will support growth in private market solutions as investors seek higher risk-adjusted returns. Additional trends driving investor demand are 1) increasing long-term investor allocations towards private market asset classes, 2) legislation that allows retirement plans to add private equity vehicles as an investment option, and 3) the adoption of Environmental, Social, and Corporate Governance ("ESG") and impact investing by the institutional and high net worth investor community.

- *Favorable lower and lower-middle market dynamics, and data driven sourcing.* We attribute our strong investment performance track record to several factors, including: our broad private market relationships and access to fund managers and investments, our diligent and responsible investment process, our tenured investing experience and our premier data, technology, and analytic capabilities. Our ability to continue generating strong returns will be impacted by lower and lower-middle market dynamics and our ability to source deals efficiently and effectively using data analytics. As more companies choose to remain private, we believe smaller companies will continue to dominate market supply, with significantly less capital in pursuit. This favorable lower and lower-middle market dynamic implies a larger pool of opportunities at compelling purchase price valuations with significant return potential. In addition, our premier data and analytic capabilities, driven by our proprietary database, support our robust and disciplined sourcing criteria, which fuels our highly selective investment process. Our database stores and organizes a universe of managers and opportunities with powerful tracking metrics that we believe drive optimal portfolio management and monitoring and enable a portfolio grading system, as well as repository of investment evaluation scorecards. Our ability to maintain our data advantage is dependent on a number of factors, including our continued access to a broad set of private market information on an on-going basis.
- *Expanding asset class solutions, broaden geographic reach and grow private markets network effect.* Our ability to continue growing is impacted by our scalability and ability to maximize investor relationships. The purview of private markets has meaningfully broadened over the last decade. As investors increase their allocations to private markets investments, we believe the demand for asset class diversification will rise. Furthermore, as part of this evolution we believe investors will seek out private market solutions providers with scale and an ability to deliver multiple asset classes and vehicle solutions to streamline relationships and pursue cost efficiency. Our scalable business model is well positioned to expand and grow our footprint as we develop our position within the private markets ecosystem to further leverage our synergistic solutions offering. We currently have a leading presence in North America, but believe that expanding our investor presence into international markets can be a significant growth driver for our business as investors continue to seek geographically diverse private market exposure. Further, expanding into additional asset class solutions will enable us to further enhance our integrated network effect across private markets by, among other benefits, fostering deeper manager relationships. We believe that the growing number of private markets focused fund managers increases the operational burden on investors and will lead to a greater reliance on highly trusted advisors to help investors navigate the complexity associated with multi- asset class manager selection.
- *Increasing regulatory requirements and political uncertainty.* The complex regulatory and tax environment could restrict our operations and subject us to increased compliance costs and administrative burdens, as well as restrictions on our business activities. There is additional uncertainty around potential legal, regulatory, and tax changes, which may impact our profitability or impact our ability to operate and grow our business.
- *Our ability to raise capital in order to fund acquisitions and strategic growth initiatives.* In addition to organic growth of our existing solutions and services, our growth will continue to depend, in part, on our ability to identify, evaluate and acquire high performing and high-quality asset management businesses in order to expand our team of asset managers and advisors, as well as expand the industries and end markets which we serve. These acquisitions may require us to raise additional capital through debt financing or the issuance of equity securities. Our ability to obtain debt with acceptable terms will be influenced by the corporate debt markets and prevailing interest rates, as well as our current credit worthiness. The funding available through the issuance of equity securities will be determined in part by the market price of our shares.
- *Increased competition to work with top private equity fund managers.* There has been a trend amongst larger private markets investors to consolidate the number of general partners in which they invest and work with. At times, this has led to certain funds being oversubscribed due to the increasing flow of capital. This has resulted in some investors, primarily smaller investors or less strategically important investors, not being able to gain access to certain funds. Our ability to invest and maintain our sphere of influence with these high-performing fund

managers is critical to our investors' success and our ability to maintain our competitive position and grow our revenue.

- *Data advantage relative to competitors.* We believe that the general trend towards transparency and consistency in private markets reporting will create new opportunities for us to leverage our databases and analytical capabilities. We intend to use these advantages afforded to us by our proprietary databases, analytical tools and deep industry knowledge to drive our performance, provide our clients with customized solutions across private markets asset classes and continue to differentiate our products and services from those of our competitors. Our ability to maintain our data advantage is dependent on a number of factors, including our continued access to a broad set of private market information on an on-going basis, as well as our ability to maintain our investment scale, considering the evolving competitive landscape and potential industry consolidation.

Key Financial & Operating Metrics

Revenues

We generate revenues primarily from management fees and advisory contracts, and to a lesser extent, other consulting arrangements and services. See Significant Accounting Policies in Note 2 of our consolidated financial statements for additional information regarding the way revenues are recognized.

We earn management and advisory fees based on a percentage of investors' capital commitments in our funds or deployed capital. Management and advisory fees during the commitment period are charged on capital commitments and after the commitment period (or a defined anniversary of the fund's initial closing) is reduced by a percentage of the management and advisory fees for the preceding years or charged on net invested capital or NAV, in selected cases. Fee schedules are generally fixed and set for the expected life of the funds, which typically are between ten to fifteen years. These fees are typically staged to decrease over the life of the contract due to built-in declines in contractual rates and/or as a result of lower net invested capital balances as capital is returned to investors. We also earn revenues through catch-up fees ("catch up fees") on the funds we manage. Catch-up fees are earned from investors that make commitments to the fund after the first fund closing occurs during the fundraising period of funds originally launched in prior periods, and as such the investors are required to pay a catch-up fee as if they had committed to the fund at the first closing. While catch-up fees are not a significant component of our overall revenue stream, they may result in a temporary increase in our revenues in the period in which they are recognized.

Other revenue consists of subscription and consulting agreements and referral fees that we offer in certain cases. Subscription and consulting agreements provide advisory and/or reporting services to our investors such as monitoring and reporting on an investor's existing private markets investments. The subscription and consulting agreements typically have renewable one-year lives, and revenue is recognized ratably over the current term of the subscription or the agreement. If subscriptions or fees have been paid in advance, these fees are recorded as deferred revenue on our Consolidated Balance Sheets. Referral fee revenue is recognized upon closing of opportunities where we have referred credit opportunities that do not match our investment criteria.

Operating Expenses

Compensation and benefits are our largest expense and consists of salaries, bonuses, stock-based compensation, employee benefits and employer-related payroll taxes. Despite our general operating leverage that exists, we expect to continue to experience an incremental rise in compensation and benefits expense commensurate with expected growth in headcount and with the need to maintain competitive compensation levels as we expand into new markets to create new products and services. In substantially all instances, the Company does not hold carried interests in the funds that we manage. Carried interest is typically structured to stay with the investment professionals. As such, while this does not impact the compensation we pay to our employees, it allows our investment professionals to receive additional benefit and provides economic incentive for them to outperform on behalf of our investors. This structure differs from that of most of our competitors, which we believe better aligns the objectives of our stockholders, investors and investment professionals. The result is the substantial majority of our compensation and benefit expense is predictable.

Professional fees primarily consist of legal, advisory, accounting and tax fees which may include services related to our strategic development opportunities such as due diligence performed in connection with potential acquisitions. Our professional fees will fluctuate commensurate with our strategic objectives and potential acquisitions, and certain recurring accounting advisory, audit and tax expenses are expected to increase as our Company has become an SEC registrant and we must comply with additional regulatory requirements.

General, administrative and other includes occupancy, travel and entertainment, technology, insurance and other general costs associated with operating our business.

Strategic alliance expense is included in operating expenses. This expense is driven by a Strategic Alliance Agreement (SAA) that Bonaccord had entered into with an investor at the time Bonaccord was acquired in exchange for a portion of net management fee earnings and net distributable carried interest at the time of acquisition.

Other Income/(Expense)

Interest expense includes interest paid and accrued on our outstanding debt, along with the amortization of deferred financing costs, amortization of original issue discount and the write-off of deferred financing costs due to the repayment of previously outstanding debt. Interest expense also includes the effects of the imputed interest on certain non-interest-bearing notes payable.

Income Tax Expense

Income tax expense is comprised of current and deferred tax expense. Current income tax expense represents our estimated taxes to be paid or refunded for the current period. In accordance with ASC 740, *Income Taxes* ("ASC 740"), we recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the financial reporting and tax basis of assets and liabilities, as well as for operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which the differences are expected to reverse. Valuation allowances are recorded to reduce deferred tax assets to the amount we believe is more likely than not to be realized.

Fee-Paying Assets Under Management, or FPAUM

FPAUM reflects the assets from which we earn management and advisory fees. Our private credit vehicles earn management fees on deployed capital. Our vehicles typically earn management and advisory fees based on committed capital, and in certain cases, net invested capital, depending on the fee terms. Management and advisory fees based on committed capital are not affected by market appreciation or depreciation.

Results of Operations

For the three months ended March 31, 2022 and March 31, 2021.

	For the Three Months Ended March 31,			
	2022	2021	$ Change	% Change
REVENUES	(in thousands)			
Management and advisory fees	$ 43,027	$ 32,573	$ 10,454	32 %
Other revenue	254	195	59	30 %
Total revenues	43,281	32,768	10,513	32 %
OPERATING EXPENSES				
Compensation and benefits	18,494	11,936	6,558	55 %
Professional fees	2,612	2,731	(119)	(4)%
General, administrative and other	4,112	2,037	2,075	102 %
Contingent consideration expense	127	28	99	354 %
Amortization of intangibles	6,181	7,484	(1,303)	(17)%
Strategic alliance expense	152	—	152	100 %
Total operating expenses	31,678	24,216	7,462	31 %
INCOME FROM OPERATIONS	11,603	8,552	3,051	36 %
OTHER (EXPENSE)/INCOME				
Interest expense implied on notes payable to sellers	—	(215)	215	(100)%
Interest expense, net	(1,385)	(5,255)	3,870	(74)%
Other income	329	288	41	100 %
Total other (expense)	(1,056)	(5,182)	4,126	(80)%
Net income before income taxes	10,547	3,370	7,177	213 %
Income tax expense	(2,755)	(661)	(2,094)	317 %
NET INCOME	$ 7,792	$ 2,709	$ 5,083	188 %

Revenues

Three Months Ended March 31, 2022 and March 31, 2021

Our revenue is composed almost entirely of recurring management and advisory fees, with the vast majority of fees earned on committed capital that is typically subject to ten to fifteen year lock up agreements, therefore our average fee rates have remained stable at approximately 1% for the three months ended March 31, 2022 and March 31, 2021. For the three months ended March 31, 2022 compared to the three months ended March 31, 2021, revenues increased $10.5 million or 32% due to higher management fees primarily from the impact of organic growth of $6.7 million across RCP, TrueBridge, and Five Points as well as $3.8 million driven by the acquisition of Hark and Bonaccord in 2021.

Management and advisory fees increased $10.5 million, or 32%, to $43.0 million for the three months ended March 31, 2022 as compared to the three months ended March 31, 2021 due primarily to organic growth at RCP, TrueBridge, and Five Points of $6.7 million driven by increases in FPAUM, primarily from capital raised and additional fund closings. The acquisitions of Bonaccord and Hark on September 30, 2021, contributed management fee and advisory revenues of $3.8 million. Catch up fees for the three months ended March 31, 2022 were $0.7 million associated with the fund closings at TrueBridge and RCP.

Other revenues, which represent ancillary elements of our business, increased by $0.1 million or 30% to $0.3 million for the three months ended March 31, 2022 as compared to the three months ended March 31, 2021 driven primarily by an increase of $0.1 million of interest income in other revenue.

	For the Three Months Ended March 31,			
	2022	**2021**	**$ Change**	**% Change**
OPERATING EXPENSES	(in thousands)			
Compensation and benefits	$ 18,494	$ 11,936	$ 6,558	55 %
Professional fees	2,612	2,731	(119)	(4)%
General, administrative, and other	4,112	2,037	2,075	102 %
Contingent consideration expense	127	28	99	354 %
Amortization of intangibles	6,181	7,484	(1,303)	(17)%
Strategic alliance expense	152	—	152	100 %
Total operating expenses	$ 31,678	$ 24,216	$ 7,462	31 %

Operating Expenses

For the Three Months Ended March 31, 2022 and March 31, 2021

Total operating expenses increased by $7.5 million, or 31%, to $31.7 million for the three months ended March 31, 2022 compared to the three months ended March 31, 2021. This increase was primarily due to increases in compensation and benefits as well as general, administrative, and other offset by fully amortized intangible assets at RCP and declining amortization expense of intangibles at ECG.

Compensation and benefits expense increased by $6.6 million, or 55%, to $18.5 million, for the three months ended March 31, 2022 compared to the three months ended March 31, 2021. The increase was driven by a number of factors. The acquisitions of Hark and Bonaccord on September 30, 2021 added $2.2 million of compensation expense in the first quarter of 2022. Five Points made a $1.7 million one time payment to buyout the employment contracts for the prior partners during the first quarter of 2022. Stock compensation expense increased by $1.1 million, due to RSUs and stock options issued to employees during the first quarter of 2022 as well as RSAs issued in late 2021. There was a $0.7 million increase associated with the build out of P10 back office to meet the compliance needs of a public company. The final driver is a $1.0 million increase associated with an increase in headcount across all subsidiaries.

Professional fees decreased by $0.1 million, or 4%, to $2.6 million. The similar expense for the three months ended March 31, 2022 compared to 2021 due to the slower acquisition activity in both first quarters. The primary cost in professional fees for the three months ended March 31, 2022 and 2021 are audit fees incurred associated with year end reporting.

General, administrative and other increased by $2.1 million, or 102% to $4.1 million, due primarily to the increase of $0.7 million in D&O insurance driven by the IPO transaction at the end of 2021, $0.3 million due to the acquisitions of Hark and Bonaccord, and $0.3 million of additional rent expense for the three months ended March 31, 2022 as compared to the three months ended March 31, 2021. The remaining $0.5 million increase was individually insignificant increases in cost at each subsidiary driven by an additional leased office space, insurance costs, and general operations.

Contingent consideration expense increased $0.1 million, to $0.1 million, for the three months ended March 31, 2022 as compared to the three months ended March 31, 2021. This was driven by remeasurement during the first quarter of 2022 of the contingent consideration payable in connection with the acquisitions of Hark and Bonaccord.

Amortization of intangibles decreased by $1.3 million, or (17)%, to $6.2 million, for the three months ended March 31, 2022 as compared to the three months ended March 31, 2021. The decrease is due to $1.8 million less in expense in the first quarter of 2022 as compared to 2021 at RCP due to fully amortized intangible assets and at ECG due to declining amortization expense. This was offset by an addition of $0.5 million in amortization expense driven by the acquisitions of Hark and Bonaccord on September 30, 2021.

Other Income/(Expense)

For the Three Months Ended December 31, 2021 and December 31, 2020

Other expenses decreased by $4.1 million, or (80)%, to $1.1 million for the three months ended March 31, 2022 compared to the three months ended March 31, 2021. This decrease was primarily driven by the early extinguishment of the credit and guaranty facility on December 22, 2021. The credit and guaranty facility incurred interest at a rate of 7%. This was replaced with the revolving credit facility and term loan which incurs interest at a base rate of 2.1% plus SOFR. The decline in interest expense for the three months ended March 31, 2022 as compared to the three months ended March 31, 2021 is a function both of lower interest rates as well as $65.1 million less in outstanding interest-bearing principal as of March 31, 2022. The lower principal balance was a result of the paydown of debt with IPO proceeds and operating cash flow during the last year.

Income Tax Expense

For the Three Months Ended March 31, 2022 and March 31, 2021

Income tax expense increased by $2.1 million to $2.8 million for the three months ended March 31, 2022 compared to an expense of $0.7 million for the three months ended March 31, 2021. The increase was primarily due to the increase of pre-tax income during 2022.

FPAUM

The following table provides a period-to-period roll-forward of our fee paying assets under management on a pro forma basis as if Hark and Bonaccord were acquired on January 1, 2021.

	For the Three Months Ended March 31, 2022 (in millions)	For the Three Months Ended March 31, 2021 (in millions)
Balance, Beginning of Period	$ 17,263	$ 13,351
Add:		
Acquisitions	—	—
Capital raised (1)	496	476
Capital deployed (2)	224	81
Net Asset Value Change (3)	4	4
Less:		
Scheduled fee base stepdowns	(79)	(32)
Expiration of fee period	(316)	(12)
Balance, End of period	$ 17,592	$ 13,868

(1) Represents new commitments from funds that earn fees on a committed capital fee base.
(2) In certain vehicles, fees are based on capital deployed, as such increasing FPAUM.
(3) Net asset value change consists primarily of the impact of market value appreciation (depreciation) from funds that earn fees on a net asset value basis.

The following table provides a period-to-period roll-forward of our fee paying assets under management on an actual basis.

	For the Three Months Ended March 31, 2022 (in millions)	For the Three Months Ended March 31, 2021 (in millions)
Balance, Beginning of Period	$ 17,263	$ 12,706
Add:		
Acquisitions	—	—
Capital raised (1)	496	356
Capital deployed (2)	224	68
Net Asset Value Change (3)	4	4
Less:		
Scheduled fee base stepdowns	(79)	(32)
Expiration of fee period	(316)	(12)
Balance, End of period	$ 17,592	$ 13,090

(1) Represents new commitments from funds that earn fees on a committed capital fee base.
(2) In certain vehicles, fees are based on capital deployed, as such increasing FPAUM.
(3) Net asset value change consists primarily of the impact of market value appreciation (depreciation) from funds that earn fees on a net asset value basis.

FPAUM as of March 31, 2022

FPAUM increased $0.3 billion, or 1.9%, to $17.6 billion on a pro forma basis and $0.3 billion or 1.9% to $17.6 billion on an actual basis for the three months ended March 31, 2022, due primarily to an increase in capital raised and deployed from our private equity and venture capital solutions of $720 million offset by $395 million of step downs and expirations at RCP and TrueBridge. Our FPAUM growth and concentration across solutions and vehicles has been relatively consistent over time but can vary in particular periods due to the systematic fundraising cycles of new funds, which typically lasts 12-24 months. We expect to continue to expand our fundraising efforts and grow FPAUM with the launch of new specialized investment vehicles and asset class solutions.

FPAUM as of March 31, 2021

FPAUM increased $0.5 billion, or 3.9%, to $13.9 billion on a pro forma basis for the three months ended March 31, 2021, due primarily to an increase in capital raised from our private equity, venture capital and impact investment solutions. FPAUM increased $0.4 billion, or 3.0%, to $13.1 billion on an actual basis for the three months ended March 31, 2021, due primarily to an increase in capital raised and deployed from our private equity and venture capital investment solutions of $424 million offset by $44 million in step downs and expirations. Our FPAUM growth and concentration across solutions and vehicles has been relatively consistent over time but can vary in particular periods due to the systematic fundraising cycles of new funds, which typically lasts 12 - 24 months. We expect to continue to expand our fundraising efforts and grow FPAUM with the launch of new specialized investment vehicles and asset class solutions.

Non-GAAP Financial Measures

Below is a description of our unaudited non-GAAP financial measures. These are not measures of financial performance under GAAP and should not be construed as a substitute for the most directly comparable GAAP measures, which are reconciled below. These measures have limitations as analytical tools, and when assessing our operating performance, you should not consider these measures in isolation or as a substitute for GAAP measures. Other companies may calculate these measures differently than we do, limiting their usefulness as a comparative measure.

We use Adjusted Net Income, or ANI, as well as Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) to provide additional measures of profitability. We use the measures to assess our performance relative to our intended strategies, expected patterns of profitability, and budgets, and use the results of that assessment to adjust our future activities to the extent we deem necessary. ANI reflects our actual cash flows generated by our core operations. ANI is calculated as Adjusted EBITDA, less actual cash paid for interest and federal and state income taxes.

In order to compute Adjusted EBITDA, we adjust our GAAP net income for the following items:

- Expenses that typically do not require us to pay them in cash in the current period (such as depreciation, amortization and stock-based compensation),
- The cost of financing our business,
- Losses associated with extinguishing debt outstanding,
- Acquisition-related expenses which reflects the actual costs incurred during the period for the acquisition of new businesses, which primarily consists of fees for professional services including legal, accounting, and advisory,
- Registration-related expenses includes professional services associated with our prospectus process incurred during the period, and does not reflect expected regulatory, compliance, and other costs associated with those that were incurred subsequent to our Initial Public Offering, and
- The effects of income taxes.

Adjusted Net Income in 2021 reflects the cash payments made for interest, which differs significantly from total interest expense that includes non-cash interest on the non-interest-bearing Seller Notes related to our acquisitions of RCP 2 and RCP 3 that existed. Similarly, the cash income taxes paid during the periods differ significantly from the net income tax expense, which is primarily comprised of deferred tax expense as described in the results of operations.

	For the Three Months Ended March 31,	
	2022	2021
	(in thousands)	
Net income	$ 7,792	$ 2,215
Add back (subtract):		
Depreciation & amortization	6,276	7,551
Interest expense, net	1,385	5,470
Income tax expense	2,755	661
Non-recurring expenses	2,730	798
Non-cash stock based compensation	1,515	424
Adjusted EBITDA	22,453	17,119
Less:		
Cash interest expense	(398)	(4,624)
Cash income taxes, net of taxes related to acquisitions	236	(407)
Adjusted Net Income	$ 22,291	$ 12,088

Financial Position, Liquidity and Capital Resources

Selected Statements of Financial Position

	As of March 31, 2022	As of December 31, 2021	$ Change	% Change
	(in thousands)			
Cash and cash equivalents	$ 23,655	$ 40,916	$ (17,261)	(42)%
Goodwill and other intangibles	541,332	547,489	(6,157)	(1)%
Total assets	655,528	676,217	(20,689)	(3)%
Debt obligations	187,690	212,496	(24,806)	(12)%
Stockholders' equity	$ 391,935	$ 395,164	$ (3,229)	(1)%

There was a decrease in cash and cash equivalents of $17.3 million from December 31, 2021 to $23.7 million as of March 31, 2022 primarily due to the paydown of $25 million on the revolving credit facility principal balance in February 2022. There was a decrease in goodwill and intangible assets of $6.2 million due to amortization of intangibles during the three months ended March 31, 2022. Remaining total assets increased in the same period by $2.7 million. The increase of $2.7 million is driven by an increase in accounts receivable from related parties which is entirely due to ECG's Advisory

Agreement with Enhanced PC and Crossroads. Debt obligations declined by $24.8 million which is driven by a $25.0 million principal pay down in February 2022 on the revolving credit facility which is offset by additional debt issuance costs.

Historical Liquidity and Capital Resources

We have continued to support our ongoing operations through the receipt of management and advisory fee revenues. However, to fund our continued growth, we have utilized capital obtained through debt and equity raises. Our ability to continue to raise funds will be critical as we pursue additional business development opportunities and new acquisitions.

On December 22, 2021, P10, Inc. entered into a Term Loan and Revolving Credit Facility with JP Morgan Chase Bank, N.A.. The term loan and revolving credit facility provides financing for acquisition activity. The term loan provides for a $125.0 million facility and the revolving credit facility provides for an additional $125.0 million. There is also a $125 million accordion feature available in the credit agreement.

Both facilities are Term SOFR Loans. The Company can elect one or three months for the Revolver Facility and three or six months for the Term Loan. The Company elected a six month SOFR rate at the time of draw for the term loan and a one month SOFR rate for the Revolver Facility at the time of draw. Principal is contractually repaid at a rate of 1.25% on the term loan quarterly effective March 31, 2023. The Revolving Credit Facility has no contractual principal repayments until maturity, which is December 22, 2025 for both facilities.

The Credit Agreement contains affirmative and negative covenants typical of such financing transactions, and specific financial covenants which require P10 to maintain a minimum leverage ratio. As of March 31, 2022, P10 was in compliance with its financial covenants required under the facility. In February 2022, the Company repaid $25 million of the principal balance outstanding on the revolving credit facility. As of March 31, 2022, the balance drawn on the revolving credit facility is $65.9 million and on the term loan, the balance is $125.0 million. For the three months ended March 31, 2022 and March 31, 2021, $0.9 million and $0 interest expense was incurred, respectively.

Cash Flows

Three Months Ended March 31, 2022 Compared to the Three Months Ended March 31, 2021

The following table reflects our cash flows for the three months ended March 31, 2022 and 2021:

	For the Three Months Ended March 31,			
	2022	2021	$ Change	% Change
	(in thousands)			
Net cash provided by operating activities	$ 7,622	$ 9,476	$ (1,855)	(20)%
Net cash used in investing activities	(424)	(1,183)	759	(64)%
Net cash used in financing activities	(25,008)	(7,699)	(17,309)	225%
Increase (decrease) in cash and cash equivalents and restricted cash	$ (17,810)	$ 594	$ (18,405)	(3,098)%

Operating Activities

Three Months Ended March 31, 2022 and March 31, 2021

Cash from operating activities decreased $1.9 million or (20)%, to $7.6 million for the three months ended March 31, 2022 compared to the three months ended March 31, 2021. The components of this net decrease primarily consisted of the following changes in operating assets and liabilities:

- An increase of $5.0 million in net income driven primarily by organic growth;
- An increase in stock based compensation expense of $1.1 million;
- An increase in due from related parties of $5.7 million, primarily attributable to ECG's advisory agreement with Enhanced PC;
- A decrease in due to related parties of $1.8 million;

Investing activities

Three Months Ended March 31, 2022 and March 31, 2021

The cash used in investing activities decreased by $0.8 million, or (64)% to ($0.4) million, for the three months ended March 31, 2022 as compared to the three months ended March 31, 2021. This decrease in cash used was due almost entirely to the 2021 post-closing adjustment to the ECG working capital. There was no acquisition activity at the end of 2021 to carry over into 2022.

Financing Activities

Three Months Ended March 31, 2022 and March 31, 2021

We recorded a net $25.0 million for the three months ended March 31, 2022 for cash used in financing activities, as compared to cash used in financing activities of $7.7 million for the three months ended March 31, 2021. The $25.0 million of cash used in 2022 was entirely driven by the pay down in principal on the revolving credit facility in February 2022.

Future Sources and Uses of Liquidity

We generate significant cash flows from operating activities. We believe that we will be able to continue to meet our current and long-term liquidity and capital requirements through our cash flows from operating activities, existing cash and cash equivalents, and our external financing activities.

Off Balance Sheet Arrangements

We do not invest in any off-balance sheet vehicles that provide liquidity, capital resources, market or credit risk support, or engage in any activities that expose us to any liability that is not reflected in our consolidated financial statements.

Contractual Obligations, Commitments and Contingencies

In the ordinary course of business, we enter contractual arrangements that require future cash payments. The following table sets forth information regarding our anticipated future cash payments under our contractual obligations as of March 31, 2022:

	Total	2022	2023	2024	2025	2026	Thereafter
				(in thousands)			
Operating lease obligations [1]	$ 19,499	$ 1,599	$ 2,937	$ 3,184	$ 2,028	$ 1,690	$ 8,061
Debt obligations [2]	190,900	—	6,250	6,250	178,400	—	—
Total	$ 210,399	$ 1,599	$ 9,187	$ 9,434	$ 180,428	$ 1,690	$ 8,061

1) We lease office space under agreements that expire periodically through 2030. The table only includes guaranteed minimum lease payments under these agreements and does not project other related payments.
2) Debt obligations presented in the table reflect scheduled principal payments related to the various debt instruments of the Company.

Critical Accounting Policies and Estimates

We prepare our consolidated financial statements in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and include the accounts of the Company and its consolidated subsidiaries. The preparation of the Consolidated Financial Statements in conformity with U.S. 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 dates of the Consolidated Financial Statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. We believe the following critical accounting policies could potentially produce materially different results if we were to change the underlying assumptions, estimates, or judgements. See Note 2, "Significant Accounting Policies" for a summary of our significant accounting policies.

Basis of Presentation

The accompanying Consolidated Financial Statements are prepared in accordance with GAAP. Management believes it has made all necessary adjustments so that the Consolidated Financial Statements are presented fairly and that estimates made in preparing the Consolidated Financial Statements are reasonable and prudent. The Consolidated Financial Statements include the accounts of the Company, its wholly owned or majority-owned subsidiaries and entities in which the Company is deemed to have a direct or indirect controlling financial interest based on either a variable interest model or voting interest model. All intercompany transactions and balances have been eliminated upon consolidation. Certain entities in which the Company holds an interest are investment companies that follow specialized accounting rules under GAAP and reflect their investments at estimated fair value. Accordingly, the carrying value of the Company's equity method investments in such entities retains the specialized accounting treatment.

Principles of Consolidation

The Company performs the variable interest analysis for all entities in which it has a potential variable interest. If the Company has a variable interest in the entity and the entity is a variable interest entity ("VIE"), we will also analyze whether the Company is the primary beneficiary of this entity and if consolidation is required.

Generally, VIEs are entities that lack sufficient equity to finance their activities without additional financial support from other parties, or whose equity holders, as a group, lack one or more of the following characteristics: (a) direct or indirect ability to make decisions, (b) obligation to absorb expected losses or (c) right to receive expected residual returns. A VIE must be evaluated quantitatively and qualitatively to determine the primary beneficiary, which is the reporting entity that has (a) the power to direct activities of a VIE that most significantly impact the VIE's economic performance and (b) the obligation to absorb losses of the VIE that could potentially be significant to the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE. The primary beneficiary is required to consolidate the VIE for financial reporting purposes.

To determine a VIE's primary beneficiary, we perform a qualitative assessment to determine which party, if any, has the power to direct activities of the VIE and the obligation to absorb losses and/or receive its benefits. This assessment involves identifying the activities that most significantly impact the VIE's economic performance and determine whether we, or another party, has the power to direct those activities. When evaluating whether we are the primary beneficiary of a VIE, we perform a qualitative analysis that considers the design of the VIE, the nature of our involvement and the variable interests held by other parties. See Note 7 for further information.

The Company has determined that certain of its subsidiaries are VIEs, and that the Company is the primary beneficiary of the entities, because it has the power to direct activities of the entities that most significantly impact the VIE's economic performance and has a controlling financial interest in each entity. Accordingly, the Company consolidates these entities, which include Holdco, RCP 2, RCP 3, TrueBridge, Hark and Bonaccord. The assets and liabilities of the consolidated VIEs are presented gross in the Consolidated Balance Sheets. The liabilities of our consolidated VIE's are obligations of those entities and their creditors do not generally have recourse to the assets of P10. See Note 7 for more information on both consolidated and unconsolidated VIEs.

Entities that do not qualify as VIEs are assessed for consolidation as voting interest entities under the voting interest model. Under the voting interest model, the Company consolidates those entities it controls through a majority voting interest or other means. Five Points, P10 Intermediate, P10 Holdings, and ECG are concluded to be consolidated subsidiaries of P10 under the voting interest model.

Revenue Recognition of Management Fees and Management Fees Received in Advance

On January 1, 2019, the Company adopted ASC 606, Revenue from Contracts with Customers ("ASC 606") using the modified retrospective method. The adoption did not change the historical pattern of recognizing revenue for management fees. Accordingly, the Company did not record a cumulative adjustment upon adoption.

Revenue is recognized when the Company transfers promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled to in exchange for those goods or services.

While the determination of who is the customer in a contractual arrangement will be made on a contract-by-contract basis, the customer will generally be the investment fund for the Company's significant management and advisory contracts.

Management and Advisory Fees

The Company earns management fees for asset management services provided to the Funds where the Company has discretion over investment decisions. The Company primarily earns fees for advisory services provided to clients where the Company does not have discretion over investment decisions. Management and advisory fees received in advance reflects the amount of fees that have been received prior to the period the fees are earned. These fees are recorded as deferred revenue on the Consolidated Balance Sheets.

For asset management and advisory services, the Company typically satisfies its performance obligations over time as the services are rendered, since the customers simultaneously receive and consume the benefits provided as the Company performs the service. The transaction price is the amount of consideration to which the Company expects to be entitled based on the terms of the arrangement. For certain funds, management fees are initially calculated based on committed capital during the investment period and on net invested capital through the remainder of the fund's term. Additionally, the management fee may step down for certain funds depending on the contractual arrangement. Advisory services are generally based upon fixed amounts and billed quarterly. Other advisory services include transaction and management fees associated with managing the origination and ongoing compliance of certain investments.

Income Taxes

Current income tax expense represents our estimated taxes to be paid or refunded for the current period. In accordance with Accounting Standards Codification (ASC) 740, Income Taxes ("ASC 740"), we recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the financial reporting and tax basis of assets and liabilities, as well as for operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which the differences are expected to reverse. Valuation allowances are recorded to reduce deferred tax assets to the amount we believe is more likely than not to be realized.

Uncertain tax positions are recognized only when we believe it is more likely than not that the tax position will be upheld on examination by the taxing authorities based on the merits of the position. We recognize interest and penalties, if any, related to uncertain tax positions in income tax expense.

We file various federal and state and local tax returns based on federal and state local consolidation and stand- alone tax rules as applicable.

Item 3. Qualitative and Quantitative Disclosures about Market Risk.

In the normal course of business, we are exposed to a broad range of risks inherent in the financial markets in which we participate, including price risk, interest-rate risk, access to and cost of financing risk, liquidity risk, and counterparty risk. Potentially negative effects of these risks may be mitigated to a certain extent by those aspects of our investment approach, investment strategies or other business activities that are designed to benefit, either in relative or absolute terms, from periods of economic weakness, tighter credit or financial market dislocations.

Our predominant exposure to market risk is related to our role as general partner or investment manager for our specialized investment vehicles and the sensitivities to movements in the fair value of their investments and overall returns for our investors. Since our management fees are generally based on commitments or net invested capital, our management fee and advisory fee revenue is not significantly impacted by changes in investment values, but unfavorable changes in the value of the assets we manage could adversely impact our ability to attract and retain our investors.

Fair value of the financial assets and liabilities of our specialized investment vehicles may fluctuate in response to changes in the value of underlying assets, and interest rates.

Interest Rate Risk

As of March 31, 2022, we had $190.9 million in outstanding principal under our Term Loan and Revolving Credit Facility. The annual interest rate on the Term Loan is based on SOFR, subject to a floor of 0.10%, plus 2.00%. On March 31, 2022, the interest rate on these borrowings was 2.1% + SOFR. We estimate that a 100-basis point increase in the interest rate would result in an approximately $1.4 million increase in interest expense related to the loan over the next 12 months.

Credit Risk

We are party to agreements providing for various financial services and transactions that contain an element of risk in the event that the counterparties are unable to meet the terms of such agreements. In such agreements, we depend on the respective counterparty to make payment or otherwise perform. We generally endeavor to minimize our risk of exposure by limiting the counterparties with which we enter into financial transactions to reputable financial institutions. In other circumstances, availability of financing from financial institutions may be uncertain due to market events, and we may not be able to access these financing markets.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

We maintain disclosure controls and procedures, as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, that are designed to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms, and that such information is accumulated and communicated to our management, including our Co-Chief Executive Officers and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing disclosure controls and procedures, our management necessarily was required to apply its judgement in evaluating the cost-benefit relationship of possible disclosure controls and procedures. The design of any disclosure controls and procedures also is based in part upon certain assumptions about likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired objectives.

Our management, under the supervision and with the participation of our Co-Chief Executive Officers and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15 under the Exchange Act as of the end of the period covered by this report. Based on that evaluation, our Co-Chief Executive Officers and Chief Financial Officer have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) are effective to provide reasonable assurance that information that we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission rules and forms, and that such information is accumulated and communicated to our management, including our Co-Chief Executive Officers and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures.

Changes in Internal Controls over Financial Reporting

There have been no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during our most recent quarter ended March 31, 2022 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

The information required with respect to this item can be found under "Contingencies" in Note 14, Commitments and Contingencies, to our consolidated financial statements included elsewhere in this annual report, and such information is incorporated by reference into this Item 1.

Item 1A. Risk Factors.

There have been no material changes from the risk factors previously disclosed in "Risk Factors" included in our annual report on Form 10-K for the year ended December 31, 2021.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Not applicable.

Item 3. Defaults Upon Senior Securities.

Not applicable.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information

Not applicable.

Item 6. Exhibits.

Exhibit Number	Description
3.1	Amended and Restated Certificate of Incorporation of P10, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on October 26, 2021).
3.2	Amended and Restated Bylaws of P10, Inc. (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed on October 26, 2021).
4.1	Rights Agreement, dated as of October 20, 2021, by and among the Company and American Stock Transfer & Trust Company, LLC, as rights agent (incorporate by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on October 26, 2021).
31.1*	Certification of Co-Chief Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Co-Chief Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.3*	Certification of Chief Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Co-Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Co-Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.3*	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith.

SIGNATURES

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

	P10, Inc.	
Date: May 13, 2022	By:	/s/ Robert Alpert **Robert Alpert** **Co-Chief Executive Officer and Chairman of the Board of Directors (Co-Principal Executive Officer)**
Date: May 13, 2022	By:	/s/ C. Clark Webb **C. Clark Webb** **Co-Chief Executive Officer and Director (Co-Principal Executive Officer)**
Date: May 13, 2022	By:	/s/ Amanda Coussens **Amanda Coussens** **Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)**

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Robert Alpert, certify that:

1. I have reviewed this Form 10-Q of P10, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 13, 2022

By: /s/ Robert Alpert
Robert Alpert
Co-Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, C. Clark Webb, certify that:

1. I have reviewed this Form 10-Q of P10, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 13, 2022

By: /s/ C. Clark Webb
C. Clark Webb
Co-Chief Executive Officer

Exhibit 31.3

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Amanda Coussens, certify that:

1. I have reviewed this Form 10-Q of P10, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 13, 2022

By: /s/ Amanda Coussens
Amanda Coussens
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of P10, Inc. (the “Company”) on Form 10-Q for the quarter ended March 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: May 13, 2022

By: /s/ Robert Alpert

Robert Alpert
Co-Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of P10, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: May 13, 2022

By: /s/ C. Clark Webb

C. Clark Webb
Co-Chief Executive Officer

Exhibit 32.3

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of P10, Inc. (the “Company”) on Form 10-Q for the quarter ended March 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: May 13, 2022	By: /s/ Amanda Coussens
	Amanda Coussens
	Chief Financial Officer