P10

August 12, 2021

Dear P10 Shareholders,

We are pleased to report continued momentum across the P10 platform in Q2. Revenues and adjusted net income increased 145% and 106% over the second quarter of 2020. As much of our Fee Paying Assets Under Management ("FPAUM") was raised later in the quarter, we expect the full impact of new management fee revenues in the back half of 2021. Importantly, our investment performance remains strong, and we believe the demand for quality investment solutions across lower middle market private equity, venture capital, impact, and lower middle market private credit has never been stronger.

As a testament to the diversification of our investment solutions, during the quarter we raised $1.2 billion in FPAUM across 14 different investment funds, encompassing all four of our solutions. While it is difficult to predict fundraising quarter to quarter, we are confident we will achieve our goals on an annual basis. With approximately $1 billion in FPAUM raised in the first three months since we outlined our $3 billion goal as part of our Q1 2021 shareholder letter, we are well on our way to meeting or even exceeding the $3 billion net new FPAUM target by March 31, 2022.

Below is the reconciliation table to our Adjusted EBITDA and Adjusted Net Income (in thousands):

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2021	2020	2021	2020
Net income attributable to P10 Holdings	$ 1,978	$ 1,127	$ 4,193	$ 2,968
Add back (subtract):				
Depreciation & amortization	7,551	3,579	15,102	6,048
Interest expense, net	5,464	2,325	10,934	4,965
Income tax (benefit)/expense	734	(267)	1,395	(1,338)
Non-recurring expenses	612	911	1,411	1,523
Non-cash stock based compensation	568	187	992	330
Adjusted EBITDA	16,907	7,862	34,027	14,496
Less:				
Cash interest expense, net	(4,533)	(1,529)	(9,157)	(4,256)
Cash income taxes, net of tax paid related to acquisitions	(740)	(689)	(1,147)	(689)
Adjusted Net Income	$ 11,634	$ 5,644	$ 23,723	$ 9,551
Weighted average shares outstanding - Basic	89,235	89,235	89,235	89,235
Weighted average shares outstanding - Diluted*	157,047	112,170	156,929	114,257
ANI per share - Basic	$ 0.13	$ 0.06	$ 0.27	$ 0.11
ANI per share - Diluted*	$ 0.07	$ 0.05	$ 0.15	$ 0.08

*The calculation of diluted weighted average shares outstanding assumes the convertible preferred shares have been exchanged; therefore, we have added the converted shares to weighted average shares outstanding to calculate diluted Adjusted Net Income ("ANI") per share. See note 15 in the Unaudited Quarterly Report to Shareholders for the Six Months Ended June 30, 2021 for additional information on the preferred shares.

The table below shows a rollforward of our FPAUM for the three and six months ended June 30, 2021.

	Three Months Ended June 30	Six Months Ended June 30
	2021	2021
	(in millions)	(in millions)
Balance, Beginning of Period	$13,090	$12,706
Add:		
Capital raised (1)	1,002	1,366
Capital deployed (2)	178	219
Net Asset Value Change (3)	3	7
Less:		
Scheduled fee base stepdowns	(94)	(110)
Expiration of fee period	(7)	(16)
Balance, End of period	$14,172	$14,172

(1) Represents new commiments 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.

Moreover, our financial model remains very much intact. Specifically

- We expect to generate approximately 100bps of revenue on our FPAUM. As a reminder, the vast majority of our revenues are management and advisory fees charged on FPAUM whose tenure approaches a decade at fund launch. We believe this recurring, durable, and growing management fee stream generates adjusted net income of the highest quality for shareholders.

- With 55-60% Adjusted EBITDA margins and limited cash tax leakage given our tax assets and structural tax advantages, we expect to efficiently convert management fee revenue into adjusted net income and free cash flow.

- Historically we have allocated virtually all of our free cash flow into M&A, adding additional high-quality solutions to the P10 platform and additional earnings for P10 shareholders. Our M&A pipeline remains robust with multiple strategies looking to join P10, yet in the absence of strategic and accretive M&A we expect to return excess capital to shareholders in the form of dividends, share repurchase, and/or debt paydown.

We continue to believe we are in the early innings of the P10 buildout. Specifically, we would expect continued double digit organic growth even after we eclipse our $16 billion FPAUM near-term target. With our stable management fee rate and efficient conversion of revenues to adjusted net income and free cash flow, we also expect meaningful value accretion to P10 shareholders through effective capital deployment.

We believe the future is bright at P10. Our scale, profitability, and growth outlook, as well as our insider alignment (insiders currently own approximately 82% of P10 shares outstanding) at our company, warrants a closer inspection by a wider public audience. To that end, we continue to explore options to uplist onto a national exchange. As part of that process, we are excited to welcome Travis Barnes to the

P10 Board of Directors. As the Global Head of Financial Sponsors Group and Sustainable and Impact Banking at Barclays PLC, Travis brings invaluable experience both to our Impact vertical and P10 broadly as we look to the future.

For additional detail on P10, please see the Shareholder Presentation on our website: www.p10alts.com.

Sincerely,

Robert Alpert and C. Clark Webb
Co-Chief Executive Officers

Note the financial data contained in this shareholder letter includes non-GAAP financial measures, which are the Company's adjusted EBITDA, adjusted net income and fee-paying assets under management. The Company believes the presentation of these non-GAAP measures provide useful additional information to investors because it provides better comparability of ongoing operating performance to prior periods. It is reasonable to expect that one or more excluded items will occur in future periods, but the amounts recognized can vary significantly from period to period. Because this measure is not a measurement determined in accordance with GAAP and is thus susceptible to varying calculations, it may not be comparable as presented to other similarly titled measures of other companies. Adjusted EBITDA and adjusted net income should not be considered substitutes for net income or cash flows from operating, investing, or financing activities. Fee paying assets under management reflects the assets from which we earn management and advisory fees. 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.

Special Note Regarding Forward-Looking Statements
This stockholder letter contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements about historical or current facts, including, without limitation, statements about our business strategy, plans, and objectives of management and our future prospects, are forward-looking statements.

You can identify forward-looking statements by words such as "may," "will," "expect," "intend," "anticipate," "believe," "estimate," "seek," "continue," and other similar words. You should read statements that contain these words carefully because they discuss our future expectations, make projections of our future results of operations or financial condition, or state other "forward-looking" information.

We claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 for all forward-looking statements. We have based these forward-looking statements on our current expectations and projections about future events. These forward-looking statements are subject to risks, uncertainties and assumptions about our business that could affect our future results and could cause those results or other outcomes to differ materially from those expressed or implied in the forward-looking statements.

We have no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or risks, except to the extent required by applicable securities laws. If we do update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements. New information, future events or risks could cause the forward-looking events we discuss in this report not to occur. You should not place undue reliance on these forward-looking statements, which reflect our expectations only as of the date of this report. Unless otherwise indicated or the context requires otherwise, the words "we," "us," "our," the "Company" and "P10" refer to P10 Holdings, Inc. (formerly Active Power, Inc.) and its wholly owned subsidiaries. References in this report to "$" or "dollars" are to United States of America currency.