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

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended March 31, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from to

Commission file number 001-41222

TPG Inc.
(Exact name of registrant as specified in its charter)

Delaware	**87-2063362**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
301 Commerce Street, Suite 3300 **Fort Worth, TX**	**76102**
	(Zip Code)

(817) 871-4000
Registrant's telephone number, including area code

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock	**TPG**	**The Nasdaq Stock Market LLC (Nasdaq Global Select Market)**
6.950% Subordinated Notes due 2064	**TPGXL**	**The Nasdaq Stock Market LLC (Nasdaq Global Market)**

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

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

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

Large accelerated filer	☒	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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 3, 2024, there were 92,555,842 shares of the registrant’s Class A common stock, 8,258,901 shares of the registrant’s nonvoting Class A common stock and 263,952,639 shares of the registrant’s Class B common stock outstanding.

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Cautionary Note Regarding Forward-Looking Statements

This report may contain forward-looking statements. Forward-looking statements can be identified by words such as “anticipates,” “intends,” “plans,” “seeks,” “believes,” “estimates,” “expects” and similar references to future periods, or by the inclusion of forecasts or projections. Examples of forward-looking statements include, but are not limited to, statements we make regarding the outlook for our future business and financial performance, estimated operational metrics, business strategy and plans and objectives of management for future operations, including, among other things, statements regarding expected growth, future capital expenditures, fund performance, dividends and dividend policy and debt service obligations, such as those contained in “Item 2.—Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, by their nature, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. As a result, our actual results may differ materially from those contemplated by any forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include the inability to recognize the anticipated benefits of the acquisition of Angelo, Gordon & Co., L.P. and AG Funds L.P. (collectively, “Angelo Gordon”); purchase price adjustments; unexpected costs related to the integration of the Angelo Gordon business and operations; our ability to manage growth and execute our business plan; and regional, national or global political, economic, business, competitive, market and regulatory conditions, including, but not limited to, those described in “Item 1A.—Risk Factors” herein and in our Annual Report on Form 10-K for the year ended December 31, 2023 (our “Annual Report”) filed with the United States Securities and Exchange Commission (“SEC”) on February 23, 2024, as such factors may be updated from time to time in our periodic filings with the SEC, which are accessible on the SEC’s website at https://www.sec.gov, and “Item 2.—Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

For the reasons described above, we caution you against relying on any forward-looking statements, which should also be read in conjunction with the other cautionary statements that are included elsewhere in this report. Any forward-looking statement made by us in this Quarterly Report on Form 10-Q speaks only as of the date on which we make it. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

Website and Social Media Disclosure

We use our website (https://www.tpg.com), Rise website (https://therisefund.com), Microsites (https://software.tpg.com, https://healthcare.tpg.com), LinkedIn (https://www.linkedin.com/company/tpg-capital), Twitter (https://twitter.com/tpg), Vimeo (https://vimeo.com/user52190696), Rise YouTube (https://www.youtube.com/channel/UCo8p2iF_I5p-Wr2_MQlzedw/featured) and Rise Instagram (https://www.instagram.com/therisefund/?hl=en) accounts as channels of distribution of company information. The information we post through these channels may be deemed material. Accordingly, investors should monitor these channels, in addition to following our press releases, SEC filings and public conference calls and webcasts. In addition, you may automatically receive email alerts and other information about TPG when you enroll your email address by visiting the “Email Alerts” section of our website at https://shareholders.tpg.com. The contents of our website, any alerts and social media channels are not, however, a part of this report.

TERMS USED IN THIS REPORT

As used in this Quarterly Report on Form 10-Q, unless the context otherwise requires, references to:

- "TPG," "the Company," "we," "our," and "us," or like terms, refer to TPG Inc. and its consolidated subsidiaries taken as a whole.

- "Angelo Gordon" refers, collectively, to Angelo, Gordon & Co., L.P. ("AG OpCo") and AG Funds L.P. ("AG CarryCo"), each a Delaware limited partnership. Following the closing of the Acquisition, we refer to Angelo Gordon as "TPG Angelo Gordon."

- "Class A common stock" refers to Class A common stock of TPG Inc., which entitles the holder to one vote per share. When we use the term "Class A common stock" in this Quarterly Report on Form 10-Q, we are referring exclusively to such voting Class A common stock and not to "nonvoting Class A common stock."

- "Class B common stock" refers to Class B common stock of TPG Inc., which entitles the holder to ten votes per share until the Sunset but carries no economic rights.

- "Common Unit" refers to a common unit in the TPG Operating Group.

- "Exchange Act" refers to the Securities Exchange Act of 1934, as amended.

- "Excluded Assets" refers to the assets and economic entitlements transferred to RemainCo listed in Schedule A to the master contribution agreement entered into in connection with the Reorganization (as defined herein), which primarily include (i) minority interests in certain sponsors unaffiliated with TPG, (ii) the right to certain performance allocations in TPG funds, (iii) certain co-invest interests and (iv) cash.

- "Founders" refers to David Bonderman and James G. ("Jim") Coulter.

- "GP LLC" refers to TPG GP A, LLC, the owner of the general partner of TPG Group Holdings.

- "Guarantors" refers to TPG Inc., and certain indirect consolidated subsidiaries of the Company including TPG Operating Group I, L.P., TPG Operating Group III, L.P. and TPG Holdings II Sub, L.P., that agreed to guarantee the Senior Notes (as defined herein) and Subordinated Notes (as defined herein).

- "Investor Rights Agreement" refers to the Amended and Restated Investor Rights Agreement entered into by TPG Inc. and the other parties thereto on November 1, 2023.

- "IPO" refers to our initial public offering of Class A common stock of TPG Inc. that was completed on January 18, 2022.

- "nonvoting Class A common stock" refers to the nonvoting Class A common stock of TPG Inc., which has no voting rights and is convertible into shares of Class A common stock upon transfer to a third party as and when permitted by the Investor Rights Agreement.

- "Notes Issuer" refers to TPG Operating Group II, L.P., an indirect consolidated subsidiary of the Company.

- "Pre-IPO Investors" refers to certain sovereign wealth funds, other institutional investors and certain other parties that entered into a strategic relationship with us prior to the Reorganization.

- "Public SPACs" refers to Pace Holdings Corp., TPG Pace Holdings Corp., TPG Pace Tech Opportunities Corp., TPG Pace Beneficial Finance Corp., TPG Pace Energy Holdings Corp., TPG Pace Solutions Corp., TPG Pace Beneficial II Corp. and AfterNext HealthTech Acquisition Corp.

- "RemainCo" refers to, collectively, Tarrant Remain Co I, L.P., a Delaware limited partnership, Tarrant Remain Co II, L.P., a Delaware limited partnership, and Tarrant Remain Co III, L.P., a Delaware limited partnership, which owns the Excluded Assets, and Tarrant Remain Co GP, LLC, a Delaware limited liability company serving as their general partner.

- “Reorganization” refers to the corporate reorganization, which included a corporate conversion of TPG Partners, LLC to a Delaware corporation named TPG Inc., in conjunction with the IPO. Unless the context suggests otherwise, references in this report to “TPG”, “the Company”, “we”, “us” and “our” refer (i) prior to the completion of the Reorganization and IPO to TPG Group Holdings SBS, L.P. and its consolidated subsidiaries and (ii) from and after the completion of the Reorganization and IPO to TPG Inc. and its consolidated subsidiaries.

- “Securities Act” refers to the Securities Act of 1933, as amended.

- “Sunset” refers to the event that will occur on the date that a majority of the independent directors are elected at the first annual meeting of stockholders (or pursuant to a consent of stockholders in lieu thereof) after the earlier of (i) the earliest date specified in a notice delivered to the Company by GP LLC and its members pursuant to that certain GP LLC limited liability company agreement promptly following the earliest of: (a) the date that is three months after the date that neither Founder continues to be a member of GP LLC, (b) a vote of GP LLC to trigger the Sunset and (c) upon 60-days advance notice, the date determined by either Founder who is then a member of the Control Group to trigger the Sunset, if, following a period of at least 60 days, the requisite parties are unable to agree on the renewal of Mr. Winkelried’s employment agreement or the selection of a new CEO in the event that Mr. Winkelried ceases to serve as our CEO, and (ii) the first day of the quarter immediately following the fifth anniversary of the IPO.

- “Tax Receivable Agreement" refers to the Amended and Restated Tax Receivable Agreement entered into by TPG Inc. and the other parties thereto on November 1, 2023.

- “TPG general partner entities” refers to certain entities that (i) serve as the general partner of certain TPG funds and (ii) are, or historically were, consolidated by TPG Group Holdings.

- “TPG Group Holdings” refers to TPG Group Holdings (SBS), L.P., a Delaware limited partnership that is considered our predecessor for accounting purposes and is a TPG Partner Vehicle and direct owner of certain Common Units and Class B common stock.

- “TPG Operating Group” refers (i) for periods prior to giving effect to the Reorganization, to the TPG Operating Group partnerships and their respective consolidated subsidiaries; (ii) for periods beginning after giving effect to the Reorganization through November 1, 2023, (A) to the TPG Operating Group partnerships and their respective consolidated subsidiaries and (B) not to RemainCo and (iii) for periods after November 1, 2023, to TPG Operating Group II, L.P., a Delaware limited partnership, and its respective consolidated subsidiaries, including TPG Operating Group I, L.P. and TPG Operating Group III, L.P.

- “TPG Operating Group partnerships” refers to TPG Operating Group I, L.P., a Delaware limited partnership formerly named TPG Holdings I, L.P., TPG Operating Group II, L.P., a Delaware limited partnership formerly named TPG Holdings II, L.P., and TPG Operating Group III, L.P., a Delaware limited partnership formerly named TPG Holdings III, L.P.

- “TPG Partner Holdings” refers to TPG Partner Holdings, L.P., a Delaware limited partnership, which is a TPG Partner Vehicle that indirectly owns substantially all of the economic interests of TPG Group Holdings, a TPG Partner Vehicle.

- “TPG Partner Vehicles” refers to, collectively, the vehicles through which the Founders and current and former TPG partners (including such persons’ related entities and estate planning vehicles) hold their equity in the TPG Operating Group, including TPG Group Holdings and TPG Partner Holdings.

- “Transaction Agreement” refers to that certain transaction agreement dated as of May 14, 2023, by and among TPG, the TPG Operating Group, GP LLC, Angelo Gordon and certain of its affiliated entities, as amended on October 3, 2023, October 31, 2023 and March 13, 2024.

In addition, for definitions of “Gross IRR,” “Net IRR,” “Gross MoM,” “Net IRR,” “Net MoM,” and related terms, see “Item 2.—Management’s Discussion and Analysis of Financial Condition and Results of Operations—Net Accrued Performance Allocations—Fund Performance Metrics.”

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements (unaudited)

TPG Inc.
Condensed Consolidated Statements of Financial Condition (unaudited)
(dollars in thousands, except share data)

	March 31, 2024	December 31, 2023
Assets		
Cash and cash equivalents	$ 1,090,713	$ 665,188
Restricted cash[1]	13,327	13,183
Due from affiliates	278,109	418,977
Investments (includes assets pledged of $667,371 and $648,529 as of March 31, 2024 and December 31, 2023, respectively[1])	6,834,809	6,724,112
Intangible assets	621,956	649,508
Goodwill	436,079	436,079
Other assets	664,456	462,625
Total assets	$ 9,939,449	$ 9,369,672
Liabilities, Redeemable Equity and Equity		
Liabilities		
Accounts payable and accrued expenses	$ 277,802	$ 171,796
Due to affiliates	400,093	143,175
Debt obligations[1]	1,229,230	945,052
Accrued performance allocation compensation	4,144,452	4,096,052
Other liabilities	591,554	652,463
Total liabilities	6,643,131	6,008,538
Commitments and contingencies (Note 12)		
Equity		
Class A common stock $0.001 par value, 2,340,000,000 shares authorized (100,726,778 and 80,596,501 shares issued and outstanding as of March 31, 2024 and December 31, 2023, respectively)	101	80
Class B common stock $0.001 par value, 750,000,000 shares authorized (263,952,639 and 281,657,626 shares issued and outstanding as of March 31, 2024 and December 31, 2023, respectively)	264	282
Preferred stock, $0.001 par value, 25,000,000 shares authorized (0 issued and outstanding as of March 31, 2024 and December 31, 2023)	—	—
Additional paid-in-capital	779,513	613,476
Accumulated deficit	(59,520)	(34,681)
Other non-controlling interests	2,575,960	2,781,977
Total equity	3,296,318	3,361,134
Total liabilities, redeemable equity and equity	$ 9,939,449	$ 9,369,672

(1) The Company’s consolidated total assets and liabilities as of March 31, 2024 and December 31, 2023 include assets and liabilities of variable interest entities (“VIEs”). The assets can be used only to satisfy obligations of the VIEs, and the creditors of the VIEs have recourse only to these assets, and not to TPG Inc. See Notes 2, 7 and 8 to the Condensed Consolidated Financial Statements.

TPG Inc.
Condensed Consolidated Statements of Operations (unaudited)
(dollars in thousands, except share and per share data)

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Revenues		
Fees and other	$ 512,295	$ 311,471
Capital allocation-based income	311,776	331,674
Total revenues	824,071	643,145
Expenses		
Compensation and benefits:		
Cash-based compensation and benefits	206,336	120,451
Equity-based compensation	227,908	157,293
Performance allocation compensation	196,434	221,341
Total compensation and benefits	630,678	499,085
General, administrative and other	151,632	104,873
Depreciation and amortization	32,965	8,222
Interest expense	21,122	7,418
Expenses of consolidated Public SPACs	—	519
Total expenses	836,397	620,117
Investment income (loss)		
Net (losses) gains from investment activities	(5,198)	14,816
Interest, dividends and other	12,904	7,971
Investment and other income of consolidated Public SPACs	—	1,962
Total investment income	7,706	24,749
(Loss) income before income taxes	(4,620)	47,777
Income tax expense	4,386	12,103
Net (loss) income	(9,006)	35,674
Net income attributable to redeemable equity in Public SPACs	—	1,529
Net loss attributable to non-controlling interests in TPG Operating Group	(55,037)	(25,492)
Net income attributable to other non-controlling interests	30,512	34,582
Net income attributable to TPG Inc.	$ 15,519	$ 25,055
Net income (loss) per share data:		
Net income (loss) available to Class A common stock per share		
Basic	$ 0.09	$ 0.27
Diluted	$ (0.11)	$ (0.01)
Weighted-average shares of Class A common stock outstanding		
Basic	89,113,782	79,499,319
Diluted	364,350,918	309,140,849

See accompanying notes to Condensed Consolidated Financial Statements.

TPG Inc.
Condensed Consolidated Statements of Changes in Equity (unaudited)
(dollars in thousands, except share data)

	Shares of TPG Inc.		TPG Inc.						
	Class A Common Stock	**Class B Common Stock**	**Class A Common Stock, at par value**	**Class B Common Stock, at par value**	**Additional Paid-In Capital**	**Retained Earnings (Deficit)**	**Total TPG Inc. Equity**	**Other Non-Controlling Interests**	**Total Equity**
Balance at December 31, 2023	80,596,501	281,657,626	$ 80	$ 282	$ 613,476	$ (34,681)	$ 579,157	$2,781,977	$ 3,361,134
Net income (loss)	—	—	—	—	—	15,519	15,519	(24,525)	(9,006)
Equity-based compensation	—	—	—	—	37,285	—	37,285	178,992	216,277
Capital contributions	—	—	—	—	—	—	—	1,043	1,043
Dividends/distributions	—	—	—	—	—	(40,358)	(40,358)	(191,279)	(231,637)
Shares issued for net settlement of equity-based awards	2,425,290	—	3	—	(3)	—	—	—	—
Withholding taxes paid on net settlement of equity-based awards	—	—	—	—	(18,221)	—	(18,221)	(39,827)	(58,048)
Exchange of Common Units to TPG Inc. Class A Common stock and related deferred tax effects	17,704,987	(17,704,987)	18	(18)	16,555	—	16,555	—	16,555
Equity reallocation between controlling and non-controlling interest	—	—	—	—	130,421	—	130,421	(130,421)	—
Balance at March 31, 2024	100,726,778	263,952,639	$ 101	$ 264	$ 779,513	$ (59,520)	$ 720,358	$2,575,960	$ 3,296,318

See accompanying notes to Condensed Consolidated Financial Statements.

TPG Inc.
Condensed Consolidated Statements of Changes in Equity (unaudited)
(dollars in thousands, except share data)

	Shares of TPG Inc.		TPG Inc.						
	Class A Common Stock	Class B Common Stock	Class A Common Stock, at par value	Class B Common Stock, at par value	Additional Paid-In Capital	Retained Earnings (Deficit)	Total TPG Inc. Equity	Other Non-Controlling Interests	Total Equity
Balance at December 31, 2022	79,240,058	229,652,641	$ 79	$ 230	$ 506,639	$ 2,724	$ 509,672	$2,576,199	$ 3,085,871
Net income	—	—	—	—	—	25,055	25,055	9,090	34,145
Equity-based compensation	—	—	—	—	9,320	—	9,320	146,386	155,706
Capital contributions	—	—	—	—	—	—	—	2,791	2,791
Dividends/distributions	—	—	—	—	—	(41,760)	(41,760)	(229,179)	(270,939)
Change in redemption value of redeemable non-controlling interest	—	—	—	—	(91)	—	(91)	(1,092)	(1,183)
Shares issued for net settlement of equity-based awards	252,669	—	0	—	(0)	—	—	—	—
Withholding taxes paid on net settlement of equity-based awards	—	—	—		(1,546)	—	(1,546)	(4,486)	(6,032)
Exchange of Common Units to TPG Inc. Class A Common stock	1,000,000	(1,000,000)	1	(1)	1,085	—	1,085	—	1,085
Equity reallocation between controlling and non-controlling interest	—	—	—	—	7,481	—	7,481	(7,481)	—
Balance at March 31, 2023	80,492,727	228,652,641	$ 80	$ 229	$ 522,888	$ (13,981)	$ 509,216	$2,492,228	$ 3,001,444

See accompanying notes to Condensed Consolidated Financial Statements.

TPG Inc.
Condensed Consolidated Statements of Cash Flows (unaudited)
(dollars in thousands)

	Three Months Ended March 31,	
	2024	**2023**
Operating activities:		
Net (loss) income	$ (9,006)	$ 35,674
Adjustments to reconcile net income to net cash provided by operating activities:		
Equity-based compensation	227,908	157,293
Performance allocation compensation	196,434	221,341
Net losses (gains) from investment activities	5,198	(14,816)
Capital allocation-based income	(311,776)	(331,674)
Depreciation and amortization	32,965	8,222
Other non-cash activities	7,892	9,607
Unrealized losses from investment activities of consolidated Public SPACs	—	750
Changes in operating assets and liabilities:		
Purchases of investments	(165,109)	(21,113)
Proceeds from investments	384,595	172,602
Due from affiliates	119,157	3,253
Other assets	(4,075)	(14,855)
Accounts payable and accrued expenses	105,953	51,580
Due to affiliates	51,149	29,104
Accrued performance allocation compensation	(148,033)	(265,738)
Other liabilities	(56,539)	(3,535)
Assets held in Trust Accounts related to consolidated Public SPACs	—	(2,712)
Other assets and liabilities, net related to consolidated Public SPACs	—	817
Net cash provided by operating activities	436,713	35,800
Investing activities:		
Acquisition of Angelo Gordon	(15,677)	—
Purchases of fixed assets	(9,664)	(896)
Net cash used in investing activities	(25,341)	(896)
Financing activities:		
Proceeds from debt obligations	1,218,500	—
Repayment of debt obligations	(919,500)	—
Issuance costs on debt obligations	(16,479)	—
Withholding taxes paid on net settlement of equity-based awards	(58,048)	(6,032)
Contributions from holders of other non-controlling interests	1,043	2,791
Dividends/Distributions	(211,219)	(207,090)
Net cash provided by (used in) financing activities	$ 14,297	$ (210,331)
Net change in cash, cash equivalents and restricted cash	$ 425,669	$ (175,427)
Cash, cash equivalents and restricted cash, beginning of period	678,371	1,120,650
Cash, cash equivalents and restricted cash, end of period	$ 1,104,040	$ 945,223
Supplemental disclosures of other cash flow information:		
Cash paid for income taxes	$ 5,050	$ 1,895
Cash paid for interest	11,902	3,897
Reconciliation of cash, cash equivalents and restricted cash, end of period:		
Cash and cash equivalents	$ 1,090,713	$ 931,946
Restricted cash	13,327	13,277
Cash, cash equivalents and restricted cash, end of period	$ 1,104,040	$ 945,223

See accompanying notes to Condensed Consolidated Financial Statements.

TPG Inc.
Notes to Condensed Consolidated Financial Statements
(unaudited)

1. Organization

TPG Inc., along with its consolidated subsidiaries (collectively "TPG," or the "Company") is a leading global alternative asset manager on behalf of third-party investors under the "TPG" brand name. TPG Inc. includes the consolidated accounts of management companies, general partners of pooled investment entities and variable interest entities, in which the Company is the primary beneficiary, held by TPG Operating Group II, L.P., a holding company ("TPG Operating Group").

As of March 31, 2024, TPG Inc. held approximately 28% of the outstanding Common Units of the TPG Operating Group.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements (the "Condensed Consolidated Financial Statements") have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and reflect all adjustments, consisting only of normal recurring adjustments, which are, in the opinion of management, necessary for a fair presentation of the Company's Condensed Consolidated Financial Statements. All dollar amounts are stated in thousands unless otherwise indicated. All intercompany transactions and balances have been eliminated. Certain comparative amounts for the prior fiscal period have been reclassified to conform to the financial statement presentation as of and for the period ended March 31, 2024.

The Condensed Consolidated Financial Statements include the accounts of TPG Inc., TPG Operating Group and their consolidated subsidiaries, management companies, the general partners of funds and entities that meet the definition of a variable interest entity ("VIE") for which the Company is considered the primary beneficiary.

Public SPACs are consolidated pursuant to U.S. GAAP, and the accompanying Condensed Consolidated Financial Statements include the assets, liabilities, revenues, expenses and cash flows of the consolidated Public SPACs.

All of the management fees and other amounts earned from the consolidated Public SPACs are eliminated in consolidation. In addition, the equivalent expense amounts recorded by the consolidated Public SPACs are also eliminated, with such reduction of expenses allocated to controlling interest holders. Accordingly, the consolidation of these entities has no net effect on net income attributable to TPG Inc. or net income attributable to other non-controlling interests. As of December 31, 2023, the Company did not have any investment in consolidated Public SPACs.

Use of Estimates

The preparation of the Condensed Consolidated Financial Statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the Condensed Consolidated Financial Statements, and the reported amounts of revenues, expenses, and investment income during the reporting periods. Actual results could differ from those estimates and such differences could be material to the Condensed Consolidated Financial Statements.

Principles of Consolidation

The types of entities TPG assesses for consolidation include subsidiaries, management companies, broker-dealers, general partners of investment funds, investment funds, SPACs and other entities. Each of these entities is assessed for consolidation on a case by case basis depending on the specific facts and circumstances surrounding that entity.

TPG first considers whether an entity is considered a VIE and therefore whether to apply the consolidation guidance under the VIE model. Entities that do not qualify as VIEs are assessed for consolidation as voting interest entities ("VOE") under the voting interest model.

An entity is considered to be a VIE if any of the following conditions exist: (i) the equity investment at risk is not sufficient to finance the activities of the entity without additional subordinated financial support, (ii) as a group, the holders of the equity investment at risk lack the power to direct the activities that most significantly impact the entity's economic performance or the obligation to absorb the expected losses or right to receive the expected residual returns, and (iii) the voting rights of some holders of the equity investment at risk are disproportionate to their obligation to absorb losses or right to receive returns, and substantially all of the activities are conducted on behalf of the holder of equity investment at risk with disproportionately few voting rights. For limited partnerships, partners lack power if neither (i) a simple majority or lower threshold (including a single limited partner) with equity at risk is able to exercise substantive kick-out rights through voting interests over the general partner, nor (ii) limited partners with equity at risk are able to exercise substantive participating rights over the general partners.

TPG consolidates all VIEs in which it is the primary beneficiary. An entity is determined to be the primary beneficiary if it holds a controlling financial interest in a VIE. A controlling financial interest is defined as (i) the power to direct the activities of a VIE that most significantly impact the VIE's economic performance and (ii) the obligation to absorb losses of the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE. The consolidation guidance requires an analysis to determine (i) whether an entity in which TPG holds a variable interest is a VIE and (ii) whether TPG's involvement, through holding interest directly or indirectly in the entity or contractually through other variable interests, would give it a controlling financial interest. Performance of that analysis requires judgment. The analysis can generally be performed qualitatively; however, if it is not readily apparent that TPG is not the primary beneficiary, a quantitative analysis may also be performed. TPG factors in all economic interests including interests held through related parties, to determine if it holds a variable interest. Fees earned by TPG that are customary and commensurate with the level of effort required for the services provided, and where TPG does not hold other economic interests in the entity that would absorb more than an insignificant amount of the expected losses or returns of the entity, would not be considered variable interests. TPG determines whether it is the primary beneficiary of a VIE at the time it becomes involved with a VIE and continuously reconsiders that conclusion when facts and circumstances change.

Entities that are determined not to be VIEs are generally considered to be VOEs and are evaluated under the voting interest model. TPG consolidates VOEs that it controls through a majority voting interest or through other means.

Investments

Investments consist of investments in private equity funds, real estate funds, hedge funds and credit funds, including our share of any performance allocations and equity method and other proprietary investments. Investments denominated in currencies other than the U.S. dollar are valued based on the spot rate of the respective currency at the end of the reporting period with changes related to exchange rate movements reflected in the Condensed Consolidated Financial Statements.

Equity Method – Performance Allocations and Capital Interests

Investments in which the Company is deemed to have significant influence, but not control, are accounted for using the equity method of accounting except in cases where the fair value option has been elected. The Company as general partner has significant influence over the TPG funds in which it invests but does not consolidate. The Company uses the equity method of accounting for these interests whereby it records both its proportionate and disproportionate allocation of the underlying profits or losses of these entities in revenues in the accompanying Condensed Consolidated Financial Statements. The carrying amounts of equity method investments are included in investments in the Condensed Consolidated Financial Statements. 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. The difference between the carrying value and its estimated fair value is recognized as an impairment when the loss is deemed other than temporary.

The TPG funds are considered investment companies under Accounting Standards Codification ("ASC") Topic 946, *Financial Services – Investment Companies* ("ASC 946"). The Company, along with the TPG funds, applies the specialized accounting promulgated in ASC 946 and, as such, neither the Company nor the TPG funds consolidate wholly-owned, majority-owned and/or controlled portfolio companies. The TPG funds record all investments in the portfolio companies at fair value. Investments in publicly traded securities are generally valued at quoted market prices based upon the last sales price on the measurement date. Discounts are applied, where appropriate, to reflect restrictions on the marketability of the investment.

When observable prices are not available for investments, the general partners use the market and income approaches to determine fair value. The market approach consists of utilizing observable market data, such as current trading or acquisition multiples of comparable companies, and applying it to key financial metrics, such as earnings before interest, depreciation and taxes, of the portfolio company. The comparability of the identified set of comparable companies to the portfolio company, among other factors, is considered in the application of the market approach.

The general partners, depending on the type of investment or stage of the portfolio company's lifecycle, may also utilize a discounted cash flow analysis, an income approach, in combination with the market approach in determining fair value of investments. The income approach involves discounting projected cash flows of the portfolio company at a rate commensurate with the level of risk associated with those cash flows. In accordance with ASC Topic 820, *Fair Value Measurement* ("ASC 820") market participant assumptions are used in the determination of the discount rate.

In applying valuation techniques used in the determination of fair value, the general partners assume a reasonable period of time for liquidation of the investment and take into consideration the financial condition and operating results of the underlying portfolio company, the nature of the investment, restrictions on marketability, market conditions, foreign currency exposures and other factors. In determining the fair value of investments, the general partners exercise significant judgment and use the best information available as of the measurement date. Due to the inherent uncertainty of valuations, the fair values reflected in the accompanying Condensed Consolidated Financial Statements may differ materially from values that would have been used had a readily available market existed for such investments and may differ materially from the values that may ultimately be realized.

Investments Held to Maturity

The Company holds investments in the notes issued by CLO funds that are held to maturity. The Company has the intent and ability to hold these investments until maturity. Held to maturity securities are stated at amortized cost, adjusted for amortization of premiums and accretion of discounts to maturity computed under the effective interest method. The effective interest method uses projected cash flows and includes uncertainties and contingencies that are difficult to predict and are subject to future events that may impact estimated interest income prospectively. Certain tranches of the notes were purchased at a discount and are being amortized back to par value until they mature at various dates between 2033 to 2035. If the Company failed to keep these investments as held to maturity it would be required to reclassify them as trading securities and would measure at fair value. Where applicable, impairment is recognized related to investments in the CLO funds in accordance with U.S. GAAP. The CLO funds evaluate securities for impairment on a security-by-security basis based on adverse changes in expected cash flows.

Those investments were fair valued in purchase accounting as discussed in Note 3 to the Condensed Consolidated Financial Statements.

Equity Method Investments – Other

The Company holds non-controlling, limited partnership interests in certain other partnerships in which it has significant influence over their operations. The Company uses the equity method of accounting for these interests whereby it records its proportionate share of the underlying income or losses of these entities in net gains (losses) from investment activities in the accompanying Condensed Consolidated Financial Statements. The carrying amounts of equity method investments are included in investments in the Condensed Consolidated Financial Statements. 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. The difference between the carrying value and its estimated fair value is recognized as an impairment when the loss is deemed other than temporary and recorded in net gains (losses) from investment activities within the Condensed Consolidated Financial Statements.

Equity Method – Fair Value Option

The Company elects the fair value option for certain investments that would otherwise be accounted for using the equity method of accounting. Such election is irrevocable and is applied on an investment-by-investment basis at initial recognition. The fair value of such investments is based on quoted prices in an active market. Changes in the fair value of these equity method investments are recognized in net gains (losses) from investment activities in the Condensed Consolidated Financial Statements.

Equity Investments

The Company holds non-controlling ownership interests in which it does not have significant influence over their operations. The Company records such investments at fair value when there is a readily determinable fair value. For certain nonpublic partnerships without readily determinable fair values, the Company has elected to measure those investments at cost, less any impairment, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer. Impairment is evaluated when significant changes occur that may impact the investee in an adverse manner. Impairment, if any, is recognized in net gains (losses) from investment activities in the Condensed Consolidated Financial Statements.

Non-Controlling Interests

Non-controlling interests consists of ownership interests held by third-party investors in certain entities that are consolidated, but not 100% owned. The aggregate of the income or loss and corresponding equity that is not owned by the Company is included in non-controlling interests in the Condensed Consolidated Financial Statements. Allocation of income to non-controlling interest holders is based on the respective entities’ governing documents.

TPG Inc.
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Revenues

Revenues consisted of the following (in thousands):

	Three Months Ended March 31,	
	2024	**2023**
Management fees	$ 407,417	$ 250,000
Monitoring fees	6,108	2,756
Transaction fees	36,186	2,473
Incentive fees	3,875	—
Expense reimbursements and other	58,709	56,242
Total fees and other	512,295	311,471
Performance allocations	289,643	315,707
Capital interests	22,133	15,967
Total capital allocation-based income	311,776	331,674
Total revenues	$ 824,071	$ 643,145

TPG Inc.
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Fees and Other

Fees and other are accounted for as contracts with customers under ASC Topic 606, *Revenue from Contracts with Customers* ("ASC 606"). The guidance for contracts with customers provides a five-step framework that requires the Company to (i) identify the contract with a customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations in the contract and (v) recognize revenue when the Company satisfies its performance obligations. In determining the transaction price, the Company includes variable consideration only to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized would not occur when the uncertainty associated with the variable consideration is resolved.

Revenue Streams	Customer	Performance Obligations satisfied over time or point in time[(a)]	Variable or Fixed Consideration	Revenue Recognition	Classification of Uncollected Amounts[(b)]
Management Fees	TPG funds, limited partners and other vehicles	Asset management services are satisfied over time (daily) because the customer receives and consumes the benefits of the advisory services daily	Consideration is variable since over time the management fee varies based on fluctuations in the basis of the calculation of the fee	Management fees are recognized each reporting period based on the value provided to the customer for that reporting period	Due from affiliates – unconsolidated VIEs
Monitoring Fees	Portfolio companies	In connection with the investment advisory services provided, the Company earns monitoring fees for providing oversight and advisory services to certain portfolio companies over time	Consideration is variable when based on fluctuations in the basis of the calculation of the fee Consideration is fixed when based on a fixed agreed-upon amount	Monitoring fees are recognized each reporting period based on the value provided to the customer for that reporting period	Due from affiliates – portfolio companies
Transaction Fees	Portfolio companies, third-parties and other vehicles	The company provides advisory services, debt and equity arrangements, and underwriting and placement services for a fee at a point in time	Consideration is fixed and is based on a point in time	Transaction fees are recognized on or shortly after the transaction is completed	Due from affiliates – portfolio companies Other assets - other
Incentive Fees	TPG funds, limited partners and other vehicles	Investment management services performed over a period of time that result in achievement of minimum investment return levels	Consideration is variable since incentive fees are contingent upon the TPG Fund or vehicles achieving more than the stipulated investment threshold return	Incentive fees are recognized at the end of the performance measurement period if the investment performance is achieved	Due from affiliates – unconsolidated VIEs
Expense Reimbursements and other	TPG funds, portfolio companies and third-parties	Expense reimbursements incurred at a point in time relate to providing investment, management and monitoring services. Other revenue is performed over time.	Expense reimbursements and other are fixed consideration	Expense reimbursements and other are recognized as the expenses are incurred or services are rendered	Due from affiliates – portfolio companies and unconsolidated VIEs Other assets – other

(a) There were no significant judgments made in evaluating when a customer obtains control of the promised service for performance obligations satisfied at a point in time.

(b) See Note 10 to the Condensed Consolidated Financial Statements for amounts classified in due from affiliates.

Management Fees

The Company provides investment management services to the TPG funds, limited partners, SMAs and clients, and other vehicles in exchange for a management fee. Management fees also include catch-up fees, also known as out of period management fees, which are fees paid in any given period that relate to a prior period, usually as the result of a new limited partner coming into a fund in a subsequent close. Management fees are determined quarterly based on an annual rate and are generally based upon a percentage of capital committed, net funded capital commitments, cost of investments, Net Asset Value ("NAV") or actively invested capital or as otherwise defined in the respective management agreements. Since some of the factors that cause management fees to fluctuate are outside of the Company's control, management fees are considered constrained and are not included in the transaction price until the uncertainty relating to the constraint is subsequently resolved. After the contract is established, management does not make any significant judgments in determining the transaction price.

TPG Inc.
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Management fee rates generally range between the following:

Management fee base	Low	High
Committed capital	0.50 %	2.00 %
Actively invested capital	0.25 %	2.00 %
Net funded capital commitments	0.50 %	1.75 %
Cost of investments	0.50 %	1.00 %
NAV	0.50 %	1.50 %

Under the terms of the management agreements with certain TPG funds, the Company is required to reduce management fees payable by funds by an agreed upon percentage of certain fees, including monitoring and transaction fees earned from portfolio companies. These amounts are generally applied as a reduction of the management fee that is otherwise billed to the investment fund and are recorded as a reduction of revenues in the Condensed Consolidated Statement of Operations. For the three months ended March 31, 2024 and 2023, these amounts totaled $14.7 million and $0.6 million, respectively. Amounts payable to investment funds are recorded in due to affiliates in the Condensed Consolidated Financial Statements. See Note 10 to the Condensed Consolidated Financial Statements.

Monitoring Fees

The Company provides monitoring services to certain portfolio companies in exchange for a fee, which is recognized over time as services are rendered. After the monitoring contract is established, there are no significant judgments made in determining the transaction price.

Transaction Fees

The Company provides capital structuring and other advice to portfolio companies, third parties and other vehicles generally in connection with debt and equity arrangements, as well as underwriting and placement services for a fee at a point in time when the underlying advisory services rendered are complete. Transaction fees are separately negotiated for each transaction and are generally based on the underlying transaction value. After the contract is established, management makes no significant judgments when determining the transaction price.

Incentive Fees

The Company provides investment management services to certain TPG funds and other vehicles in exchange for a management fee as discussed above and, in some cases, an incentive fee when the Company is not entitled to performance allocations, as further discussed below. Incentive fees are considered variable consideration in the scope of the revenue guidance as these fees are affected by changes in the fair value of investments over the performance period. The Company recognizes incentive fees only when these amounts are no longer subject to significant reversal, which is typically at the end of a defined performance period and/or upon expiration of the associated clawback period. After the contract is established, there are no significant judgments made when determining the transaction price.

Expense Reimbursements and Other

In providing investment management and advisory services to TPG funds and monitoring services to the portfolio companies, TPG routinely contracts for services from third parties. In situations where the Company is viewed, for accounting purposes only, as having incurred these third-party costs on behalf of the TPG funds or portfolio companies, the cost of such services is presented net as a reduction of the Company’s revenues. In all other situations, the expenses and related reimbursements associated with these services are presented on a gross basis, which are classified as part of the Company’s expenses, and reimbursements of such costs are classified as expense reimbursements within revenues in the Condensed Consolidated Financial Statements. After the contract is established, there are no significant judgments made when determining the transaction price.

TPG Inc.
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Capital Allocation-Based Income (Loss)

Capital allocation-based income (loss) is earned from the TPG funds when the Company has a general partner's capital interest and is entitled to a disproportionate allocation of investment income (referred to hereafter as "performance allocations"). The Company records capital allocation-based income (loss) under the equity method of accounting assuming the fund was liquidated as of each reporting date pursuant to each TPG fund's governing agreements. Accordingly, these general partner interests are accounted for outside of the scope of ASC 606.

Other arrangements surrounding contractual incentive fees through an advisory contract are separate and distinct and accounted for in accordance with ASC 606. In these incentive fee arrangements, the Company's economics in the entity do not involve an allocation of capital. See discussion above regarding "Incentive Fees".

Open-end funds can issue and redeem interests to investors on an on-going basis at the then-current net asset values subject to the fund's policies as specified in governing documents. The Company generally receives performance allocations from its open-end funds based on a percentage of annual fund profits, reduced by minimum return hurdles, and subject to prior year loss carry-forwards. Performance allocations are either paid in the first quarter following the performance year or during the calendar year if there are investor redemptions and are generally not subject to repayment by the Company. Performance allocations attributed to certain non-liquid investments ("side pocket investments") owned by open-end funds is paid when the associated side pocket investments are realized.

Performance allocations for closed-end funds are allocated to the general partners based on cumulative fund performance as of each reporting date, and after specified investment returns to the funds' limited partners are achieved. At the end of each reporting period, the TPG funds calculate and allocate the performance allocations that would then be due to the general partner for each TPG fund, pursuant to the TPG fund governing agreements, as if the fair value of the underlying investments were realized as of such date, irrespective of whether such amounts have been realized. As the fair value of underlying investments (and the investment returns to the funds' limited partners) varies between reporting periods, it is necessary to make adjustments to amounts recorded as performance allocations to reflect either (i) positive performance resulting in an increase in the performance allocations allocated to the general partner or (ii) negative performance that would cause the amount due to the general partner to be less than the amount previously recognized, resulting in a negative adjustment to performance allocations allocated to the general partner. In each case, performance allocations are calculated on a cumulative basis and cumulative results are compared to amounts previously recorded with a current period adjustment, positive or negative, recorded.

The Company ceases to record negative performance allocations once previously recognized performance allocations for a TPG fund have been fully reversed, including realized performance allocations. The general partner is not obligated to make payments for guaranteed returns or hurdles of a fund and, therefore, cannot have negative performance allocations over the life of a fund. Accrued but unpaid performance allocations as of the reporting date are reflected in investments in the Company's Condensed Consolidated Financial Statements. Performance allocations received by the general partners of the respective TPG funds are subject to clawback to the extent the performance allocations received by the general partner exceed the amount the general partner is ultimately entitled to receive based on cumulative fund results. Generally, the actual clawback liability does not become due until eighteen months after the realized loss is incurred; however, individual fund terms vary. For disclosures at March 31, 2024 related to clawback, see Note 12 to the Condensed Consolidated Financial Statements. Revenue related to performance allocations for consolidated TPG funds is eliminated in consolidation.

The Company earns management fees, incentive fees and capital allocation-based income (loss) from investment funds and other vehicles whose primary focus is making investments in varying geographical locations and earns transaction and monitoring fees from portfolio companies located in varying geographies, including North America, Europe and Asia-Pacific. The primary geographic region in which the Company invests in is North America and the majority of its revenues from contracts with customers are also generated in North America.

Investment Income

Income from equity method investments

The carrying value of equity method investments in proprietary investments where the Company exerts significant influence is generally determined based on the amounts invested, adjusted for the equity in earnings or losses of the investee allocated based on the Company's ownership percentage, less distributions and any impairment. The Company records its proportionate share of investee's equity in earnings or losses based on the most recently available financial information, which in certain cases may lag the date of TPG's financial statements by up to three calendar months. Income from equity method investments is recorded in net gains (losses) from investment activities on the Condensed Consolidated Financial Statements.

Income from equity method investments for which the fair value option was elected

Income from equity method investments for which the fair value option was elected includes realized gains and losses from the sale of investments, and unrealized gains and losses from changes in the fair value during the period as a result of quoted prices in an active market. Discounts are applied, where appropriate, to reflect restrictions on the marketability of the investment. Income from equity method investments for which the fair value option was elected is recorded in net gains (losses) from investment activities on the Condensed Consolidated Financial Statements.

Income from equity investments

Income from equity investments, which represent investments held through equity securities of an investee that the Company does not hold significant influence over, includes realized gains from the sale of investments and unrealized gains and losses result from observable price changes in orderly transactions for the identical or a similar investment of the same issuer. Income from equity investments is recorded in net gains (losses) from investment activities on the Condensed Consolidated Financial Statements.

Unrealized gains (losses) from derivative liabilities of Public SPACs

Unrealized gains (losses) from derivative liabilities of Public SPACs includes unrealized gains and losses from changes in fair value of warrants and forward purchase agreements ("FPAs").

Interest, dividends and other

Interest income is recognized as earned. Dividend income is recognized by the Company on the ex-dividend date, or in the absence of a formal declaration, on the date it is received.

Cash-Based Compensation and Benefits

Cash-based compensation and benefits includes (i) salaries and wages, (ii) benefits and (iii) discretionary cash bonuses. Bonuses are accrued over the service period to which they relate.

Compensation expense related to the issuance of equity-based awards is measured at grant-date fair value. Compensation expense for awards that vest over a future service period is recognized over the relevant service period on a straight-line basis. Compensation expense for awards that do not require future service is recognized immediately. Compensation expense for awards that contain both market and service conditions is based on grant-date fair value that factors in the probability that the market conditions will be achieved and is recognized on a tranche by tranche basis using the accelerated attribution method. The requisite service period for those awards is the longer of the explicit service period and the derived service period. Compensation expense for awards that contain both performance and service conditions is recognized, if the Company deems it probable that the performance condition will be met, over the longer of the implicit or explicit service period. Compensation expense for awards to recipients with retirement eligibility provisions (allowing such recipient to continue vesting upon departure from TPG) is either expensed immediately or amortized to the retirement eligibility date. The Company recognizes equity-based award forfeitures in the period they occur as a reversal of previously recognized compensation expense.

Performance allocation compensation expense and accrued performance allocation compensation is the portion of performance allocations that TPG allocates to certain of its employees and certain other advisors of the Company. Performance allocations due to our partners and professionals are accounted for as compensation expense in conjunction with the recognition of the related performance allocations and, until paid, are recognized as accrued performance allocation compensation. Accordingly, upon a reversal of performance allocations, the related compensation expense, if any, is also reversed.

Net Income (Loss) Per Share of Class A Common Stock

Basic income (loss) per share of Class A common stock is calculated by dividing net income (loss) attributable to TPG Inc. by the weighted-average shares of Class A common stock, unvested participating shares of Class A common stock outstanding for the period and vested deferred restricted shares of Class A common stock that have been earned for which issuance of the related shares of Class A common stock is deferred until future periods. Diluted income (loss) per share of Class A Common Stock reflects the impact of all dilutive securities. Unvested participating shares of common stock are excluded from the computation in periods of loss as they are not contractually obligated to share in losses.

The Company applies the treasury stock method to determine the dilutive weighted-average common shares represented by the unvested restricted stock units. The Company applies the if-converted method to the TPG Operating Group partnership units to determine the dilutive impact, if any, of the exchange right included in the TPG Operating Group partnership units.

Cash, Cash Equivalents and Restricted Cash

Cash and cash equivalents include cash on deposit with banks and other short-term investments with an initial maturity of 90 days or less. Restricted cash balances relate to cash balances reserved for the payment of interest on the Company’s secured borrowings.

Fair Value Measurement

ASC 820 establishes a fair value hierarchy that prioritizes and ranks the level of observability of inputs used to measure the investments at fair value. The observability of inputs is impacted by a number of factors, including the type of investment, characteristics specific to the investment, market conditions and other factors. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level I measurements) and the lowest priority to unobservable inputs (Level III measurements).

Investments with readily available quoted prices or for which fair value can be measured from quoted prices in active markets will typically have a higher degree of input observability and a lesser degree of judgment applied in determining fair value.

The three levels of the fair value hierarchy under ASC 820 are as follows:

Level I – Quoted prices (unadjusted) in active markets for identical investments at the measurement date are used. The types of investment generally included in Level I are publicly listed equities, debt and securities sold, not yet purchased.

Level II – Pricing inputs are other than quoted prices included within Level I that are observable for the investment, either directly or indirectly. Level II pricing inputs include quoted prices for similar investments in active markets, quoted prices for identical or similar investments in markets that are not active, inputs other than quoted prices that are observable for the investment, and inputs that are derived principally from or corroborated by observable market data by correlation or other means. The types of investments generally included in Level II are restricted securities listed in active markets, corporate bonds and loans.

Level III – Pricing inputs are unobservable and include situations where there is little, if any, market activity for the investment. The inputs used in determination of fair value require significant judgment and estimation. The types of investments generally included in Level III are privately held debt and equity securities.

In some cases, the inputs used to measure fair value might fall within different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the investment is categorized in its entirety is determined based on the lowest level input that is significant to the investment. Assessing the significance of a particular input to the valuation of an investment in its entirety requires judgment and considers factors specific to the investment. The categorization of an investment within the hierarchy is based upon the pricing transparency of the investment and does not necessarily correspond to the perceived risk of that investment.

In certain instances, an investment that is measured and reported at fair value may be transferred into or out of Level I, II, or III of the fair value hierarchy.

In certain cases, debt and equity securities are valued on the basis of prices from an orderly transaction between market participants provided by reputable dealers or pricing services. In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrices, market transactions in comparable investments and various relationships between investments. When a security is valued based on dealer quotes, the Company subjects those quotes to various criteria in making the determination as to whether a particular investment would qualify for treatment as a Level II or Level III investment. Some of the factors considered include the number and quality of quotes, the standard deviations of the observed quotes and the corroboration of the quotes to independent pricing services.

Level III investments may include common and preferred equity securities, corporate debt, and other privately issued securities. When observable prices are not available for these securities, one or more valuation techniques (e.g., the market approach and/or the income approach) for which sufficient and reliable data is available are used. Within Level III, the use of the market approach generally consists of using comparable market transactions or other data, while the use of the income approach generally utilizes the net present value of estimated future cash flows, adjusted, as appropriate, for liquidity, credit, market and other risk factors. Due to the inherent uncertainty of these valuations, the fair values reflected in the accompanying Condensed Consolidated Financial Statements may differ materially from values that would have been used had a readily available market for the investments existed and may differ materially from the values that may ultimately be realized. The period of time over which the underlying assets of the investments will be liquidated is unknown.

Due From and Due To Affiliates

The Company considers current and former limited partners of funds and employees, including their related entities, entities controlled by the Company's Founders but not consolidated by the Company, portfolio companies of TPG funds, and unconsolidated TPG funds to be affiliates ("Affiliates"). Receivables from and payables to affiliates are recorded at their expected settlement amount in due from and due to affiliates in the Condensed Consolidated Financial Statements.

Business Combinations

The Company accounts for business combinations using the acquisition method under ASC Topic 805, *Business Combinations* ("ASC 805") under which the purchase price of the acquisition is allocated to the assets acquired and liabilities assumed using the fair values determined by management as of the acquisition date. Management's determination of fair value of assets acquired and liabilities assumed at the acquisition date is based on the best information available in the circumstances and may incorporate management's own assumptions and involve a significant degree of judgment. Management uses its best estimates and assumptions to accurately assign fair value to the tangible and identifiable intangible assets acquired and liabilities assumed at the acquisition date as well as the useful lives of those acquired intangible assets. Examples of critical estimates in valuing certain of the intangible assets we have acquired include, but are not limited to, future expected cash inflows and outflows, future fundraising assumptions, expected useful life, discount rates and income tax rates. Our estimates for future cash flows are based on historical data, various internal estimates and certain external sources, and are based on assumptions that are consistent with the plans and estimates we are using to manage the underlying assets acquired. Unanticipated events and circumstances may occur that could affect the accuracy or validity of such assumptions, estimates or actual results. For business combinations accounted for under the acquisition method, the purchase consideration, including the fair value of certain elements of contingent consideration as of the acquisition date, in excess of the fair value of net assets acquired is recorded as goodwill.

Goodwill

Goodwill represents the excess of the purchase price over the fair value of acquired identifiable net tangible and intangible assets. Goodwill is not amortized. Goodwill is reviewed for impairment at least annually 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 its respective carrying value. If it is determined that it is more likely than not that a reporting unit's fair value is less than its carrying value, the Company performs a quantitative analysis. When the quantitative approach indicates an impairment, an impairment loss is recognized to the extent by which the carrying value exceeds the fair value, not to exceed the total amount of goodwill. As of March 31, 2024, we believe it is more likely than not that the fair value of our reporting unit exceeds its carrying value.

Intangible Assets

The Company's intangible assets primarily consist of the fair value of its interests in future promote of certain funds and the fair value of acquired investor relationships representing the fair value of management fees earned from existing investors in future funds. Finite-lived intangible assets are amortized over their estimated useful lives, which range from two to 20 years, and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the intangible asset may not be recoverable. Amortization expense is included in depreciation and amortization expense in the Condensed Consolidated Financial Statements.

Operating Leases

At contract inception, the Company determines if an arrangement contains a lease by evaluating whether (i) an identified asset has been deployed in a contract explicitly or implicitly and (ii) the Company obtains substantially all the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. Additionally, at contract inception the Company will evaluate whether the lease is an operating or finance lease. Right-of use ("ROU") assets represent the Company's right to use an underlying asset for the lease term and operating lease liabilities represent the Company's obligation to make lease payments arising from the lease. Operating lease liabilities are recognized at the commencement date based on the present value of the lease payments over the lease term. To the extent these payments are fixed or determinable, they are included as part of the lease payments used to measure the lease liability. The Company's ROU assets are recognized as the initial measurement of the lease liabilities plus any initial direct costs and any prepaid lease payments less lease incentives received, if any. The lease terms may include options to extend or terminate the lease which are accounted for when it is reasonably certain that the Company will exercise that option. As the discount rate implicit to the lease is not readily determinable, incremental borrowing rates of the Company were used. The incremental borrowing rates are based on the information available including, but not limited to, collateral assumptions, the term of the lease, and the economic environment in which the lease is denominated at the commencement date.

The Company elected the package of practical expedients provided under the guidance. The practical expedient package applies to leases commenced prior to the adoption of the new standard and permits companies not to reassess whether existing or expired contracts are or contain a lease, the lease classification, and any initial direct costs for any existing leases. The Company has elected to not separate the lease and non-lease components within the contract. Therefore, all fixed payments associated with the lease are included in the ROU asset and the lease liability. These costs often relate to the fixed payments for a proportionate share of real estate taxes, common area maintenance and other operating costs in addition to a base rent. Any variable payments related to the lease are recorded as lease expense when and as incurred. The Company has elected this practical expedient for all lease classes. The Company did not elect the hindsight practical expedient. The Company has elected the short-term lease expedient. A short-term lease is a lease that, as of 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. For such leases, the Company will not apply the recognition requirements of ASC Topic 842, *Leases* ("ASC 842") and instead will recognize the lease payments as lease cost on a straight-line basis over the lease term. Additionally, the Company elected the practical expedient which allows an entity to not reassess whether any existing land easements are or contain leases.

The Company's leases primarily consist of operating leases for real estate, which have remaining terms of one to 10 years. Some of those leases include options to extend for additional terms ranging from one to 10 years. The Company's other leases, including those for office equipment, vehicles, and aircrafts, are not significant. Additionally, the Company's leases do not contain restrictions or covenants that restrict the Company from incurring other financial obligations. The Company also does not provide any residual value guarantees for the leases or have any significant leases that have yet to be commenced. From time to time, the Company enters into certain sublease agreements that have terms similar to the remaining terms of the master lease agreements between TPG and the landlord. Sublease income is recorded as an offset to general, administrative and other in the accompanying Condensed Consolidated Financial Statements.

Operating lease expense is recognized on a straight-line basis over the lease term and is recorded within general, administrative and other in the accompanying Condensed Consolidated Financial Statements (see Note 11 to the Condensed Consolidated Financial Statements).

Fixed Assets

Fixed assets consist primarily of leasehold improvements, furniture, fixtures and equipment, computer hardware and software and other fixed assets which are recorded at cost, less accumulated depreciation. Leasehold improvements are amortized using the straight-line method, over the shorter of the respective estimated useful life or the lease term. Depreciation of furniture, fixtures, equipment and computer hardware and software is recorded over the estimated useful life of the asset, generally three to seven years, using the straight-line method. The Company evaluates long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. When evidence of loss in value has occurred, management compares the estimated undiscounted cash flows associated with the long-lived asset to its carrying value to determine whether an impairment has occurred. If the undiscounted cash flows are less than the carrying value, an impairment is recorded as the difference between the fair value of the long-lived asset and its carrying value. Fair value is based on estimated discounted cash flows associated with the long-lived asset.

Foreign Currency

The functional currency of the Company's international subsidiaries is the U.S. Dollar. Non-U.S. dollar denominated assets and liabilities of foreign operations are remeasured at rates of exchange as of the end of the reporting period. Non-U.S. dollar revenues and expenses of foreign operations are remeasured at average rates of exchange during the period. Gains and losses resulting from remeasurement are included in general, administrative and other in the accompanying Condensed Consolidated Statements of Operations. Foreign currency gains and losses resulting from transactions in currencies other than the functional currency are also included in general, administrative and other in the Condensed Consolidated Statements of Operations during the period the transaction occurred.

Repurchase Agreements

The Company, through its a subsidiary, has financed the purchase of certain investments in the debt tranches of certain CLO Funds through a repurchase agreement. The Company records these investments as an asset and the related borrowings under the repurchase agreements are recorded as a liability on the Condensed Consolidated Statements of Financial Condition. The amount borrowed is the amount equal to the debt investment outstanding in the CLO. Interest income earned and interest expense incurred on the repurchase obligation are reported on the Condensed Consolidated Statements of Operations. Accrued interest receivable on investments and accrued interest payable on repurchase agreements are included in accounts payable and accrued expenses on the Condensed Consolidated Statements of Financial Condition.

Securities sold under agreements to repurchase are accounted for as collateralized financing transactions. The Company provides securities to counterparties to collateralize amounts borrowed under repurchase agreements on terms that permit the counterparties to repledge or resell the securities to others. Securities transferred to counterparties under repurchase agreements are included within investments in the Condensed Consolidated Statements of Financial Condition. Cash received under a repurchase agreement is recognized as a liability within other liabilities in the Condensed Consolidated Statements of Financial Condition. Interest expense is recognized on an effective yield basis and is included within interest expense in the Condensed Consolidated Statements of Operations.

Income Taxes

The Company is treated as a corporation for U.S. federal and state income tax purposes. The Company is subject to U.S. federal and state income taxes, in addition to local and foreign income taxes, with respect to our allocable share of taxable income generated by the TPG Operating Group partnerships. Prior to the Reorganization and the IPO, the Company was treated as a partnership for U.S. federal income tax purposes and therefore was not subject to U.S. federal and state income taxes except for certain consolidated subsidiaries that were subject to taxation in the U.S. (federal, state and local) and foreign jurisdictions as a result of their entity classification for tax reporting purposes. The provision for income taxes in the historical Condensed Consolidated Financial Statements consists of U.S. (federal, state and local) and foreign income taxes with respect to certain consolidated subsidiaries.

Deferred tax assets and liabilities are recognized for future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the periods in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period in which the enactment date occurs.

Under ASC Topic 740, *Income Taxes*, a valuation allowance is established when management believes it is more likely than not that a deferred tax asset will not be realized. The realization of deferred tax assets is dependent on the amount of our future taxable income. When evaluating the realizability of deferred tax assets, all evidence (both positive and negative) is considered. This evidence includes, but is not limited to, expectations regarding future earnings, future reversals of existing temporary tax differences and tax planning strategies.

Tax laws are complex and subject to different interpretations by the taxpayer and respective governmental taxing authorities. Significant judgment is required in determining tax expense and in evaluating tax positions including evaluating uncertainties. The Company reviews its tax positions quarterly and adjusts its tax balances as new information becomes available. The Company recognizes interest and penalties relating to unrecognized tax benefits as income tax expense (benefit) within the Condensed Consolidated Financial Statements.

Recent Accounting Pronouncements

On March 29, 2024, the FASB issued Accounting Standards Update ("ASU") 2024-02. *Codification Improvements — Amendments to Remove References to the Concepts Statements***,** which amends the Codification to remove references to various FASB Concepts Statements and affect a variety of topics. The amendments apply to all reporting entities within the scope of the affected accounting guidance, but are generally and not intended to result in significant accounting changes for most entities. ASU 2024-02 is effective January 1, 2025. The Company is currently evaluating the impact of adoption of ASU 2024-02 on its Condensed Consolidated Financial Statements and disclosures.

On March 21, 2024, the FASB issued ASU 2024-01, *Compensation—Stock Compensation (Topic 718): Scope Application of Profits Interest and Similar Awards*, which provides illustrative guidance to help entities determine whether profits interest and similar awards should be accounted for as share-based payment arrangements within the scope of FASB Accounting Standards Codification (FASB ASC) 718, Compensation—Stock Compensation. For public business entities, the amendments in this ASU are effective for annual periods beginning after December 15, 2024, and interim periods within those annual periods. The Company is currently evaluating the impact of adoption of ASU 2024-01, but does not expect the adoption to have a material impact on its Condensed Consolidated Financial Statements and disclosures.

On December 14, 2023, the FASB issued ASU 2023-09 *entitled Improvements to Income Tax Disclosures (ASU 2023-09)*, which is primarily applicable to public companies and requires a significant expansion of the granularity of the income tax rate reconciliation as well as an expansion of other income tax disclosures. ASU 2023-09 requires a company to disclose specific income tax categories within the rate reconciliation table and provide additional information for reconciling items that meet a quantitative threshold (if the effect of those reconciling items is equal to or greater than 5 percent of the amount computed by multiplying pretax income (or loss) by the applicable statutory income tax rate. There are also additional disclosures related to income taxes paid disaggregated by jurisdictions, and to income taxes paid. The ASU is effective for annual periods beginning after December 15, 2024. The guidance will be applied on a prospective basis with the option to apply the standard retrospectively. Early adoption is permitted. The Company is currently evaluating the impact of adoption of ASU 2023-09 on its Condensed Consolidated Financial Statements and disclosures.

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures.* The ASU requires public entities to disclose, on an annual and interim basis, significant segment expenses that are regularly provided to the CODM and included within each reported measure of segment profit or loss and an amount and description of the composition of other segment items. The ASU also requires public entities to provide all annual disclosures about a reportable segments profit or loss and assets in interim periods. Further, if the CODM uses more than one measure of a segments profitability, the entity would be permitted to disclose those additional measures. All disclosure requirements under ASU 2023-07 are applicable to public entities with a single reportable segment. The ASU is effective for the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024, with early adoption permitted. The Company is currently evaluating the impact of adoption of ASU 2023-07 on its Condensed Consolidated Financial statements and disclosures.

On October 9, 2023, the FASB issued ASU 2023-06, *Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative*, which amends the disclosure or presentation requirements related to various subtopics in the FASB Accounting Standards Codification (the "Codification"). The ASU was issued in response to the SEC's August 2018 final rule that updated and simplified disclosure requirements that the SEC believed were "redundant, duplicative, overlapping, outdated, or superseded." The new guidance is intended to align U.S. GAAP requirements with those of the SEC and to facilitate the application of U.S. GAAP for all entities. The effective date for each amendment will be the date on which the SEC's removal of that related disclosure requirement from Regulation S-X or Regulation S-K becomes effective, with early adoption prohibited. The Company does not expect the adoption of ASU 2023-06 to have a material impact on its Condensed Consolidated Financial Statements.

3. Acquisitions

Angelo Gordon Acquisition

On November 1, 2023 (the "Acquisition Date"), the Company and certain of its affiliated entities (the "TPG Parties") completed the acquisition (the "Acquisition") of all of the voting interests and significant economics in Angelo, Gordon & Co., L.P., AG Funds L.P. and AG Partners, L.P. (collectively, "Angelo Gordon") and certain of their affiliated entities (together with Angelo Gordon, the "Angelo Gordon Parties"), an alternative investment firm focused on credit and real estate investing, pursuant to the terms and conditions set forth in the Transaction Agreement (as amended, the "Transaction Agreement"), dated as of May 14, 2023, by and among the TPG Parties and Angelo Gordon Parties. As a result of the Acquisition, the Company expanded its platform diversity, with Angelo Gordon's alternative investment focus on credit and real estate investing.

The Acquisition was accounted for as a business combination under ASC Topic 805, *Business Combinations* ("ASC 805") with assets acquired and liabilities assumed recorded at fair value.

Pursuant to the Transaction Agreement, the Company acquired Angelo Gordon for both cash and non-cash consideration under U.S. GAAP equal to $1,142.7 million ("Purchase Price") as described below. The Purchase Price included a combination of:

- $740.7 million in cash paid at closing;
- $15.7 million paid during the three months ended March 31, 2024 to the sellers of Angelo Gordon as a result of post close net working capital adjustments;
- 9.2 million vested Common Units (and an equal number of Class B common stock) and 43.8 million unvested Common Units which are deemed to be compensatory under U.S. GAAP;
- the rights to an aggregate cash payment, payable in three payments of $50.0 million each, reflecting an aggregate of $150.0 million (the "Aggregate Annual Cash Holdback Amount"); and
- the non-compensatory portion under U.S. GAAP of a total earnout payment of up to $400.0 million in value (the "Earnout Payment"), subject to the satisfaction of certain fee-related revenue ("FRR") targets during the period beginning on January 1, 2026 and ending on December 31, 2026 (the "Measurement Period").

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The following table summarizes the fair value of amounts recognized for the assets acquired and liabilities assumed and resulting goodwill as of the Acquisition Date (in thousands):

		November 1, 2023
Purchase Price		
Cash[(a)]	$	740,703
Amounts payable to seller[(b)]		15,677
Common Units[(c)]		233,894
Fair value of Aggregate Annual Cash Holdback Amount[(d)]		125,158
Fair value of Earnout Payment[(e)]		27,315
Total Purchase Price	$	1,142,747
Recognized amounts of identifiable assets acquired and liabilities assumed		
Cash and cash equivalents	$	383,868
Due from affiliates		184,252
Investments		1,046,375
Intangible assets		547,500
Other assets		172,282
Total assets		2,334,277
Accounts payable and accrued expenses		307,965
Due to affiliates		150,228
Accrued performance allocation compensation		744,903
Other liabilities		190,147
Total liabilities		1,393,243
Assets acquired/liabilities assumed		941,034
Total Purchase Price		1,142,747
Non-controlling interest of Angelo Gordon		4,172
Goodwill	$	205,885

(a) Represents the closing cash consideration of $740.7 million, which was comprised of $270.7 million of cash on hand and $470.0 million of proceeds from drawing on the Company's Senior Unsecured Revolving Credit Facility. Out of the closing cash consideration of $740.7 million, $100.0 million was held in escrow on behalf of the sellers, of which $85.0 million was released on March 15, 2024.

(b) Represents the difference between the estimated cash consideration paid at closing and the final cash consideration determined no later than April 30, 2024 in accordance with the amended terms of the Transaction Agreement.

(c) Represents the fair value of approximately 9.2 million vested Common Units granted to the Angelo Gordon partners upon consummation of the Acquisition. The fair value of Common Units was based on a $28.18 closing price for the shares of Class A common stock on the Acquisition Date, adjusted for a discount for lack of marketability. Approximately 43.8 million unvested Common Units and 8.4 million Service Awards available to be granted in connection with the Acquisition are considered compensatory under U.S. GAAP and are not part of the Purchase Price. Refer to Note 14 to the Condensed Consolidated Financial Statements for details.

(d) Represents the estimated fair value of the Aggregate Annual Cash Holdback Amount of $150.0 million, which is payable in three equal annual installments of $50.0 million, subject to the absence of promote shortfall in each respective calendar year (2024, 2025 and 2026). The estimated fair value of $125.2 million, reflected as contingent consideration, was determined using a present value approach. Inputs to fair value include the present value period and the discount rate applied to the annual payments.

(e) Represents the estimated fair value of the non-compensatory portion of the Earnout Payment expected to be paid in the form of cash and vested Common Units to Angelo Gordon partners upon satisfaction of certain FRR targets during the Measurement Period. This amount, reflected as contingent consideration, was determined using a multiple probability simulation approach. Inputs to the fair value include probability adjusted FRR amounts and FRR target thresholds. The compensatory portion of the Earnout Payment to the Angelo Gordon partners is treated as post-combination compensation expense, as services are required from such partners post-Closing. See Note 14 to the Condensed Consolidated Financial Statements for details.

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The total Purchase Price was allocated to the fair value of assets acquired and liabilities assumed as of the Acquisition Date, with the excess Purchase Price recorded as goodwill. A third-party valuation specialist assisted the Company with the fair value estimates for the assets acquired and liabilities assumed. The purchase accounting analysis may still be subject to subsequent adjustments that are identified through the measurement period, which is limited to one year from the Acquisition Date.

The Company recorded $205.9 million of goodwill as of the Acquisition Date. Goodwill is primarily attributable to the scale, skill sets, operations and expected synergies that can be achieved subsequent to the Acquisition. The goodwill recorded is not expected to be deductible for tax purposes.

The fair value and weighted average estimated useful lives of the acquired identifiable intangible assets as of the Acquisition Date consist of the following (in thousands):

	Fair Value	Valuation Methodology	Estimated Average Useful Life (in years)
Investment management agreements	$ 287,000	Multi-period excess earnings method ("MPEEM")	5-12.5
Acquired carried interest	199,000	Discounted cash flow analysis	6.5
Technology	46,000	Replacement cost analysis and relief from royalty analysis	4
Trade name	15,500	Relief from royalty method	5.5
Fair value of intangible assets acquired	$ 547,500		

The following unaudited pro forma information presents a summary of the Company's Condensed Consolidated Statements of Operations for the three months ended March 31, 2023, as if the acquisition was completed as of January 1, 2022 (in thousands):

	Three Months Ended March 31, 2023
Revenues	819,352
Net income attributable to TPG Inc./controlling interest	12,903

These pro forma amounts have been calculated after applying the following material adjustments that were directly attributable to the Acquisition:

- adjustments to exclude amounts related to Angelo Gordon's CLOs that were deconsolidated as of June 30, 2023 in accordance with the terms of the Transaction Agreement;
- adjustments to include the impact of the additional amortization that would have been recorded assuming the fair value adjustments to intangible assets had been applied on January 1, 2022;
- adjustments to interest expense for additional funding obtained by TPG in connection with the Acquisition;
- adjustments to include additional equity-based compensation expense related to Common Units and Service Awards issued to Angelo Gordon partners and professionals, as if the grants occurred on January 1, 2022;
- adjustments for changes in the performance allocation compensation to Angelo Gordon partners in connection with the Acquisition;
- adjustments to allocation of net income to reflect the pro-rata economic ownership attributable to TPG post Acquisition;

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- adjustments to reflect the tax effects of the Angelo Gordon Acquisition and the related adjustments as if Angelo Gordon had been included in the Company's results as of January 1, 2022; and

- adjustments to include transaction costs in earnings as if the Acquisition occurred on January 1, 2022.

4. Investments

Investments consist of the following (in thousands):

	March 31, 2024	December 31, 2023
Equity method - performance allocations	$ 5,755,388	$ 5,664,550
Equity method - capital interests (includes assets pledged of $591,159 and $570,806 as of March 31, 2024 and December 31, 2023, respectively)	949,619	923,440
Investments held to maturity, at amortized cost (includes assets pledged of $76,212 and $77,723 as of March 31, 2024 and December 31, 2023, respectively)	81,880	83,512
Equity method - fair value option	30,687	36,171
Equity method - other	12,156	11,761
Equity investments	5,079	4,678
Total investments	$ 6,834,809	$ 6,724,112

Net gains (losses) from performance allocations and capital interests are disclosed in the Revenue section of Note 2 to the Condensed Consolidated Financial Statements. The following table summarizes net gains (losses) from investment activities (in thousands):

	Three Months Ended March 31,	
	2024	2023
Net (losses) gains of equity method investments, fair value option	$ (5,484)	$ 17,375
Net losses of equity method investments - other	(116)	(271)
Net gains (losses) from equity investments	402	(2,288)
Total net (losses) gains from investment activities	$ (5,198)	$ 14,816

Investments Held to Maturity, at Amortized Cost

In connection with the Acquisition described in Note 3, the Company acquired investments held to maturity, and the carrying value of these investments are included in investments on the Condensed Consolidated Statements of Financial Condition. The Company estimates an allowance for credit losses ("ACL") on the investments classified as held to maturity securities. The fair value of investments held to maturity, excluding any reserves for credit losses, was $83.9 million and $83.8 million at March 31, 2024 and December 31, 2023, respectively.

Equity Method Investments, Fair Value Option

As of March 31, 2024, the Company held a 6.0% beneficial ownership interest in Nerdy Inc. ("NRDY") consisting of 10.5 million shares of Class A common stock, with an aggregate fair value of $30.7 million. As of December 31, 2023, the Company held a 6.1% beneficial ownership interest in NRDY consisting of 10.5 million shares of Class A common stock, with an aggregate fair value of $36.2 million.

Equity Method Investments

The Company evaluates its equity method investments in which it has not elected the fair value option for impairment whenever events or changes in circumstances indicate that the carrying amounts of such investments may not be recoverable. During the three months ended March 31, 2024 and 2023, the Company did not recognize any impairment losses on an equity method investment without a readily determinable fair value.

Equity Investments

Equity investments represent proprietary investment securities held by the Company. At March 31, 2024 and December 31, 2023, the Company held equity investments with readily determinable fair values of $5.1 million and $4.7 million, respectively.

5. Fair Value Measurement

The following tables summarize the valuation of the Company's financial assets and liabilities that fall within the fair value hierarchy (in thousands):

	March 31, 2024			
	Level I	Level II	Level III	Total
Assets				
Equity method investments - fair value option	$ 30,687	$ —	$ —	$ 30,687
Equity investments	5,079	—	—	5,079
Total assets	$ 35,766	$ —	$ —	$ 35,766
Liabilities				
Aggregate Annual Cash Holdback Amount[a]	$ —	$ —	$ 129,565	$ 129,565
Earnout Payment[a]	—	—	25,977	25,977
Total liabilities	$ —	$ —	$ 155,542	$ 155,542

(a) Contingent consideration related to the acquisition of Angelo Gordon described in Note 3 to the Condensed Consolidated Financial Statements.

	December 31, 2023			
	Level I	Level II	Level III	Total
Assets				
Equity method investments - fair value option	$ 36,171	$ —	$ —	$ 36,171
Equity investments	4,678	—	—	4,678
Total assets	$ 40,849	$ —	$ —	$ 40,849
Liabilities				
Aggregate Annual Cash Holdback Amount[a]	$ —	$ —	$ 126,779	$ 126,779
Earnout Payment[a]	—	—	29,520	29,520
Total liabilities	$ —	$ —	$ 156,299	$ 156,299

(a) Contingent consideration related to the acquisition of Angelo Gordon described in Note 3 to the Condensed Consolidated Financial Statements.

The valuation methodology used in the determination of the changes in fair value of financial instruments for which Level III inputs were used at March 31, 2024 and December 31, 2023 included a combination of the present value approach and multiple probability simulation approach.

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The following tables summarize the changes in the fair value of financial instruments for which the Company has used Level III inputs to determine fair value (in thousands):

	Three Months Ended March 31,	
	2024	2023
Financial liabilities		
Balance, beginning of period	$ 156,299	$ —
Unrealized gains, net	(757)	—
Balance, end of period	$ 155,542	$ —

Total realized and unrealized gains and losses recorded for Level III financial liabilities are reported in interest, dividends and other in the Condensed Consolidated Statements of Operations.

The following tables provide qualitative information about instruments categorized in Level III of the fair value hierarchy as of March 31, 2024 and December 31, 2023. In addition to the techniques and inputs noted in the table below, in accordance with the valuation policy, other valuation techniques and methodologies are used when determining fair value measurements. The below table is not intended to be all-inclusive, but rather provides information on the significant Level III inputs as they relate to the Company's fair value measurements (fair value measurements in thousands):

	Fair Value March 31, 2024	Valuation Technique(s)	Unobservable Input(s)[(a)]	Range (Weighted Average)[(b)]
Liabilities				
Aggregate Annual Cash Holdback Amount	$ 129,565	Present value	Discount rate	8.0%
Earnout Payment	25,977	Multiple probability simulation	Estimated revenue volatility	22.7%
	$ 155,542			

(a) In determining certain of these inputs, management evaluates a variety of factors including economic conditions, industry and market developments, market valuations of comparable companies and company-specific developments including exit strategies and realization opportunities. Management has determined that market participants would take these inputs into account when valuing the instruments.

(b) Inputs weighted based on fair value of instruments in range.

	Fair Value December 31, 2023	Valuation Technique(s)	Unobservable Input(s)[(a)]	Range (Weighted Average)[(b)]
Liabilities				
Aggregate Annual Cash Holdback Amount	$ 126,779	Present value	Discount rate	8.0%
Earnout Payment	29,520	Multiple probability simulation	Estimated revenue volatility	22.8%
	$ 156,299			

(a) In determining certain of these inputs, management evaluates a variety of factors including economic conditions, industry and market developments, market valuations of comparable companies and company-specific developments including exit strategies and realization opportunities. Management has determined that market participants would take these inputs into account when valuing the instruments.

(b) Inputs weighted based on fair value of instruments in range.

6. Intangible Assets and Goodwill

As discussed in Note 3 to the Condensed Consolidated Financial Statements, the Company completed the acquisition of Angelo Gordon on November 1, 2023, which resulted in the recognition of certain identifiable intangible assets and goodwill, which are presented as intangible assets and goodwill, respectively, on the Condensed Consolidated Statements of Financial Condition.

Intangible Assets

The following table summarizes the carrying values of intangible assets as of March 31, 2024 and December 31, 2023 (in thousands):

	March 31, 2024			December 31, 2023		
	Gross Carrying Value	**Accumulated Amortization**	**Net Carrying Value**	**Gross Carrying Value**	**Accumulated Amortization**	**Net Carrying Value**
Contractual performance fee allocations[(a)]	$ 331,600	$ (67,772)	$ 263,828	$ 331,600	$ (54,707)	$ 276,893
Management contracts[(a)]	302,000	(24,796)	277,204	307,000	(20,553)	286,447
Technology[(a)]	46,000	(4,792)	41,208	46,000	(1,917)	44,083
Investor relationships	25,000	(5,729)	19,271	25,000	(5,208)	19,792
Trade name[(a)]	15,500	(1,174)	14,326	15,500	(500)	15,000
Other intangible assets[(b)]	8,494	(2,375)	6,119	8,494	(1,201)	7,293
Total intangible assets	$ 728,594	$ (106,638)	$ 621,956	$ 733,594	$ (84,086)	$ 649,508

(a) Includes intangible assets with a net carrying value of $519.3 million and $540.4 million as of March 31, 2024 and December 31, 2023, respectively, related to the acquisition of Angelo Gordon described in Note 3 to the Condensed Consolidated Financial Statements.

(b) Includes indefinite-lived intangible assets of $1.0 million as of March 31, 2024 and December 31, 2023.

No impairment losses on intangible assets were recorded during the three months ended March 31, 2024 and 2023.

Intangible asset amortization expense was $27.6 million and $7.1 million for the three months ended March 31, 2024 and 2023, respectively.

The following table presents estimated remaining amortization expense for finite-lived intangible assets that existed as of March 31, 2024 (in thousands):

Remainder of 2024	$ 82,669
2025	105,239
2026	99,949
2027	96,149
2028	76,244
Thereafter	160,712
Total	$ 620,962

Goodwill

As of March 31, 2024 and December 31, 2023, the carrying value of the Company's goodwill was $436.1 million.

No impairment losses on goodwill were recorded during the three months ended March 31, 2024 and 2023.

7. Variable Interest Entities

TPG consolidates VIEs in which it is considered the primary beneficiary as described in Note 2 to the Condensed Consolidated Financial Statements. TPG's investment strategies differ by TPG fund; however, the fundamental risks have similar characteristics, including loss of invested capital and loss of management fees and performance allocations. The Company does not provide performance guarantees and has no other financial obligation to provide funding to consolidated VIEs other than its own capital commitments.

The assets of consolidated VIEs may only be used to settle obligations of these consolidated VIEs. In addition, there is no recourse to the Company for the consolidated VIEs' liabilities.

The Company holds variable interests in certain VIEs which are not consolidated as it is determined that the Company is not the primary beneficiary. The Company's involvement with such entities is in the form of direct equity interests and fee arrangements. The fundamental risks have similar characteristics, including loss of invested capital and loss of management fees and performance allocations. Accordingly, disaggregation of TPG's involvement by type of VIE would not provide more useful information. TPG may have an obligation as general partner to provide commitments to unconsolidated VIEs. For the three months ended March 31, 2024 and 2023, TPG did not provide any amounts to unconsolidated VIEs other than its obligated commitments.

The maximum exposure to loss represents the loss of assets recognized by TPG relating to non-consolidated entities and any amounts due to non-consolidated entities.

The assets and liabilities recognized in the Company's Condensed Consolidated Statements of Financial Condition related to its interest in these non-consolidated VIEs and its maximum exposure to loss relating to non-consolidated VIEs were as follows (in thousands):

	March 31, 2024	December 31, 2023
Investments (includes assets pledged of $591,159 and $570,806 as of March 31, 2024 and December 31, 2023, respectively)	$ 929,280	$ 903,119
Due from affiliates	151,092	293,233
Potential clawback obligation	2,025,316	1,910,247
Due to affiliates	103,047	56,262
Maximum exposure to loss	$ 3,208,735	$ 3,162,861

Additionally, cumulative performance allocations of $5.8 billion and $5.7 billion as of March 31, 2024 and December 31, 2023, respectively, are subject to reversal in the event of future losses.

RemainCo

The TPG Operating Group and RemainCo entered into certain agreements to effectuate the go-forward relationship between the entities. The arrangements discussed below represent the TPG Operating Group's variable interests in RemainCo, which do not provide the TPG Operating Group with the power to direct the activities that most significantly impact RemainCo's performance and operations. As a result, RemainCo represents a non-consolidated VIE.

RemainCo Administrative Services Agreement

The TPG Operating Group has entered into an administrative services agreement with RemainCo whereby the TPG Operating Group provides RemainCo with certain administrative services, including maintaining RemainCo's books and records, tax and financial reporting and similar support which began on January 1, 2022. In exchange for these services, RemainCo pays the TPG Operating Group an annual administration fee in the amount of 1% per annum of the net asset value of RemainCo's assets, with such amount payable quarterly in advance and recorded in expense reimbursements and other within revenues in the Condensed Consolidated Statements of Operations.

Securitization Vehicles

Certain subsidiaries of the Company issued $250.0 million in privately placed securitization notes. The Company used one or more special purpose entities that are considered VIEs to issue notes to third-party investors in the securitization transactions.

As of March 31, 2024 and December 31, 2023, the carrying amount of secured notes issued by the VIEs was $245.6 million and is shown in the Company's Condensed Consolidated Statements of Financial Condition as debt obligations, net of unamortized issuance costs of $4.4 million.

The following table depicts the total assets and liabilities related to VIE securitization transactions included in the Company's Condensed Consolidated Statements of Financial Condition (in thousands):

	March 31, 2024	December 31, 2023
Cash and cash equivalents	$ 33,803	$ 6,057
Restricted cash	13,327	13,183
Participation rights receivable[(a)]	591,159	570,806
Due from affiliates	438	434
Total assets	$ 638,727	$ 590,480
Accrued interest	$ 3,450	$ 191
Due to affiliates and other	83,190	5,484
Secured borrowings, net	245,644	245,567
Total liabilities	$ 332,284	$ 251,242

(a) Participation rights receivable related to VIE securitization transactions are included in investments in the Company's Condensed Consolidated Statements of Financial Condition.

8. Debt Obligations

On March 5, 2024, the Notes Issuer issued $600.0 million aggregate principal amount of Senior Notes due 2034 ("Senior Notes"). The Senior Notes will mature on March 5, 2034, unless earlier accelerated, redeemed or repurchased. The Senior Notes are fully and unconditionally guaranteed, jointly and severally, by each of the Guarantors, and are unsecured and unsubordinated obligations of the Notes Issuer and the Guarantors. The Senior Notes bear interest at a rate of 5.875% per annum. Interest on the Senior Notes is payable semi-annually in arrears on March 5 and September 5 of each year, beginning on September 5, 2024. The Senior Notes contain certain covenants which, subject to certain limitations, restrict the ability of the Notes Issuer and, as applicable, the Guarantors to merge, consolidate or sell, assign, transfer, lease or convey all or substantially all of their combined assets, or create liens on the voting stock of their subsidiaries.

On March 4, 2024, the Notes Issuer issued $400.0 million aggregate principal amount of Fixed-Rate Junior Subordinated Notes due 2064 (the "Subordinated Notes"). The Subordinated Notes bear interest at a rate of 6.950% per annum. Interest on the Subordinated Notes is payable quarterly in arrears on March 15, June 15, September 15 and December 15 of each year, beginning on June 15, 2024, subject to the Notes Issuer's right, on one or more occasions, to defer the payment of interest on the notes for up to five consecutive years. The Subordinated Notes are fully and unconditionally guaranteed, jointly and severally, by each of the Guarantors, and are unsecured and subordinated obligations of the Notes Issuer and the Guarantors. The Subordinated Notes will mature on March 15, 2064, unless earlier accelerated, redeemed or repurchased. The Subordinated Notes may be redeemed at the Notes Issuer's option (i) in whole at any time or in part from time to time on or after March 15, 2029 at a redemption price equal to their principal amount plus any accrued and unpaid interest, (ii) upon occurrence of a Tax Redemption Event, as defined in the Subordinated Notes' First Supplemental Indenture, at a price equal to 100% of their principal amount plus any accrued and unpaid interest or (iii) in whole, but not in part, at any time prior to March 15, 2029 upon the occurrence of a Rating Agency Event, as defined in the Subordinated Notes' First Supplemental Indenture, at a price equal to 102% of their principal amount plus any accrued and unpaid interest. The Subordinated Notes contain certain covenants which, subject to certain limitations, restrict the ability of the Notes Issuer and, as applicable, the Guarantors to merge, consolidate or sell, assign, transfer, lease or convey all or substantially all of their combined assets, or create liens on the voting stock of their subsidiaries.

During the three months ending March 31, 2024, the Company used the net proceeds from these offerings to repay all the outstanding borrowings under its Senior Unsecured Revolving Credit Facility and Senior Unsecured Term Loan and for general corporate purposes. Transaction costs related to the note issuances have been capitalized and are amortized over the life of each respective note.

The following table summarizes the Company's and its subsidiaries' debt obligations (in thousands):

				As of March 31, 2024		As of December 31, 2023	
	Debt Origination Date	Maturity Date	Borrowing Capacity	Carrying Value	Interest Rate	Carrying Value	Interest Rate
Senior Unsecured Revolving Credit Facility[a]	March 2011	September 2028	$ 1,200,000	$ —	6.43 %	$ 501,000	6.45 %
Senior Notes[b]	March 2024	March 2034	600,000	593,645	5.88 %	—	—
Subordinated Notes[c]	March 2024	March 2064	400,000	389,941	6.95 %	—	—
Senior Unsecured Term Loan[d]	December 2021	N/A	—	—	N/A	198,485	6.45 %
Secured Borrowings - Tranche A[e]	May 2018	June 2038	200,000	196,496	5.33 %	196,434	5.33 %
Secured Borrowings - Tranche B[e]	October 2019	June 2038	50,000	49,148	4.75 %	49,133	4.75 %
364-Day Revolving Credit Facility[f]	April 2023	April 2024	150,000	—	7.33 %	—	7.35 %
Subordinated Credit Facility[g]	August 2014	August 2025	30,000	—	7.68 %	—	7.70 %
Total debt obligations			$ 2,630,000	$ 1,229,230		$ 945,052	

(a) The Senior Unsecured Revolving Credit Facility, as amended, has aggregate revolving commitments of $1.2 billion and is scheduled to mature on September 26, 2028. Dollar-denominated principal amounts outstanding under the Amended Senior Unsecured Revolving Credit Facility accrue interest, at the option of the applicable borrower, either (i) at a base rate plus applicable margin not to exceed 0.25% per annum or (ii) at a term SOFR rate plus a 0.10% per annum adjustment and an applicable margin not to exceed 1.25%. The Senior Unsecured Revolving Credit Facility contains customary representations, covenants and events of default. Financial covenants consist of a maximum leverage ratio and a requirement to keep a minimum amount of fee-earning assets under management, each tested quarterly. At March 31, 2024, the Company is in compliance with these covenants and conditions.

(b) On March 5, 2024, the Notes Issuer issued $600.0 million aggregate principal amount of Senior Notes due 2034 as described above.

(c) On March 4, 2024, the Notes Issuer issued $400.0 million aggregate principal amount of Fixed-Rate Junior Subordinated Notes due 2064 as described above.

(d) The Senior Unsecured Term Loan was repaid in its entirety on March 6, 2024 with net proceeds from the issuance of Senior Notes and Subordinated Notes. Prior to prepayment, principal amounts outstanding under the Senior Unsecured Term Loan Agreement accrued interest, at the option of the borrower, either (i) at a base rate plus an applicable margin of 0.00% or (ii) at a term SOFR rate plus a 0.10% per annum adjustment and an applicable margin of 1.00%.

(e) The Company's secured borrowings are issued using on-balance sheet securitization vehicles, as further discussed in Note 7 to the Condensed Consolidated Financial Statements. The secured borrowings are repayable only from collections on the underlying securitized equity method investments and restricted cash. The secured borrowings are separated into two tranches. Tranche A secured borrowings were issued in May 2018 at a fixed rate of 5.33% with an aggregate principal balance of $200.0 million due June 21, 2038, with interest paid semiannually. Tranche B secured borrowings were issued in October 2019 at a fixed rate of 4.75% with an aggregate principal balance of $50.0 million due June 21, 2038, with interest paid semiannually. The secured borrowings contain an optional redemption feature giving the Company the right to call the notes in full or in part. If the secured borrowings are not redeemed on or prior to June 20, 2028, the Company is required to pay additional interest equal to 4.00% per annum. The secured borrowings contain covenants and conditions customary in transactions of this nature, including negative pledge provisions, default provisions and operating covenants, limitations on certain consolidations, mergers and sales of assets. At March 31, 2024, the Company is in compliance with these covenants and conditions.

(f) On April 14, 2023, a consolidated subsidiary of the Company entered into a 364-day revolving credit facility (the "364-Day Credit Facility") with Mizuho Bank, Ltd., acting as administrative agent, to provide the subsidiary with revolving borrowings of up to $150.0 million. Borrowings under the 364-Day Credit Facility are subject to one of three interest rates depending on the type of drawdown requested. Alternate Base Rate

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(“ABR”) loans are denominated in US Dollars and subject to a variable interest rate computed daily as the higher of the Federal Funds Rate plus 0.50% or the one-month Term SOFR plus 1.00%, plus an applicable margin of between 1.00% and 2.00%, depending on the term of the loan. Term Benchmark Loans may be denominated in US Dollars or Euros, and are subject to a fixed interest rate computed as the SOFR rate for a period comparable to the term of the loan in effect two business days prior to the date of borrowing, plus an applicable margin of between 2.00% and 3.00%, depending on the term of the loan. Risk-Free Rate (“RFR”) loans are denominated in Sterling and subject to a fixed interest rate computed daily as the Sterling Overnight Index Average (“SONIA”) in effect five business days prior to the date of borrowing, plus an applicable margin of between 2.00% and 3.00%, depending on the term of the loan. The subsidiary is also required to a pay a quarterly facility fee equal to 0.30% per annum of the total facility capacity of $150.0 million, as well as certain customary fees for any issued loans. The Company entered into an equity commitment letter in connection with the 364-Day Credit Facility, committing to provide capital contributions, if and when required, to the consolidated subsidiary throughout the life of the facility. In April 2024, the consolidated subsidiary amended the 364-Day Credit Facility to extend the commitment termination date to April 11, 2025.

(g) A consolidated subsidiary of the Company entered into two $15.0 million subordinated revolving credit facilities (collectively, the “Subordinated Credit Facility”), for a total commitment of $30.0 million. The Subordinated Credit Facility is available for direct borrowings and is guaranteed by certain members of the TPG Operating Group. In August 2023, the subsidiary extended the maturity date of the Subordinated Credit Facility from August 2024 to August 2025. The interest rate for borrowings under the Subordinated Credit Facility is calculated at a term SOFR rate plus a 0.10% per annum adjustment and 2.25%.

The following table provides information regarding the fair values of the Company’s debt which are carried at amortized cost (in thousands):

	Fair Value as of	
	March 31, 2024	December 31, 2023
Senior Notes[a]	$ 608,628	$ —
Subordinated Notes[b]	420,480	—
Secured Borrowings - Tranche A[c]	196,396	193,461
Secured Borrowings - Tranche B[c]	47,956	47,240

(a) Fair value is based on indicative quotes and the notes are classified as Level II within the fair value hierarchy.

(b) Fair value is based on quoted prices in active markets since the debt is publicly listed and the notes are classified as Level I within the fair value hierarchy.

(c) Fair value is based on current market rates and credit spreads for debt with similar maturities and the notes are classified as Level II within the fair value hierarchy.

In the case of the Company’s Senior Unsecured Revolving Credit Facility, Subordinated Credit Facility, Senior Unsecured Term Loan and 364-Day Revolving Credit Facility, the fair values approximate the carrying amounts represented in the Condensed Consolidated Financial Statements due to their variable rate nature.

During the three months ended March 31, 2024 and 2023 the Company incurred interest expense of $17.1 million and $6.2 million, respectively, on its debt obligations.

9. Income Taxes

As a result of the Reorganization, the Company is treated as a corporation for U.S. federal and state income tax purposes. The Company is subject to U.S. federal and state income taxes, in addition to local and foreign income taxes, with respect to its allocable share of taxable income generated by the TPG Operating Group. Prior to the Reorganization, the Company was treated as a partnership for U.S. federal income tax purposes and therefore was not subject to U.S. federal and state income taxes except for certain consolidated subsidiaries that were subject to taxation in the U.S. (federal, state and local) and in foreign jurisdictions.

As of March 31, 2024 and December 31, 2023, the Company has recognized net deferred tax assets before the considerations of valuation allowances in the amount of $309.7 million and $109.3 million, respectively, which primarily relates to excess income tax basis versus book basis differences in connection with the Company’s investment in the TPG Operating Group. The excess of income tax basis in the TPG Operating Group is primarily due to the Reorganization and subsequent exchanges of Common Units for Class A common stock, including the exchange of Common Units for Class A common stock on February 27, 2024. As a result of the Reorganization and subsequent exchanges, the Company recorded deferred tax assets generated by the step-up in the tax basis of assets, that will be recovered as those underlying assets are sold or the tax basis is amortized.

The Company evaluates the realizability of its deferred tax asset on a quarterly basis and adjusts the valuation allowance when it is more-likely-than-not that all or a portion of the deferred tax asset may not be realized. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. In projecting its taxable income, the Company begins with historic results and incorporates assumptions of the amount of future pretax operating income. The assumptions about future taxable income require significant judgment and are consistent with the plans and estimates that the Company uses to manage its business. The Company's projections of future taxable income that include the effects of originating and reversing temporary differences, including those for the tax basis intangibles, indicate that it is more likely than not that the benefits from our deferred tax assets will be realized.

As of March 31, 2024 and December 31, 2023, the Company has recognized a valuation allowance of $88.5 million and $92.6 million, respectively, which primarily relates to the Company's investment in the TPG Operating Group. In evaluating the realizability of the deferred tax asset related to the Company's investment in the TPG Operating Group, the Company determined that a portion of excess income tax basis in the TPG Operating Group will only reverse upon a sale of the Company's interest in the TPG Operating Group which is not expected to occur in the foreseeable future.

As of March 31, 2024 and December 31, 2023, the Company's liability pursuant to the Tax Receivable Agreement related to the Reorganization and subsequent exchanges of TPG Operating Group partnership units for common stock was $208.9 million and $24.6 million, respectively. During the three months ended March 31, 2024, certain holders of Common Units exchanged 17,704,987 Common Units for an equal number of shares of Class A Common Stock as described in Note 15 to the Condensed Consolidated Financial Statements. In connection with the Exchange, the Company recorded an additional liability pursuant to the Tax Receivable Agreement of $185.4 million, which is included in due to affiliates within our Condensed Consolidated Statements of Financial Condition.

The Company's effective tax rate was (94.9)% and 25.3% for the three months ended March 31, 2024 and 2023, respectively. The Company's effective tax rate is dependent on many factors, including the estimated amount of income subject to tax. Consequently, the effective tax rate can vary from period to period. The Company's overall effective tax rate in each of the periods described above deviates from the statutory rate primarily because (i) a portion of income and losses are allocated to non-controlling interests, and the tax liability on such income or loss is borne by the holders of such non-controlling interests and (ii) income taxes related to statutory subsidiaries.

Applicable accounting standards provide that the Company may estimate an annual effective tax rate and apply that rate to year-to-date income for each interim period. However, because the Company's forecast of income before taxes is highly variable due to changes in market conditions, the actual effective income tax rate for the year-to-date period represents a better estimate of the consolidated annual effective income tax rate. Accordingly, for the three months ended March 31, 2024 and 2023, the actual consolidated effective income tax rate was used to determine the Company's income tax provision.

During the three months ended March 31, 2024 and 2023, there were no material changes to the uncertain tax positions, and the Company does not expect there to be any material changes to uncertain tax positions within the next twelve months. The Company files its tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, the Company is subject to examination by U.S. federal, state, local and foreign tax authorities. Although the outcome of tax audits is always uncertain, the Company does not believe the outcome of any future audit will have a material adverse effect on the Company's Condensed Consolidated Financial Statements.

In December 2021, the Organization for Economic Cooperation and Development ("OECD") released the Pillar Two Model rules (also referred to as the global minimum tax or Global Anti-Base Erosion "GloBE" rules), which were designed to ensure multinational enterprises pay a certain level of tax within every jurisdiction in which they operate. Several jurisdictions in which we operate have enacted these rules, with a January 1, 2024 effective date. The Company is monitoring developments and evaluating the potential impact. As of March 31, 2024, the Company has not accrued a top up tax related to Pillar Two. However, the Company continues to evaluate potential implications of these rules on future results.

10. Related Party Transactions

Due From and Due To Affiliates

Due from affiliates and due to affiliates consist of the following (in thousands):

	March 31, 2024	December 31, 2023
Portfolio companies	$ 73,486	$ 60,227
Partners and employees	2,264	2,293
Other related entities	51,267	63,224
Unconsolidated VIEs	151,092	293,233
Due from affiliates	$ 278,109	$ 418,977
Portfolio companies	$ 9,002	$ 8,461
Partners and employees	238,643	51,647
Other related entities	49,401	26,805
Unconsolidated VIEs	103,047	56,262
Due to affiliates	$ 400,093	$ 143,175

Affiliate receivables and payables historically have been settled in the normal course of business without formal payment terms, generally do not require any form of collateral and do not bear interest.

Tax Receivable Agreement

On February 27, 2024, certain holders of Common Units exchanged 17,704,987 Common Units for an equal number of shares of Class A Common Stock as described in Note 15 to the Condensed Consolidated Financial Statements. This exchange resulted in an increase in the Company's tax basis of its investment in the TPG Operating Group and is subject to the Tax Receivable Agreement. The Company recognized an additional liability associated with the Tax Receivable Agreement in the amount of $185.4 million in connection with the exchange. This liability is included in the partners and employees balance in due to affiliates in the Condensed Consolidated Statements of Financial Condition.

Fund Investments

Certain of the Company's investment professionals and other individuals have made investments of their own capital in the TPG funds. These investments are generally not subject to management fees or performance allocations at the discretion of the general partner. Investments made by these individuals during the three months ended March 31, 2024 and 2023 totaled $22.0 million and $13.1 million, respectively.

Fee Income from Affiliates

Substantially all revenues are generated from TPG funds, limited partners of TPG funds, or portfolio companies. The Company disclosed revenues in Note 2 to the Condensed Consolidated Financial Statements.

Loans to Affiliates

From time to time, the Company may enter into transactions in which it arranges short-term funding for affiliates, such as portfolio companies, as part of the Company's capital markets activities. Under this arrangement, the Company may draw all or substantially all of its availability for borrowings under the 364-Day Credit Facility. Borrowings made under this facility are generally expected to be repaid promptly as these short-term fundings are intended to be syndicated to third parties.

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RemainCo Administrative Services Agreement

In exchange for services provided by TPG Operating Group, RemainCo pays TPG Operating Group an annual administration fee in the amount of 1% per annum of the net asset value of RemainCo's assets, with such amount payable quarterly in advance. The fees earned by the Company for the three months ended March 31, 2024 and 2023 were $4.2 million and $4.6 million, respectively, and recorded in fees and other in the Condensed Consolidated Statements of Operations.

Other Related Party Transactions

The Company has entered into contracts to provide services or facilities for a fee with certain related parties. A portion of these fees are recognized as fees and other in the Condensed Consolidated Statements of Operations in the amount of $8.0 million and $7.4 million for the three months ended March 31, 2024 and 2023 respectively. During the three months ended March 31, 2024 and 2023, these related parties made payments associated with these arrangements of $1.5 million, and $8.9 million, respectively.

11. Operating Leases

The following tables summarize the Company's lease cost, cash flows, and other supplemental information related to its operating leases.

The components of lease expense were as follows (in thousands):

	Three Months Ended March 31,	
	2024	**2023**
Lease cost[a]:		
Operating lease cost	$ 12,111	$ 6,631
Short-term lease costs	215	133
Variable lease cost	2,974	1,791
Sublease income	(928)	(816)
Total lease cost	$ 14,372	$ 7,739
Weighted-average remaining lease term	6.5	6.7
Weighted-average discount rate	5.13 %	4.16 %

(a) Office rent expense for the three months ended March 31, 2024 and 2023 was $12.2 million and $6.6 million, respectively.

Supplemental Condensed Consolidated Statements of Cash Flows information related to leases were as follows (in thousands):

	Three Months Ended March 31,	
	2024	**2023**
Cash paid for amounts included in the measurement of lease liabilities	$ 7,500	$ 7,523
Other non-cash changes in right-of-use assets	1,881	216

The following table shows the undiscounted cash flows on an annual basis for operating lease liabilities as of March 31, 2024 (in thousands):

Year Due	Lease Amount
Remainder of 2024	$ 31,353
2025	39,868
2026	37,995
2027	38,263
2028	37,132
2029	88,270
Total future undiscounted operating lease payments	272,881
Less: imputed interest	(39,169)
Present value of operating lease liabilities	$ 233,712

12. Commitments and Contingencies

Guarantees

Certain of the Company's consolidated entities have guaranteed debt or obligations. At March 31, 2024 and December 31, 2023, the maximum obligations guaranteed under these agreements totaled $2,602.0 million and $1,789.3 million, respectively. At March 31, 2024, the guarantees had expiration dates as follows (in thousands):

Maturity Date	Guarantee Amount
April 2024	$ 150,000
August 2025	30,000
June 2026	60,000
December 2026	125,027
September 2028	1,200,000
December 2028	5,578
June 2030	31,383
March 2034	600,000
March 2064	400,000
Total	$ 2,601,988

At March 31, 2024 and December 31, 2023, the amounts outstanding related to these guarantees was $1,103.0 million and $807.6 million, respectively.

Commitments

At March 31, 2024, the TPG Operating Group had unfunded investment commitments of $526.4 million to the investment funds that the Company manages and other strategic investments.

Contingent Obligations (Clawback) With Affiliates

The governing agreements of the TPG funds that pay performance allocations generally include a clawback provision that, if triggered, may give rise to a contingent obligation requiring the general partner to return amounts to the fund for distribution to the fund investors at the end of the life of the fund. Performance allocations received by the general partners of the respective TPG funds are subject to clawback to the extent the performance allocations received by the general partners exceeds the amount the general partners are ultimately entitled to receive based on cumulative fund results.

At March 31, 2024, if all investments held by the TPG funds were liquidated at their current unrealized fair value, there would be clawback of $58.3 million, net of tax, for which a performance fee reserve was recorded within other liabilities in the Condensed Consolidated Statements of Financial Condition.

At March 31, 2024, if all remaining investments were deemed worthless, a possibility management views as remote, the amount of performance allocations subject to potential clawback would be $2,025.3 million.

During the three months ended March 31, 2024, the general partners made no payments on the clawback liability.

Legal Actions and Other Proceedings

From time to time, the Company is involved in legal proceedings, litigation and claims incidental to the conduct of our business, including with respect to acquisitions, bankruptcy, insolvency and other types of proceedings. Such lawsuits may involve claims against our portfolio companies that adversely affect the value of certain investments owned by TPG's funds. The Company's business is also subject to extensive regulation, which has and may result in the Company becoming subject to examinations, inquiries and investigations by various U.S. and non-U.S. governmental and regulatory agencies, including but not limited to the SEC, Department of Justice, state attorneys general, Financial Industry Regulatory Authority and the U.K. Financial Conduct Authority. Such examinations, inquiries and investigations may result in the commencement of civil, criminal or administrative proceedings or fines against the Company or its personnel.

The Company accrues a liability for legal proceedings in accordance with U.S. GAAP. In particular, the Company establishes an accrued liability for loss contingencies when a settlement arising from a legal proceeding is both probable and reasonably estimable. If the matter is not probable or reasonably estimable, no such liability is recorded. Examples of this include: (i) the proceedings may be in early stages; (ii) damages sought may be unspecified, unsupportable, unexplained or uncertain; (iii) discovery may not have started or is incomplete; (iv) there may be uncertainty as to the outcome of pending appeals or motions; (v) there may be significant factual issues to be resolved or (vi) there may be novel legal issues or unsettled legal theories to be presented or a large number of parties. Consequently, management is unable to estimate a range of potential loss, if any, related to such matters. Even when the Company accrues a liability for a loss contingency in such cases, there may be an exposure to loss in excess of any amounts accrued. Loss contingencies may be, in part or in whole, subject to insurance or other payments such as contributions and/or indemnity, which may reduce any ultimate loss.

Based on information presently known by management, the Company has not recorded a potential liability related to any pending legal proceeding and is not subject to any legal proceedings that we expect to have a material impact on our operations, financial positions or cash flows. It is not possible, however, to predict the ultimate outcome of all pending legal proceedings, and the claimants in the matter discussed below seek potentially large and indeterminate amounts. As such, although we do not consider such an outcome likely, given the inherent unpredictability of legal proceedings, it is possible that an adverse outcome in the matter described below or certain other matters could have a material effect on the Company's financial results in any particular period.

Since 2011, a number of TPG-related entities and individuals, including David Bonderman and Jim Coulter, have been named as defendants/respondents in a series of lawsuits in the United States, United Kingdom, and Luxembourg concerning an investment TPG held from 2005-2007 in a Greek telecommunications company, known then as TIM Hellas ("Hellas"). Entities and individuals related to Apax Partners, a London based investment firm also invested in Hellas at the time, have been named in the suits as well. The cases all allege generally that a late 2006 refinancing of the Hellas group of companies was improper.

To date, most of the lawsuits filed in New York Federal and State courts against TPG and Apax-related defendants have been dismissed, with those dismissals upheld on appeal, or the appeal period has passed. A lawsuit pending in the District Court of Luxembourg against two former TPG partners and two individuals related to Apax involved in the investment has been decided after trial in their favor on all claims and is now on appeal. In February 2018, a High Court case in London against a number of TPG and Apax-related parties and individuals was abandoned by the claimants in the early days of a scheduled six-week trial with costs of $9.5 million awarded to the TPG and Apax-related parties, of which $3.4 million was awarded to TPG.

In addition to the Luxembourg appeal, there are several cases against TPG and Apax-related parties pending in New York state court. In one case, the Court granted and denied in part motions to dismiss by all defendants, paring back the parties, claims and amounts at issue, and appeals of that decision are pending. In a second case, the Appellate Division recently granted summary judgment to the TPG-related parties on the sole remaining claim in that case, and plaintiffs are seeking leave to appeal to New York's Court of Appeals. Finally, a third group of plaintiffs, similarly situated to those in the other cases, recently filed new claims seeking recovery from numerous TPG and Apax-related parties. The prior noted stayed federal actions have now been dismissed with prejudice by court order and stipulation.

The Company believes that the suits related to the Hellas investment are without merit and intends to continue to defend them vigorously.

In October 2022, the Company received a document request from the SEC focusing on the use and retention of business-related electronic communications, which, as has been publicly reported, is part of an industry-wide review. The Company is cooperating with the SEC's investigation and is in discussions about a possible resolution. As of March 31, 2024, the Company has recorded a contingent liability related to the matter.

Indemnifications

In the normal course of business, the Company enters into contracts that contain a variety of representations and warranties that provide general indemnifications. In addition, certain of the Company's funds have provided certain indemnities relating to environmental and other matters and has provided nonrecourse carve-out guarantees for fraud, willful misconduct and other customary wrongful acts, each in connection with the financing of certain real estate investments that the Company has made. The Company's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Company that have not yet occurred. However, based on experience, the Company expects the risk of material loss to be remote.

13. Net Income (Loss) Per Class A Common Share

The Company calculates its basic and diluted income (loss) per share using the two-class method for all periods presented, which defines unvested share-based payment awards that contain nonforfeitable rights to dividends as participating securities. The two-class method is an allocation formula that determines income per share for each share of common stock and participating securities according to dividends declared and participation rights in undistributed earnings. Under this method, all income (distributed and undistributed) is allocated to common shares and participating securities based on their respective rights to receive dividends.

In computing the dilutive effect that the exchange of TPG Operating Group partnership units would have on net income available to Class A common stock per share, TPG considered that net income (loss) available to holders of shares of Class A common stock would increase due to the elimination of non-controlling interests in the TPG Operating Group, inclusive of any tax impact. The hypothetical conversion may be dilutive to the extent there is activity at the TPG Inc. level that has not previously been attributed to the non-controlling interests or if there is a change in tax rate as a result of a hypothetical conversion.

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The following table sets forth reconciliations of the numerators and denominators used to compute basic and diluted net income (loss) per share of Class A common stock (in thousands, except share and per share data):

	Three Months Ended March 31,	
	2024	**2023**
Numerator:		
Net (loss) income	$ (9,006)	$ 35,674
Less:		
Net income attributable to redeemable equity in Public SPACs	—	1,529
Net loss attributable to non-controlling interests in TPG Operating Group	(55,037)	(25,492)
Net income attributable to other non-controlling interests	30,512	34,582
Net income attributable to Class A Common Stockholders prior to distributions	15,519	25,055
Reallocation of earnings to unvested participating restricted stock units[(a)]	(7,145)	(3,888)
Net income attributable to Class A Common Stockholders - Basic	8,374	21,167
Net loss assuming exchange of non-controlling interest	(46,736)	(23,424)
Net loss attributable to Class A Common Stockholders - Diluted	$ (38,362)	$ (2,257)
Denominator:		
Weighted-Average Shares of Common Stock Outstanding - Basic	89,113,782	79,499,319
Exchange of Common Units to Class A Common Stock	275,237,136	229,641,530
Weighted-Average Shares of Common Stock Outstanding - Diluted	364,350,918	309,140,849
Net income (loss) available to Class A common stock per share		
Basic	$ 0.09	$ 0.27
Diluted	$ (0.11)	$ (0.01)
Dividends declared per share of Class A Common Stock[(b)]	$ 0.41	$ 0.50

(a) No undistributed losses were allocated to unvested participating restricted stock units during the three months ended March 31, 2024 and 2023, as the holders do not have a contractual obligation to share in the losses of the Company with common stockholders.

(b) Dividends declared reflects the calendar date of the declaration for each distribution. The first quarter dividends were declared on May 8, 2024 and are payable on June 3, 2024.

14. Equity-Based Compensation

Restricted Stock Awards

Under the Company's 2021 Omnibus Equity Incentive Plan (the "Omnibus Plan"), the Company is permitted to grant equity awards representing ownership interests in TPG Inc.'s Class A common stock. As of March 31, 2024, the share reserve available for issuance under the Omnibus Plan was 31,842,490.

In conjunction with the IPO in 2022, TPG employees, certain of the Company's executives and certain non-employees received one-time grants of equity-based awards in the form of restricted stock units which entitle the holder to one share of Class A common stock upon vesting.

In conjunction with the Angelo Gordon Acquisition, described in Note 3 to the Condensed Consolidated Financial Statements, the Company granted 8.1 million of Service Awards to former Angelo Gordon employees to promote retention post closing. These units generally vest over a term of five years. There are approximately 0.3 million of Angelo Gordon Service Awards to be granted at a later date.

In November 2023, the Company also granted a long-term performance incentive award to the Company's Chief Executive Officer, Jon Winkelried. The award is further discussed under Executive Awards in this Note.

Further, in the ordinary course of business, the Company also grants equity awards that are subject to either service conditions ("Service Awards"), a combination of service and performance conditions ("Performance Condition Awards") or a combination of service and market conditions ("Market Condition Awards").

The following table summarizes the outstanding restricted stock unit awards as of March 31, 2024 (in millions, including share data):

	Units Outstanding as of March 31, 2024	Compensation Expense for the Three Months Ended		Unrecognized Compensation Expense as of March 31, 2024
		March 31, 2024	March 31, 2023	
Restricted Stock Units				
Special Purpose Awards:				
Service Awards	17.0	$ 34.3	$ 16.1	$ 439.4
Market Condition Awards	4.7	5.2	1.3	78.4
Ordinary Awards:				
Service Awards	7.1	20.9	10.0	227.7
Performance Condition Awards	0.1	(1.7)	0.2	—
Total Restricted Stock Units	28.9	$ 58.7	$ 27.6	$ 745.5

For the three months ended March 31, 2024 and 2023, the Company recorded total restricted stock unit compensation expense of $58.7 million and $27.6 million, respectively. The expense associated with awards granted to certain non-employees of the Company is recognized in general, administrative and other in our Condensed Consolidated Statements of Operations and totaled $0.9 million and $0.7 million for the three months ended March 31, 2024 and 2023, respectively.

For the three months ended March 31, 2024 and 2023, the Company had 3,897,250 and 430,617 restricted stock units vest at a fair value of $154.0 million and $14.6 million, respectively (excluding vested, but unsettled units). The restricted stock units were settled by issuing 2,425,290 shares of TPG Inc. Class A Common stock, net of withholding tax of $58.1 million, for the three months ended March 31, 2024 (excluding vested, but unsettled units) and by issuing 252,669 shares of TPG Inc. Class A Common stock, net of withholding tax of $6.0 million, for the three months ended March 31, 2023.

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Service Awards

For the three months ended March 31, 2024 and 2023 the Company granted 4.9 million and 3.7 million Service Awards, respectively. The grant date fair value was the public share price on their respective grant date. The following table presents the rollforward of the Company's unvested Service Awards for the three months ended March 31, 2024 (awards in millions):

	Service Awards	Weighted-Average Grant Date Fair Value
Balance at December 31, 2023	23.3	$ 30.62
Granted	4.9	39.41
Vested	(3.8)	30.58
Forfeited	(0.3)	29.76
Balance at March 31, 2024	24.1	$ 32.41

As of March 31, 2024, there was approximately $667.1 million of total estimated unrecognized compensation expense related to unvested Service Awards, which is expected to be recognized over the weighted average remaining requisite service period of 3.5 years.

Performance Condition Awards

In 2022 the Company also granted 0.1 million of Ordinary Performance Condition Awards. As these awards are not deemed probable of vesting as of March 31, 2024, the Company reversed approximately $1.7 million of inception to date equity-based compensation expense and will continue to monitor the awards until the end of the respective performance period.

Market Condition Awards

IPO Executive Awards

Under the Omnibus Plan and in conjunction with the IPO, the Company also granted 2.2 million of IPO Executive Awards in order to incentivize and retain key members of management and further their alignment with our shareholders. The IPO Executive Awards include awards of (i) 1.1 million restricted stock units subject to service-based vesting over a five-year service period beginning with the second anniversary of the grant date (included in Special Purpose Service Awards) and (ii) 1.1 million market and service based restricted stock units (included in Special Purpose Market Condition Awards). Each Market Condition Award is comprised of two parts: (i) a time-based component requiring a five-year service period and (ii) a market price component with a target Class A common stock share price at either $44.25 within five years or $59.00 within eight years. Dividend equivalents are paid on vested and unvested Service Awards when the dividend occurs. Dividend equivalents accrue for vested and unvested Market Condition Awards and are paid only when both the applicable service and performance conditions are satisfied.

Compensation expense for Service Awards is recognized on a straight-line basis and for the Market Condition Awards using the accelerated attribution method on a tranche by tranche basis. As of March 31, 2024, the first market price component of a Class A common stock share price of $44.25 was met, which triggered a vesting event of 0.1 million Market Condition Awards.

Executive Awards

Under the Omnibus Plan, the Company granted a long-term performance incentive award to the Company's Chief Executive Officer, Jon Winkelried, on November 30, 2023. The award comprised of 2.6 million Executive Service Awards (included in Special Purpose Service Awards) and 3.9 million Executive Market Condition Awards (included in Special Purpose Market Condition Awards) and is intended to incentivize Mr. Winkelried to drive shareholder value in a manner that is aligned with stockholder interests, reward him for organic and inorganic Company growth, and bring his compensation in-line with peer competitors in order to promote and ensure retention.

The Service Awards vest ratably over a term of four years. The Market Condition Awards are scheduled to service vest ratably over a period of five years, and are only earned upon achievement of a stock price vesting condition that will be met when the 30-day volume weighted average trading price of a share of Class A common stock meets or exceeds certain stock price hurdles. 25% of each service vesting tranche of the Market Condition Awards are eligible to be earned and vest following achievement of each of the following Class A common stock prices: $52.50, $58.45, $64.05 and $70.00. These stock price hurdles represent a premium of 150%, 167%, 183% and 200% of the closing price of a share of Class A common stock on the date of grant. The first market hurdle must be achieved by January 13, 2029, and the remaining hurdles by January 13, 2030. If the applicable market hurdles are not achieved by the specified periods, the applicable Market Condition Awards will be forfeited. Dividend equivalents are paid on vested and unvested Service Awards when the dividend occurs. Dividend equivalents accrue for vested and unvested Market Condition Awards and are paid only if and when both the applicable service and market conditions are satisfied.

Compensation expense for the Service Awards is recognized on a straight-line basis and for the Market Condition Awards using the accelerated attribution method on a tranche by tranche basis.

The following table presents the roll forwards of the Company’s unvested Market Condition Awards for the three months ended March 31, 2024 (awards in millions):

	Market Condition Awards	Weighted Average Grant Date Fair Value
Balance at December 31, 2023	5.0	$ 20.10
Granted	—	—
Vested, unsettled	(0.1)	17.58
Forfeited	(0.2)	16.58
Balance at March 31, 2024	4.7	$ 20.30

As of March 31, 2024, there was approximately $78.4 million of total estimated unrecognized compensation expense related to unvested Market Condition Awards, which is expected to be recognized over the weighted average remaining requisite service period of 3.0 years.

Other Awards

As a result of the Reorganization and the IPO in 2022, the Company’s current partners hold restricted indirect interests in Common Units through TPG Partner Holdings and indirect economic interests through RemainCo. TPG Partner Holdings and RemainCo are presented as non-controlling interest holders within the Company’s Consolidated Financial Statements. The interests in TPG Partner Holdings (“TPH Units”) and indirectly in RemainCo (“RPH Units”) are generally subject to service, or, in certain cases, to both service and performance conditions. Holders of these interests participate in distributions regardless of the vesting status. Additionally, in conjunction with the Reorganization, the IPO and the acquisition of NewQuest, certain TPG partners and NewQuest principals were granted Common Units directly at TPG Operating Group and Class A common stock subject to both service and performance conditions, which are deemed probable of achieving.

In conjunction with the Angelo Gordon Acquisition, as described in Note 3 to the Condensed Consolidated Financial Statements, the Company granted 43.8 million of unvested Common Units to former Angelo Gordon partners (included in Common Units below), which are considered compensatory under ASC 718. These units generally vest over a term of five years and participate in distributions at the TPG Operating Group along with all vested equity.

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The following table summarizes the outstanding Other Awards as of March 31, 2024 (in millions, including share data):

	Unvested Units/Shares Outstanding as of March 31, 2024	Compensation Expense for the Three Months Ended		Unrecognized Compensation Expense as of March 31, 2024
		March 31, 2024	March 31, 2023	
TPH and RPH Units				
TPH units	36.9	$ 74.7	$ 100.6	$ 782.8
RPH units	0.3	14.7	19.2	117.2
Total TPH and RPH Units	37.2	$ 89.4	$ 119.8	$ 900.0
Common Units and Class A Common Stock				
Common Units	45.0	$ 63.1	$ 3.6	$ 1,027.8
Class A Common Stock	0.6	4.4	4.4	13.3
Total Common Units and Class A Common Stock	45.6	$ 67.5	$ 8.0	$ 1,041.1

TPH and RPH Units

The Company accounts for the TPH Units and RPH Units as compensation expense in accordance with ASC Topic 718, Compensation – *Stock Compensation* ("ASC 718"). The unvested TPH and RPH Units are recognized as equity-based compensation subject to primarily service vesting conditions and in certain cases performance conditions, which are currently deemed probable of achieving. The Company recognized compensation expense of $89.4 million and $119.8 million for the three months ended March 31, 2024 and 2023, respectively. There is no additional dilution to our stockholders related to these interests. Contractually these units are only related to non-controlling interest holders of the TPG Operating Group, and there is no impact to the allocation of income and distributions to TPG Inc. Therefore, the Company has allocated these expense amounts to its non-controlling interest holders.

The following table presents the roll forwards of the Company's unvested TPH Units and RPH Units for the three months ended March 31, 2024 (units in millions):

	TPH Units		RPH Units	
	Partnership Units	Grant Date Fair Value	Partnership Units	Grant Date Fair Value
Balance at December 31, 2023	37.2	$ 24.54	0.3	$ 457.10
Reallocated	0.7	35.88	—	—
Vested	(0.3)	27.17	—	—
Forfeited	(0.7)	24.49	(0.0)	457.10
Balance at March 31, 2024	36.9	24.74	0.3	457.10

TPH Units, which were forfeited by certain holders upon termination, were reallocated to certain existing unit holders in accordance with the applicable governing documents. The grant date fair value of the reallocated awards was determined based on the fair value of TPG's common stock at the time of reallocation. As of March 31, 2024, there was approximately $900.0 million of total estimated unrecognized compensation expense related to outstanding unvested awards, of which TPH Units and RPH Units represented $782.8 million and $117.2 million, respectively.

Common Units and Class A Common Stock

In accordance with ASC 718, all Other Awards are also recognized as equity-based compensation. The Company recognized compensation expense of $67.5 million and $8.0 million for the three months ended March 31, 2024 and 2023, respectively. As TPG Operating Group holders would accrete pro-rata or benefit directly upon forfeiture of those awards, this compensation expense was allocated pro-rata to all controlling and non-controlling interest holders of TPG Inc.

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The following table presents the roll forwards of the Company's unvested TOG Units and Class A Common Stock Awards for the three months ended March 31, 2024 (awards in millions):

	Common Units		Class A Common Stock	
	Partnership Units	Grant Date Fair Value	Partnership Units	Grant Date Fair Value
Balance at December 31, 2023	45.4	$ 25.43	1.1	$ 29.50
Granted	—	—	—	—
Vested	(0.4)	27.29	(0.5)	29.50
Forfeited	—	—	—	—
Balance at March 31, 2024	45.0	25.42	0.6	29.50

Total unrecognized compensation expense related to outstanding unvested awards as of March 31, 2024 was $1,041.1 million, of which the TOG Units and Class A common stock represented $1,027.8 million and $13.3 million, respectively.

Other Liability-Classified Awards

In conjunction with the Acquisition discussed in Note 3 to the Condensed Consolidated Financial Statements, the Company granted liability-classified Common Unit awards to Angelo Gordon partners. Those awards represent the compensatory portion of the Earnout Payment under ASC 718 and as such, require both continuous service over a period of five years and the satisfaction of FRR targets during the Measurement Period defined in Note 3 to the Condensed Consolidated Financial Statements.

These liability-classified awards will be settled with a variable number of both vested and unvested Common Units upon the satisfaction of the FRR targets and do not participate in TPG Operating Group distributions before settlement. The fair value of these awards will be remeasured every reporting period and is based on the satisfaction of the respective FRR targets. As of March 31, 2024, the Company recognized compensation expense of $9.1 million related to its liability-classified awards with a corresponding increase in Other liabilities. Compensation expense for those awards is recognized using the accelerated attribution method on a tranche by tranche basis. Total unrecognized compensation expense related to these awards as of March 31, 2024 was $116.1 million.

TRTX Awards

Certain employees of the Company receive awards ("TRTX Awards") from TPG RE Finance Trust, Inc. ("TRTX"), a publicly traded real estate investment trust, externally managed and advised by TPG RE Finance Trust Management, L.P., a wholly-owned subsidiary of the Company, for services provided to TRTX. Generally, the TRTX Awards vest over four years for employees and at grant date for directors of TRTX.

The TRTX Awards granted to certain employees of the Company are recorded in other assets and due to affiliates in the Condensed Consolidated Statements of Financial Condition. The grant date fair value of the asset is amortized through compensation and benefits expense on a straight-line basis over the vesting period in the Condensed Consolidated Statements of Operations. Compensation and benefits expense is offset by related management fees earned by the Company from TRTX. During the three months ended March 31, 2024 and 2023, the Company recognized $4.2 million and $2.6 million, respectively, of management fees and compensation and benefits expense.

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15. Equity

The Company has three classes of common stock outstanding, Class A common stock, nonvoting Class A common stock and Class B common stock. Class A common stock is traded on the Nasdaq Global Select Market. The Company is authorized to issue 2,240,000,000 shares of Class A common stock with a par value of $0.001 per share, 100,000,000 shares of nonvoting Class A common stock, 750,000,000 shares of Class B common stock with a par value of $0.001 per share, and 25,000,000 shares of preferred stock, with a par value of $0.001 per share. Each share of the Company's Class A common stock entitles its holder to one vote, and each share of our Class B common stock entitles its holder to ten votes. Holders of Class A common stock and Class B common stock generally vote together as a single class on all matters presented to the Company's stockholders for their vote or approval. The nonvoting Class A common stock have the same rights and privileges as, rank equally and share ratably with, and are identical in all respects as to all matters to, the Class A common stock, except that the nonvoting Class A common stock have no voting rights other than such rights as may be required by law. Holders of Class A common stock are entitled to receive dividends when and if declared by the board of directors. Holders of the Class B common stock are not entitled to dividends in respect of their shares of Class B common stock. As of March 31, 2024, 92,467,877 shares of Class A common stock and 8,258,901 shares of nonvoting Class A common stock were outstanding, 263,952,639 shares of Class B common stock were outstanding, and there were no shares of preferred stock outstanding.

Dividends and distributions

Dividends and distributions are reflected in the Condensed Consolidated Statements of Changes in Equity when declared by the board of directors. Dividends are made to Class A common stockholders and distributions are made to holders of non-controlling interests in subsidiaries.

The table below presents information regarding the quarterly dividends on the Class A common stock, which were made at the sole discretion of the Board of Directors of the Company.

Date Declared	Record Date	Payment Date	Dividend per Class A Common Share
May 15, 2023	May 25, 2023	June 5, 2023	$ 0.20
August 8, 2023	August 18, 2023	September 1, 2023	0.22
November 7, 2023	November 17, 2023	December 1, 2023	0.48
February 13, 2024	February 23, 2024	March 8, 2024	0.44
Total 2023 Dividend Year (through Q4 2023)			$ 1.34
May 8, 2024	May 20, 2024	June 3, 2024	$ 0.41
Total 2024 Dividend Year (through Q1 2024)			$ 0.41

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Exchange of Common Units

On February 27, 2024, pursuant to the Amended and Restated Exchange Agreement, certain holders of Common Units exchanged 17,704,987 Common Units for an equal number of shares of Class A Common Stock. The exchange resulted in the issuance of 17,704,987 shares of Class A common stock and the cancellation of 17,704,987 shares of Class B common stock for no additional consideration. The issuance of the shares of Class A common stock to such holders of Common Units was registered pursuant to the Company's registration statement on Form S-3 filed on November 2, 2023.

The supplemental non-cash financing activities related to equity for the Condensed Consolidated Statements of Cash Flows are as follows (in thousands):

	Three Months Ended March 31,	
	2024	2023
Distributions to holders of other non-controlling interests	$ 38,197	$ 66,710
Deferred tax assets	201,906	—
Due to affiliates	185,351	—
Additional paid-in-capital	16,555	—

Pursuant to the exchange agreement entered into at the time of our IPO (the "Exchange Agreement"), on March 30, 2023 a pre-IPO Investor exchanged 1,000,000 Common Units of each TPG Operating Group partnership for 1,000,000 shares of Class A common stock. This exchange resulted in the issuance of 1,000,000 shares of Class A common stock and the cancellation of 1,000,000 shares of Class B common stock for no additional consideration.

16. Subsequent Events

Other than the events noted in Notes 8 and 15 to the Condensed Consolidated Financial Statements, there have been no additional events since March 31, 2024 that require recognition or disclosure in the Condensed Consolidated Financial Statements.

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the information presented in our historical financial statements and the related notes included elsewhere in this report. In addition to historical information, the following discussion contains forward-looking statements, such as statements regarding our expectation for future performance, liquidity and capital resources that involve risks, uncertainties and assumptions. Our actual results may differ materially from those contained in or implied by any forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those identified below and elsewhere in this report, particularly in "Cautionary Note Regarding Forward-Looking Statements," and "Item 1A.—Risk Factors" and should be read in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2023 filed with the SEC on February 23, 2024. We assume no obligation to update any of these forward-looking statements.

Overview

TPG is a leading global alternative asset manager with $223.6 billion in assets under management ("AUM") as of March 31, 2024. We have built our firm through years of successful innovation and growth, and believe that we have delivered attractive risk-adjusted returns to our clients and established a premier investment business focused on the fastest-growing segments of both the alternative asset management industry and the global economy. We believe that we have a distinctive business approach and a diversified, innovative array of investment platforms that position us well to continue generating highly profitable, sustainable growth.

We primarily invest in complex asset classes such as private equity, credit, real estate and public market strategies, which is distinct from most other asset managers that invest only in traditional asset classes such as stocks, bonds or commodities. We have constructed a high-quality base of assets under management within highly attractive sub-segments of the alternative asset management industry. The strength of our investment performance, our ability to innovate within our business and our focus on strategic, inorganic growth has led to consistent historical growth in our assets under management, all on a scaled infrastructure that gives our business a high degree of operating leverage. Recently, we have also pursued highly strategic inorganic growth, notably our acquisition on November 1, 2023 of Angelo Gordon, an alternative investment firm focused on credit and real estate investing.

Our differentiated operating model unites our investment products and global footprint around a cohesive commercial framework. Our compensation structure and team-oriented culture inspire collaboration, support our shared investment themes approach to sourcing and executing deals and lead to attractive returns for our investors. Through multiple decades of experience, we have developed an ecosystem of insight, engagement and collaboration across our platforms and products, which currently include over 300 active portfolio companies, over 300 real estate properties and over 5,000 credit positions across more than 30 countries.

Our firm consists of six multi-strategy investment platforms: (1) Capital, (2) Growth, (3) Impact, (4) TPG Angelo Gordon, (5) Real Estate and (6) Market Solutions. Each of our six investment platforms is comprised of a number of products that are complementary to each other and provide our clients with differentiated avenues for capital deployment. Most of our products have raised multiple generations of funds, which we believe highlights the value our clients see in these products.

	Capital	Growth	Impact	TPG Angelo Gordon		Real Estate	Market Solutions
				Credit	**Real Estate**		
Platforms	Large-scale, control-oriented private equity investing platform	Growth equity and middle market private equity investing platform	Private equity investing platform focused on achieving both societal and financial outcomes	Expansive yield opportunities across the credit spectrum	Diversified portfolio along the value-add spectrum, opportunistic strategies and portfolio of sale-leaseback transactions	Real estate investing platform	Differentiated strategies built to address specific market opportunities
	$71.4 billion AUM	**$27.3 billion** AUM	**$19.2 billion** AUM	**$61.3 billion** AUM	**$18.6 billion** AUM	**$17.6 billion** AUM	**$8.2 billion** AUM
Products	TPG Capital TPG Asia TPG Healthcare Partners Continuation Vehicles	TPG Growth TPG Tech Adjacencies TPG Digital Media TPG Life Sciences Innovation	The Rise Funds TPG Rise Climate Evercare TPG NEXT	TPG AG Credit Solutions TPG AG Structured Credit & Specialty Finance TPG AG Middle Market Direct Lending TPG AG CLOs TPG AG Multi-Strategy	TPG AG U.S. Real Estate TPG AG Asia Real Estate TPG AG Europe Real Estate TPG AG Net Lease	TPG Real Estate Partners Real Estate Thematic Advantage Core Plus TPG RE Finance Trust (TRTX) TPG Real Estate Credit Opportunities (TRECO)	Public Market Investing Capital Markets Private Market Solutions

Note: AUM as of March 31, 2024.

Platforms

Platform: Capital

Our Capital platform is focused on large-scale, control-oriented private equity investments. Our Capital platform funds are organized in four primary products: (1) TPG Capital, (2) TPG Asia, (3) TPG Healthcare Partners, and (4) Continuation Vehicles.

The following table presents certain data about our Capital platform as of March 31, 2024 (dollars in billions):

AUM	Fee-earning AUM	Active Funds	Available Capital
$ 71	$ 39	10	$ 17

Product: TPG Capital

TPG Capital is our North America and Europe-focused private equity investing business, with $42.1 billion in assets under management as of March 31, 2024. TPG Capital seeks to invest through leveraged buyouts and large-scale growth equity investments in market leaders with fundamentally strong business models that are expected to benefit from long-term secular growth trends. We also seek to help our portfolio companies accelerate their growth under our ownership through operational improvements, by investing in organic and inorganic growth, and by leveraging our human capital team to upgrade or enhance our management teams and boards.

Product: TPG Asia

TPG Asia focuses on pursuing investments in the Asia-Pacific region, including Australia, India, Korea and Southeast Asia, with $21.9 billion in assets under management as of March 31, 2024. Our distributed regional footprint has provided a foundation to pursue the region's highly attractive investing opportunities with both new and existing products and strategies. We invest through a variety of transaction structures, including through partnerships with large corporations and families.

Product: TPG Healthcare Partners

We established TPG Healthcare Partners, or "THP", in 2019 to pursue healthcare-related investments, primarily in partnership with other TPG funds. THP provides our limited partners with a dedicated healthcare investment platform that touches all areas of healthcare, including providers, payors, pharmaceuticals, medical devices and healthcare technology.

Product: Continuation Vehicles

Periodically, across our platforms, we identify portfolio companies in which certain of our limited partners would like to remain invested but which we own in a fund nearing the end of its life. In these situations, we have utilized single-asset continuation vehicles ("CVs") managed by TPG that allow the limited partners who choose to do so to remain invested in a portfolio company beyond the life of the TPG fund that initially invested in the company. CVs are attractive for both our limited partners, who retain ongoing exposure to strong assets, and for TPG, as these vehicles extend the duration of our capital. CVs provide opportunities for TPG to continue creating value for our investors and earning management and performance fees.

Platform: Growth

TPG Growth is our dedicated growth equity and middle market investing vehicle. Our Growth platform provides us with a flexible mandate to capitalize on investment opportunities that are earlier in their life cycle, are smaller in size and/or have different profiles than would be considered for our Capital platform. Our Growth funds are organized in four primary products: (1) TPG Growth, (2) TPG Tech Adjacencies, (3) TPG Digital Media, and (4) TPG Life Sciences Innovation.

The following table presents certain data about our Growth platform as of March 31, 2024 (dollars in billions):

AUM	Fee-earning AUM	Active Funds	Available Capital
$ 27	$ 12	9	$ 5

Product: TPG Growth

TPG Growth is our dedicated growth equity and middle market investing product, with $17.7 billion in assets under management as of March 31, 2024. TPG Growth seeks to make growth buyout and growth equity investments, primarily in North America and India.

Product: TPG Tech Adjacencies

TPG Tech Adjacencies, or "TTAD", with $6.9 billion in assets under management as of March 31, 2024, is a product we developed organically to pursue minority and/or structured investments in internet, software, digital media and other technology sectors. Specifically, TTAD aims to provide flexible capital for founders, employees and early investors looking for liquidity, as well as primary structured equity solutions for companies looking for additional, creative capital for growth.

Product: TPG Digital Media

TPG Digital Media, or "TDM", is a flexible source of capital to pursue opportunities to invest in digital media. TDM seeks to pursue investments in businesses in which we have the opportunity to capitalize on our long history of studying and pursuing content-centric themes.

Product: TPG Life Sciences Innovation

TPG Life Sciences Innovation, or “LSI”, is a new product that will invest in the life sciences sector in novel therapeutics as well as digital health, medical devices, diagnostics, and tech-enabled services. LSI will invest across different therapeutic areas and stages from company creation to IPO, and will leverage TPG’s broad experience in the healthcare sector.

Platform: Impact

Our multi-fund Impact platform pursues both competitive financial returns and measurable societal benefits at scale, harnessing the diverse skills of a differentiated group of stakeholders:

• *Y Analytics:* A public benefit organization that is wholly owned by TPG and which we founded to provide impact research and rigorous assessment measures for impact investments, and today functions as TPG’s firm-wide ESG and impact performance arm.

• *The TPG Rise Global Advisory Board:* A group of experienced investors and global thought leaders with a deep personal and professional commitment to driving social and environmental change.

• *The TPG Rise Climate Coalition:* A partnership between TPG and 28 leading global corporations to identify and share best practices for considering climate solutions investment opportunities through TPG Rise Climate.

Based on our investment strategy, we believe our impact investments can deliver profit and positive impact in tandem. Our Impact funds are organized in four primary products: (1) The Rise Funds, (2) TPG Rise Climate, (3) Evercare, and (4) TPG NEXT.

The following table presents certain data about our Impact platform as of March 31, 2024 (dollars in billions):

AUM	Fee-earning AUM	Active Funds	Available Capital
$ 19	$ 14	6	$ 5

Product: The Rise Funds

The Rise Funds are our dedicated vehicles for investing in companies that generate a demonstrable and significant positive societal impact alongside business performance and strong returns, with $8.8 billion in assets under management as of March 31, 2024. The Rise Fund’s core areas of focus include climate and conservation, education, financial inclusion, food and agriculture, healthcare and impact services, and invest globally.

Product: TPG Rise Climate

TPG Rise Climate is our dedicated climate impact investing product. TPG Rise Climate has raised $7.3 billion in total commitments. In addition to committing capital to the fund, the companies joined TPG in forming the TPG Rise Climate Coalition, an effort focused on identifying and sharing best practices for considering investment opportunities, among the corporate group and more broadly across the TPG Impact platform. TPG Rise Climate’s core areas of focus include energy transition, green mobility, sustainable fuels, sustainable materials and products and carbon solutions.

Product: Evercare

The Evercare Health Fund (“Evercare”) is an emerging markets healthcare fund that is striving to provide affordable, high-quality healthcare in emerging markets. Evercare’s investments are integrated under a common operating platform, The Evercare Group, which is an integrated healthcare delivery platform in emerging markets across Africa and South Asia, including India, Pakistan, Bangladesh, Kenya and Nigeria.

Product: TPG NEXT

TPG NEXT is designed to support the next generation of diverse alternative asset managers. TPG announced the launch of the TPG NEXT fund in 2022 to seed new managers, strengthen their access to capital, offer business building expertise and provide strategic advisory support to talent that is chronically underrepresented in alternative asset management. TPG NEXT began investing in 2023 and aims to increase the number of diverse-led firms in alternative assets, furthering an effort we began in 2019 with our investments in Harlem Capital and VamosVentures.

Platform: TPG Angelo Gordon

TPG AG Credit

TPG Angelo Gordon's alternative credit products (collectively referred to as "TPG AG Credit") are: (1) TPG AG Credit Solutions, (2) TPG AG Structured Credit & Specialty Finance, (3) TPG AG Middle Market Direct Lending, (4) TPG AG Collateralized Loan Obligations ("CLOs"), and (5) TPG AG Multi-Strategy. TPG AG Credit's capabilities span private and tradable credit across corporate and asset-backed markets.

The following table presents certain data about our TPG AG Credit platform as of March 31, 2024 (dollars in billions):

AUM	Fee-earning AUM	Active Funds	Available Capital
$ 61	$ 41	75	$ 8

Product: TPG AG Credit Solutions

TPG AG Credit Solutions, with $13.4 billion in assets under management as of March 31, 2024, invests in stressed, distressed and special situation corporate credit opportunities, primarily in North America and Europe, and can dynamically pivot between the public and private markets. We employ what we believe to be a differentiated, solutions-based approach that is capable of being executed in any market environment. TPG AG Credit Solutions seeks to align with companies, financial sponsors and business owners and to use its structuring skill and capital base to create bespoke, bilaterally-negotiated financing transactions that help resolve complex and idiosyncratic financial challenges. TPG AG Credit Solutions funds may also opportunistically invest in securities acquired at what the investment team believes are discounted prices relative to their intrinsic value and offer the potential for contractual income and/or price appreciation. TPG AG Credit Solutions invests through its Credit Solutions and Essential Housing closed-ended funds, as well as its Corporate Credit Opportunities open-ended fund.

Product: TPG AG Structured Credit & Specialty Finance

TPG AG Structured Credit & Specialty Finance focuses on major non-corporate credit sectors, including consumer, residential and commercial real estate, and specialty lending markets, and also has substantial CLO debt and equity investing capabilities. TPG AG Structured Credit & Specialty Finance invests through the Mortgage Value Partners Fund, an open-ended hedge fund, the Asset Based Credit Fund, a closed-ended fund, separately managed accounts ("SMAs") and AG Mortgage Investment Trust, Inc. (NYSE: MITT) ("MITT"), an externally-managed, publicly traded residential mortgage real estate investment trust focused on investing in a diversified risk-adjusted portfolio of residential mortgage-related assets in the U.S. mortgage market. As of March 31, 2024, TPG AG Structured Credit & Specialty Finance had $16.0 billion in assets under management.

Product: TPG AG Middle Market Direct Lending

TPG AG Middle Market Direct Lending ("MMDL") and TPG Twin Brook Capital Partners focus on sourcing, underwriting and actively managing a diversified portfolio of middle market, floating rate, senior secured loans, including revolvers, first lien debt and, opportunistically, second lien debt. As a direct lender to private equity sponsored middle market companies, the product focuses on opportunities where we can receive a pricing premium relative to broadly syndicated loans and relies on ongoing borrower support from sponsors. TPG AG Middle Market Direct Lending includes the MMDL closed-ended fund series, as well as a public, non-traded business development company ("BDC"), AG Twin

Brook Capital Income Fund ("TCAP"). As of March 31, 2024, TPG AG Middle Market Direct Lending had $21.3 billion in assets under management.

Product: TPG AG CLOs

TPG AG CLOs, with $8.5 billion in assets under management as of March 31, 2024 invests predominantly in non-investment grade senior secured bank loans. TPG AG issues U.S. CLOs investing predominantly in U.S. dollar-denominated loans, and Euro CLOs investing predominantly in Euro-denominated loans and secured bonds. TPG AG CLOs include performing credit bespoke vehicles, CLO funds and direct investment in the tranches of Northwoods CLOs.

Product: TPG AG Multi-Strategy

TPG AG Multi-Strategy, with $2.1 billion in assets under management as of March 31, 2024, invests across the breadth of TPG AG Credit, with a geographic focus in the United States and Western Europe. TPG AG Multi-Strategy offers actively managed co-mingled funds, including its Super Fund ("Super Fund"), in addition to bespoke vehicles and various multi-strategy credit funds of one. These funds invest in public and private investment opportunities sourced from across TPG AG Credit, as well as arbitrage strategies, including convertible arbitrage and merger arbitrage. TPG AG Multi-Strategy funds invest in, among other products, corporate loans and bonds, residential, consumer and asset-based loans and securities, hybrid instruments and derivative securities, including currency and interest rate hedges.

TPG AG Real Estate

TPG Angelo Gordon's real estate products (collectively referred to as "TPG AG Real Estate") are (1) TPG AG U.S. Real Estate, (2) TPG AG Asia Real Estate, (3) TPG AG Europe Real Estate, and (4) TPG AG Net Lease. TPG AG Real Estate products in the United States, Asia and Europe primarily focus on the acquisition of equity interests of underperforming and undervalued assets in the United States, Asia and Europe, where we employ our opportunistic and value-add strategies to improve performance. TPG AG Net Lease primarily invests in single tenant commercial real estate acquired in simultaneous sale-leaseback transactions.

The following table presents certain data about our TPG AG Real Estate platform as of March 31, 2024 (dollars in billions):

AUM	Fee-earning AUM	Active Funds	Available Capital
$ 19	$ 14	25	$ 8

Product: TPG AG U.S. Real Estate

TPG AG U.S. Real Estate, with $6.7 billion in assets under management as of March 31, 2024, manages assets across various product sectors and has been active in many of the major U.S. real estate markets. TPG AG U.S. Real Estate focuses on purchasing what we believe to be underperforming and undervalued real estate assets, where we then execute an active asset management strategy to reposition and stabilize the properties. TPG AG U.S. Real Estate is diversified across property sectors, with a thematic portfolio construction focused on rental residential, industrial, self-storage, life science, student housing and medical office, among other sectors.

Product: TPG AG Asia Real Estate

TPG AG Asia Real Estate, with $5.3 billion in assets under management as of March 31, 2024, manages assets across Asia, with investments primarily in Japan, South Korea, Hong Kong, China and Singapore. TPG AG Asia Real Estate focuses on capitalizing on opportunistic investments, primarily created through lack of real estate expertise, illiquidity or distress in many Asian markets. The TPG AG Asia Real Estate portfolio includes office, industrial, residential, hotel, retail, life science and other asset types.

Product: TPG AG Europe Real Estate

TPG AG Europe Real Estate, with $4.3 billion in assets under management as of March 31, 2024, manages assets across Europe, with investments primarily located in major cities in Western Europe and the United Kingdom. TPG AG Europe Real Estate focuses on sub-performing and distressed real estate assets. Business plans may range from modest lease-up and operational improvement to more significant value-add strategies, which may require complete capital restructuring or asset repositioning to stabilize. The TPG AG Europe Real Estate portfolio includes industrial, residential, office, hotel, retail, student housing, self-storage and other asset types.

Product: TPG AG Net Lease

TPG AG Net Lease, with $2.2 billion in assets under management as of March 31, 2024, focuses on single tenant commercial real estate, generally leased to non-investment grade tenants, largely acquired in simultaneous sale-leaseback transactions. TPG AG Net Lease primarily purchases existing facilities that are integral to the ongoing operations of the tenants, such as a company's manufacturing plant or distribution centers. TPG AG Net Lease manages assets primarily located within the United States, with certain assets in the United Kingdom, Western Europe, Canada and Mexico.

Platform: Real Estate

We established our TPG real estate investing practice in 2009 to pursue real estate investments systematically and build the capabilities to do so at significant scale. We invest in real estate through four primary products: (1) TPG Real Estate Partners, (2) TPG Real Estate Thematic Advantage Core-Plus, (3) TPG RE Finance Trust, Inc., and (4) TPG Real Estate Credit Opportunities.

The following table presents certain data about our Real Estate platform as of March 31, 2024 (dollars in billions):

AUM	Fee-earning AUM	Active Funds	Available Capital
$ 18	$ 12	5	$ 7

Product: TPG Real Estate Partners

TPG Real Estate Partners ("TREP"), with $11.4 billion in assets under management as of March 31, 2024, focuses on acquiring and building platforms rather than investing on a property-by-property basis, which we believe creates more efficient operating structures and ultimately results in scaled investments that may trade at premium entity-level pricing in excess of the net asset value of individual properties. TREP utilizes a distinct theme-based strategy for sourcing and executing proprietary investments and, over time, many of these themes have aligned with TPG's broader thematic sector expertise, particularly those pertaining to the healthcare and technology sectors.

Product: TPG Real Estate Thematic Advantage Core-Plus

TPG Real Estate Thematic Advantage Core-Plus ("TAC+"), with $1.7 billion in assets under management as of March 31, 2024, is an extension of our opportunistic real estate investment program. TAC+ targets investments in stabilized (or near stabilized) high-quality real estate, particularly in thematic sectors where we have gained significant experience and conviction. The investment strategy is designed to enhance traditional core-plus objectives of capital preservation and reliable current income generation by applying our differentiated thematic approach, strategy and skillset.

Product: TPG RE Finance Trust, Inc.

TPG RE Finance Trust, Inc. (NYSE: TRTX) ("TRTX") is externally managed by an affiliate of TPG and directly originates, acquires and manages commercial mortgage loans and other commercial real estate-related debt instruments in North America for its balance sheet. The platform's objective is to provide attractive risk-adjusted returns to its stockholders over time through cash distributions. As of March 31, 2024, the TRTX loan investment portfolio consisted of 51 first mortgage loans (or interests therein) and total loan commitments of $3.5 billion.

Product: TPG Real Estate Credit Opportunities

TPG Real Estate Credit Opportunities ("TRECO") is our opportunistic, real estate credit strategy targeting risk-adjusted returns through investments primarily in real estate-related high-yield senior and subordinate loans and securities. TRECO focuses on select sectors and geographies where we have distinct expertise informed by our longstanding practice around theme development. The fund has a flexible mandate and will aim to invest opportunistically across the credit spectrum.

Platform: Market Solutions

Our Market Solutions platform leverages the broader TPG ecosystem to create differentiated products in order to address specific market opportunities.

The following table presents certain data about our Market Solutions platform as of March 31, 2024 (dollars in billions):

AUM	Fee-earning AUM	Active Funds	Available Capital
$ 8	$ 6	10	$ 2

Product: TPG Public Equities

TPG Public Equities ("TPEP") seeks to generate superior risk-adjusted returns through deep, fundamental private equity-style research in the public markets. TPEP is not siloed from our private investment businesses from an information perspective, which allows TPEP to collaborate with sector-focused teams across the rest of our firm and leverage TPG's full intellectual capital and resources. TPEP manages a $1.9 billion long / short fund and a $1.3 billion long-only fund as of March 31, 2024, both of which are managed with broad, opportunistic mandates.

Product: Capital Markets

Our dedicated capital markets group centralizes our in-house debt and equity advisory expertise and optimizes capital solutions for our investment professionals and portfolio companies. Primary activities include:

• *Debt Capital Markets:* (i) Structure and execute new deal and acquisition financings across leveraged loans, high yield bonds and mezzanine debt (privately placed and syndicated) and (ii) manage capital structures on an ongoing basis, including re-financings, re-pricings, hedging, amendments and extensions and other services.

• *Equity Capital Markets:* (i) Act as lead advisor and underwriter on capital raises and the monetization of our ownership stakes in the public equity markets, including initial public offerings, follow-on offerings, equity-linked products and subsequent realizations and (ii) provide dual-track and structured equity solutions advisory, among other services.

Through our capital markets activities, we generate underwriting, placement, arrangement, structuring and advisory fee revenue. In the three months ended March 31, 2024 and 2023, our capital markets business drove $46.2 million and $5.2 million in transaction revenue, respectively. We believe that the high margin profile of our business coupled with our consistent ability to deliver superior financing outcomes drives significant value to our portfolio companies and our stockholders.

Product: Private Markets Solutions

Our private markets solutions business provides single asset and portfolio liquidity solutions to private asset owners, typically through continuation vehicles, funds or underlying third-party investment managers who will continue to control such assets in which the funds invest. Our private markets solutions business is organized into two businesses: (1) NewQuest and (2) TPG GP Solutions ("TGS").

NewQuest Capital Partners

NewQuest seeks to acquire private equity positions on a secondary basis in underlying portfolio companies whose businesses are substantially based in the Asia Pacific region. With $3.0 billion in assets under management as of March 31, 2024, NewQuest is principally focused on complex secondary transactions.

TPG GP Solutions

Established in 2021, TGS was created to invest in high-quality, stable private equity assets, which are principally based in North America and Europe, in partnership with third-party general partners. TGS brings a primary private equity approach to the general partner-led secondaries market that leverages the TGS team's deep investing experience and the insights and expertise of the broader TPG ecosystem.

Trends Affecting our Business

Our business is affected by a variety of factors, including conditions in the financial markets and economic and political conditions. Changes in global economic conditions and regulatory or other governmental policies or actions can materially affect the values of funds managed by TPG, as well as our ability to source attractive investments and deploy the capital that we have raised. However, we believe our disciplined investment philosophy across our diversified investment platforms and our shared investment themes focusing on attractive and resilient sectors of the global economy has historically contributed to the stability of our performance throughout market cycles.

The market environment remained constructive during the first three months of 2024, with risk assets performing well and data continuing to show a healthy underlying domestic economy, despite persistent inflation data and delayed expectations for rate cuts from the Federal Reserve.

The U.S. Consumer Price Index ("CPI") remained relatively flat during the first three months of 2024, with readings of January, February and March data showing prices rose 3.4%, 3.1% and 3.2%, respectively, from the year prior. Core CPI, which excludes food and energy, likewise remained flat coming in at 3.9%, 3.9% and 3.8% for the same three months. While inflation has slowed relative to the recent peak, the last few months of data have raised concerns that the last leg to achieving the Federal Reserve's target of 2% inflation will be the most difficult. As a result of stubborn inflation, commentary from the Federal Reserve turned slightly more hawkish in the quarter, relative to the three months prior. Target Fed Funds rates were held constant during both the January and March 2024 meetings at 5.25% to 5.50%, and market expectations for rate cuts, initially expected in March or May 2024, have been pushed to the back half of the year. Economic data has remained strong despite the extended period of elevated rates. The U.S. added 829,000 payrolls during the first three months of the year, and the unemployment was recorded as 3.8% in March 2024, up slightly from the end of 2023.

U.S. Treasury prices fell and yields rose across the curve during the first three months of 2024 amid hotter than expected inflation data in January and February and hawkish commentary from the Federal Reserve, which delayed expectations for the onset of a rate cutting cycle. Moves were more pronounced in the middle of the curve, with yields on the 2-Year and 5-Year Treasury rising 37 basis points. Yields on the 10-Year Treasury rose 33 basis points relative to the end of 2023, closing the quarter at 4.20%. The yield curve remains inverted, with 2-Year Treasuries yielding 42 basis points in excess of the 10-Year Treasury, as of March 31, 2024.

In corporate credit markets, both U.S. and European high yield markets performed positively during the first quarter of 2024. According to J.P. Morgan data, the U.S. high yield market saw gains of 1.6% in the United States and the European market saw gains of 1.4% during the first quarter. In the United States, high yield bond spreads continued to tighten and ended the quarter at 343 basis points compared to 377 basis points to start the year. In Europe, high yield spreads tightened 31 points, ending the quarter at 430 basis points. The high yield default rate ended the quarter at 2.6% in both the United States and Europe. Additionally, the J.P. Morgan U.S. Leveraged Loan Index posted a 2.65% return, and the J.P. Morgan European Leveraged Loan Index posted a 2.49% return for the first quarter of 2024. From a spread and yield basis, the US Leveraged Loan Index ended the quarter at a yield of 8.81% and 476 basis point spread, while the European Leverage Loan Index ended the quarter at a yield of 8.17% and 535 basis point spread.

Major U.S. equity indices continued to rise during the first three months of 2024. The S&P 500, Dow Jones and Nasdaq gained 10.2%, 5.6% and 9.1%, respectively, during the quarter. The best performing S&P sectors included Communication Services, Energy and Information Technology, which rose 15.6%, 12.7% and 12.5%, respectively. Real Estate was the lone retreating sector, losing (1.4%) during the quarter. Utilities and Consumer Discretionary were also laggards, but still posted positive gains of 3.6% and 4.8%, respectively, in the quarter. Volatility, as measured by the CBOE Volatility Index, was relatively flat for the three months ending March 31, 2023, ending the quarter at 13.0, up from 12.5 as of the end of 2023.

In commercial real estate, the Green Street Commercial Property Price Index was relatively flat in the beginning of 2024. Although quarter-to-date data is not yet available, initial transaction volume in the United States indicates Q1 2024 activity will remain muted compared to 2021 peaks, primarily due to continued elevated borrowing rates and reductions in liquidity and credit availability. In Europe, the central bank kept interest rates at the record-high of 4% in April, pushing back on market expectation of a rate cut in early 2024. With interest rate cuts likely delayed, bond yields edged up, which we expect will put further downward pressure on commercial real estate valuations in the near-term. Major Asian markets have faced similar challenges. In mainland China and Hong Kong, a slow recovery and ongoing geopolitical tensions have resulted in cautious investor sentiment. In March, the Bank of Japan increased interest rates for the first time in nearly two decades. Although the base rate remains near zero, this end a nearly eight-year era of negative interest rates.

Organization

We are a holding company and our only business is to act as the owner of the entities serving as the general partner of the TPG Operating Group partnerships and our only material assets are Common Units representing approximately 28% of the outstanding Common Units and 100% of the interests in certain intermediate holding companies as of March 31, 2024. In our capacity as the sole indirect owner of the entities serving as the general partner of the TPG Operating Group partnerships, we indirectly control all of the TPG Operating Group's business and affairs.

Acquisition of Angelo Gordon

On November 1, 2023, we acquired Angelo Gordon pursuant to the terms and subject to the conditions set forth in the Transaction Agreement. Pursuant to the Transaction Agreement, we acquired Angelo Gordon for both cash and non-cash consideration under U.S. GAAP equal to $1,142.7 million (the "Purchase Price"), comprised of:

- $740.7 million in cash paid at closing;
- $15.7 million paid during the three months ended March 31, 2024 to the sellers of Angelo Gordon as a result of post close net working capital adjustments;
- 9.2 million vested Common Units (and an equal number of Class B common stock) and 43.8 million unvested Common Units which are deemed to be compensatory under U.S. GAAP;
- the rights to an aggregate cash payment, payable in three payments of up to $50.0 million each, reflecting an aggregate of $150.0 million (the "Aggregate Annual Cash Holdback Amount"); and
- the non-compensatory portion under U.S. GAAP of a total earnout payment of up to $400.0 million in value (the "Earnout Payment"), subject to the satisfaction of certain fee-related revenue ("FRR") targets during the period beginning on January 1, 2026 and ending on December 31, 2026 (the "Measurement Period").

Operating Segments

We operate our business in a single operating and reportable segment, which is consistent with how our CEO, who is our chief operating decision maker, reviews financial performance and allocates resources. We operate collaboratively across platforms with a single expense pool.

Basis of Accounting

We consolidate the financial results of TPG Inc., TPG Operating Group and its consolidated subsidiaries, management companies, the general partners of funds and entities that meet the definition of a variable interest entity ("VIE") for which we are considered the primary beneficiary.

When an entity is consolidated, we reflect the accounts of the consolidated entity, including its assets, liabilities, revenues, expenses, investment income, cash flows and other amounts, on a gross basis. While the consolidation of an entity does not impact the amounts of net income attributable to controlling interests, the consolidation does impact the financial statement presentation in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). This is a result of the fact that the accounts of the consolidated entities being reflected on a gross basis, with intercompany transactions eliminated, while the allocable share of those amounts that are attributable to third parties are reflected as single line items. The single line items in which the accounts attributable to third parties are recorded are presented as non-controlling interests on the Condensed Consolidated Statements of Financial Condition and net income (loss) attributable to non-controlling interests on the Condensed Consolidated Statements of Operations.

We are not required under U.S. GAAP to consolidate the majority of investment funds we advise in our Condensed Consolidated Financial Statements because we do not have a more than insignificant variable interest. Public SPACs are consolidated pursuant to U.S. GAAP in the relevant periods presented. Management fees and performance allocations from the consolidated Public SPACs are eliminated in the Consolidated Financial Statements. The performance of the consolidated Public SPACs is not necessarily consistent with or representative of the aggregate performance trends of our TPG investment funds.

Key Financial Measures

Our key financial and operating measures are discussed below.

Revenues

Fees and Other. Fees and other consists primarily of (i) management fees, (ii) monitoring fees, (iii) transaction fees, (iv) incentive fee income and (v) expense reimbursements from unconsolidated funds, portfolio companies and third parties. These fee arrangements are documented within the contractual terms of the governing agreements and are recognized when earned, which generally coincides with the period during which the related services are performed and in the case of transaction fees, upon closing of the transaction. Monitoring fees may provide for a termination payment following an initial public offering or change of control. These termination payments are recognized in the period in which the related transaction closes.

Capital Allocation-Based Income (Loss). Capital allocation-based income (loss) is earned from our funds when we have (i) a general partner's capital interest and (ii) performance allocations which entitle us to a disproportionate allocation of investment income or loss from investment funds. We are entitled to a performance allocation (typically 20%) based on cumulative fund or account performance to date, irrespective of whether such amounts have been realized. These performance allocations are subject to the achievement of preferred returns or high water marks, where applicable, in accordance with the terms set forth in the respective fund's governing documents. We account for our investment balances in the TPG funds, including performance allocations, under the equity method of accounting because we are presumed to have significant influence as the general partner or managing member; however, we do not have control as defined by Accounting Standards Codification ("ASC") Topic 810, *Consolidation*. The Company accounts for its general partner interests in capital allocation-based arrangements as financial instruments under ASC Topic 323, *Investments – Equity Method and Joint Ventures* as the general partner has significant governance rights in the TPG funds in which it invests which demonstrates significant influence. Accordingly, performance allocations are not deemed to be within the scope of ASC Topic 606, *Revenue from Contracts with Customers* ("ASC 606").

Expenses

Compensation and Benefits. Compensation and benefits expense includes (i) cash-based compensation and benefits, (ii) equity based compensation and (iii) performance allocation compensation. Bonuses are accrued over the service period to which they relate. In addition, we have equity-based compensation arrangements that require certain TPG executives and employees to vest over a service period of generally one to five years, which under U.S. GAAP will result in compensation charges over current and future periods. In connection with our IPO and subsequent acquisition, we granted restricted stock units to executives and employees. Distributions of performance allocations in the legal form of equity made directly or indirectly to our partners and professionals are allocated and distributed, when realized, pro rata based on ownership percentages in the underlying investment partnership. These distributions were accounted for as distributions on the equity held by such partners rather than as compensation and benefits expense prior to the Reorganization and IPO and are now accounted for as performance allocation compensation.

General, Administrative and Other. General and administrative expenses include costs primarily related to professional services, occupancy, travel, communication and information services and other general operating items.

Depreciation and Amortization. Depreciation and amortization of tenant improvements, furniture and equipment and intangible assets are expensed on a straight-line basis over the useful life of the asset.

Interest Expense. Interest expense includes interest paid and accrued on our outstanding debt and the amortization of deferred financing costs.

Expenses of Consolidated Public SPACs. Expenses of consolidated Public SPACs consist of interest expense and other expenses related primarily to professional services fees, research expenses, trustee fees, travel expenses and other costs associated with organizing and offering these entities.

Investment Income

Net Gains (Losses) from Investment Activities. Realized gains (losses) may be recognized when we redeem all or a portion of an investment interest or when we receive a distribution of capital. Unrealized gains (losses) result from the appreciation (depreciation) in the fair value of our investments. Fluctuations in net gains (losses) from investment activities between reporting periods are primarily driven by changes in the fair value of our investment portfolio and, to a lesser extent, the gains (losses) on investments disposed of during the period. The fair value of, as well as the ability to recognize gains (losses) from, our investments is significantly impacted by the global financial markets. This impact affects the net gains (losses) from investment activities recognized in any given period. Upon the disposition of an investment, previously recognized unrealized gains (losses) are reversed and an offsetting realized gain (loss) is recognized in the period in which the investment is sold. Since our investments are carried at fair value, fluctuations between periods could be significant due to changes to the inputs to our valuation process over time.

Interest, Dividends and Other. Interest income is recognized on an accrual basis to the extent that such amounts are expected to be collected using the effective interest method. Dividends and other investment income are recorded when the right to receive payment is established.

Investment and Other Income of Consolidated Public SPACs. Investment and other income of consolidated Public SPACs include changes in the fair value of derivative contracts entered into by our consolidated Public SPAC entities, which are included in current period earnings and interest, dividend and other income earned by the consolidated Public SPACs.

Income Tax Expense

The Company is treated as a corporation for U.S. federal and state income tax purposes. We are subject to U.S. federal and state income taxes, in addition to local and foreign income taxes, with respect to our allocable share of taxable income generated by the TPG Operating Group partnerships.

Non-Controlling Interests

For entities that are consolidated, but not 100% owned, a portion of the income or loss and corresponding equity is allocated to owners other than TPG. The aggregate of the income or loss and corresponding equity that is not owned by us is included in non-controlling interests in the Consolidated Financial Statements.

Key Components of our Results of Operations

Results of Operations

The following table provides information regarding our condensed consolidated results of operations for the periods presented:

	Three Months Ended March 31,	
	2024	2023
	(dollars in thousands, except share and per share data)	
Revenues		
Fees and other	$ 512,295	$ 311,471
Capital allocation-based income	311,776	331,674
Total revenues	824,071	643,145
Expenses		
Compensation and benefits:		
Cash-based compensation and benefits	206,336	120,451
Equity-based compensation	227,908	157,293
Performance allocation compensation	196,434	221,341
Total compensation and benefits	630,678	499,085
General, administrative and other	151,632	104,873
Depreciation and amortization	32,965	8,222
Interest expense	21,122	7,418
Expenses of consolidated Public SPACs	—	519
Total expenses	836,397	620,117
Investment income (loss)		
Net (losses) gains from investment activities	(5,198)	14,816
Interest, dividends and other	12,904	7,971
Investment and other income of consolidated Public SPACs	—	1,962
Total investment income	7,706	24,749
(Loss) income before income taxes	(4,620)	47,777
Income tax expense	4,386	12,103
Net (loss) income	(9,006)	35,674
Net income attributable to redeemable equity in Public SPACs	—	1,529
Net loss attributable to non-controlling interests in TPG Operating Group	(55,037)	(25,492)
Net income attributable to other non-controlling interests	30,512	34,582
Net income attributable to TPG Inc.	$ 15,519	$ 25,055
Net income (loss) per share data:		
Net income (loss) available to Class A common stock per share		
Basic	$ 0.09	$ 0.27
Diluted	$ (0.11)	$ (0.01)
Weighted-average shares of Class A common stock outstanding		
Basic	89,113,782	79,499,319
Diluted	364,350,918	309,140,849

Three Months Ended March 31, 2024 Compared to Three Months Ended March 31, 2023

Revenues

Revenues consisted of the following for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,			
	2024	**2023**	**Change**	**%**
	($ in thousands)			
Management fees	$ 407,417	$ 250,000	$ 157,417	63 %
Transaction, monitoring and other fees, net	46,169	5,229	40,940	783 %
Expense reimbursements and other	58,709	56,242	2,467	4 %
Total fees and other	512,295	311,471	200,824	64 %
Performance allocations	289,643	315,707	(26,064)	(8)%
Capital interests	22,133	15,967	6,166	39 %
Total capital allocation-based income	311,776	331,674	(19,898)	(6)%
Total revenues	$ 824,071	$ 643,145	$ 180,926	28 %

Fees and other revenues increased by $200.8 million, or 64%, during the three months ended March 31, 2024, compared to the three months ended March 31, 2023. This change resulted from a $157.4 million increase in management fees, a $40.9 million increase in transaction, monitoring and other fees, net, and a $2.5 million increase in expense reimbursements and other.

Management Fees. Management fees, increased by $157.4 million, or 63%, for the three months ended March 31, 2024 compared to the three months ended March 31, 2023.

This change was primarily driven by the addition of $134.9 million in management fees from TPG Angelo Gordon, acquired in November 2023. During the three months ended March 31, 2024, we recorded $82.8 million in fees from TPG AG Credit, largely driven by the MVP Fund, MMDL IV and Credit Solutions II, and $52.1 million from TPG AG Real Estate, largely driven by the Asia Realty V, Realty Value X and Realty Value XI.

Management fees from our Capital platform increased $29.3 million during the three months ended March 31, 2024. Fee earning capital raised during the last twelve months ended March 31, 2024 resulted in additional fees from Asia VIII, TPG IX and THP II.

Management fees from our Growth platform increased $3.0 million mainly due to increases from Growth VI, which was activated during the fourth quarter of 2023, offset by decrease in fees from Growth V primarily resulting from a step down in fee earning AUM.

Management fees from our Real Estate platform decreased $7.0 million, primarily due to TREP III, which experienced a step down in fee earning AUM during the second quarter of 2023.

Certain management fees totaling $19.3 million earned during the three months ended March 31, 2024 were considered catch-up fees as a result of additional capital commitments from limited partners. Catch-up fees primarily consisted of $13.6 million for Asia VIII, which was activated in the third quarter of 2022.

Transaction, Monitoring and Other Fees, Net. Transaction, monitoring and other fees, net increased by $40.9 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023. This change was primarily driven by a $33.9 million increase in our Market Solutions platform as a result of increased capital markets activity among our portfolio companies involving our broker-dealer.

Expense Reimbursements and Other. Expense reimbursements and other increased by $2.5 million, or 4%, for the three months ended March 31, 2024 compared to the three months ended March 31, 2023. This change was primarily driven by the addition of expense reimbursements from TPG Angelo Gordon, which was acquired in November 2023.

Performance Allocations. Performance allocations decreased by $26.1 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023. Realized performance allocations gains for the three months ended March 31, 2024 and 2023 totaled $198.8 million and $152.8 million, respectively. Unrealized performance allocation gains for the three months ended March 31, 2024 and 2023 totaled $90.8 million and $162.9 million respectively.

The table below highlights performance allocations for the three months ended March 31, 2024 and 2023, and separates the entities listed into two categories to reflect the Reorganization: (i) TPG general partner entities from which the TPG Operating Group Common Unit holders are expected to receive a 20% performance allocation and (ii) TPG general partner entities from which the TPG Operating Group Common Unit holders are not expected to receive any performance allocation.

	Three Months Ended March 31,			
	2024	**2023**	**Change**	**%**
	($ in thousands)			
TPG Operating Group Shared:				
Capital	$ 67,919	$ 233,704	$ (165,785)	(71)%
Growth	89,618	22,904	66,714	291 %
Impact	20,729	92,216	(71,487)	(78)%
TPG Angelo Gordon				
TPG AG Credit	101,728	—	101,728	NM
TPG AG Real Estate	(21,902)	—	(21,902)	NM
Real Estate	27,458	(4,746)	32,204	(679)%
Market Solutions	(15,000)	12,849	(27,849)	(217)%
Total TPG Operating Group Shared:	$ 270,550	$ 356,927	$ (86,377)	(24)%
TPG Operating Group Excluded:				
Capital	$ 2,654	$ (48,369)	$ 51,023	(105)%
Growth	17,006	11,996	5,010	42 %
Real Estate	(567)	(4,847)	4,280	(88)%
Total TPG Operating Group Excluded	19,093	(41,220)	60,313	(146)%
Total Performance Allocations	$ 289,643	$ 315,707	$ (26,064)	(8)%

(1) After the Reorganization, we retained an economic interest in performance allocations from the Growth III and Asia VI general partner entities, which entitles us to a performance allocation equal to 10%; however, we allocate the full amount as performance allocation compensation expense. As such, net income available to controlling interest holders is zero for each of these funds following the Reorganization.

(2) The TPG Operating Group Excluded entities' performance allocations are not a component of net income attributable to TPG following the Reorganization; however, the TPG general partner entities continue to be consolidated by us. We transferred the rights to the performance allocations the TPG Operating Group historically would have received to RemainCo on December 31, 2021. As such, net income available to controlling interest holders will be zero for each of the TPG Operating Group Excluded entities beginning January 1, 2022.

Performance allocation income was $289.6 million for three months ended March 31, 2024 compared to $315.7 million for three months ended March 31, 2023. This change was primarily driven by the acquisition of TPG Angelo Gordon in November 2023, which contributed $79.8 million of net gains during the three months ended March 31, 2024. TPG AG Credit generated income of $101.7 million primarily attributable to $24.5 million from MVP Fund, $17.3 million from Credit Solutions II, $8.8 million from MMDL IV and $6.6 million from MMDL III. TPG AG Real Estate generated net losses of $21.9 million mainly due to losses of $20.6 million from Europe Realty II and $8.5 million from Growth Capital I, which were partially offset by gains of $11.7 million from Europe Realty III.

Performance allocation income from our Capital platform was $67.9 million for the three months ended March 31, 2024 compared to $233.7 million for the three months ended March 31, 2023. Performance allocation income for the three months ended March 31, 2024 was largely driven by gains of $73.7 million from TPG VIII, $45.5 million from TPG IX and $20.6 million from Asia VIII, partially offset by losses of $51.4 million from Asia VII and $24.3 million from Asia VI. Performance allocation income for the three months ended March 31, 2023 was led by gains of $49.3 million from TPG VII, $119.0 million from TPG VIII and $34.4 million from THP I.

Performance allocation income from our Growth platform was $89.6 million for the three months ended March 31, 2024 compared to $22.9 million for the three months ended March 31, 2023. Performance allocation income for the three months ended March 31, 2024 was primarily driven by $38.0 million from TTAD II, $35.9 million from Growth V and $22.5 million from Growth IV.

Performance allocation income from our Impact platform was $20.7 million for the three months ended March 31, 2024 compared to $92.2 million for the three months ended March 31, 2023. Performance allocation income for the three months ended March 31, 2024 was largely driven by gains of $23.5 million from Rise Climate. Performance allocation income for the three months ended March 31, 2023 was led by gains of $79.0 million from Rise Climate.

TREP III within the Real Estate platform generated $27.5 million of income during the three months ended March 31, 2024 compared to a loss of $4.7 million during the three months ended March 31, 2023.

Performance allocation losses of $15.0 million from our Market solutions platform were primarily driven by $26.3 million of loss from New Quest III, partially offset by net gains of $8.5 million from TGS and $7.0 million from NewQuest V during the three months ended March 31, 2024.

TPG Operating Group Excluded generated gains of $19.1 million during the three months ended March 31, 2024 compared to a loss of $41.2 million during the three months ended March 31, 2023. Performance allocation gains for three months ended March 31, 2024 were primarily driven by gains of $6.4 million from Biotech V, $4.5 million from Gator and $4.4 million from Growth II from Growth platform. Performance allocation loss for the three months ended March 31, 2023 was primarily driven by losses of $22.9 million and $26.2 million from TPG VI and Asia V, respectively.

As of March 31, 2024, accrued performance allocations presented as investments in the Condensed Consolidated Statements of Financial Condition for Common Unit holders TPG Operating Group shared TPG general partner entities totaled $5.4 billion. As of March 31, 2024, accrued performance allocations presented as investments in the Condensed Consolidated Statements of Financial Condition for Common Unit holders TPG Operating Group excluded TPG general partner entities totaled $0.4 billion.

Capital Interests. Capital interests income increased by $6.2 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023. This change was primarily attributable to gains on our investments in TPG VIII, TPG IX and TRTX, which were partially offset by losses from our investments in Asia VII during the three months ended March 31, 2024. During the three months ended March 31, 2023, we recognized gains on our investments in TPG VII, TPG VIII, TPG AAF and Rise Climate, partially offset by losses from our investments in TPG VI.

Expenses

Cash-Based Compensation and Benefits. Cash-based compensation and benefits expense increased $85.9 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023. This change was primarily driven by the addition of $76.1 million in salaries, bonuses and benefits as a result of the increase in headcount due to the acquisition of TPG Angelo Gordon in November 2023.

Equity-Based Compensation. Equity-based compensation expense increased by $70.6 million, or 45%, for the three months ended March 31, 2024 compared to the three months ended March 31, 2023. This change was primarily attributable to a $38.0 million increase in compensatory grants associated with the TPG Angelo Gordon acquisition and other special purpose awards during the three months ended March 31, 2023, as well as a net $31.0 million increase in expenses largely associated with Service Awards granted to TPG employees, certain of our executives and TPG Angelo Gordon employees, as described in Note 14 to the Condensed Consolidated Financial Statements.

Performance Allocation Compensation. Performance allocation compensation decreased by $24.9 million, or 11%, for the three months ended March 31, 2024 compared to the three months ended March 31, 2023. This change was primarily attributable to the decrease in performance allocations that drives compensation attributable to our partners and professionals.

General, Administrative and Other. General and administrative expenses increased by $46.8 million, or 45%, for the three months ended March 31, 2024 compared to the three months ended March 31, 2023. This change was primarily driven by additional expenses from TPG Angelo Gordon, which was acquired in November 2023.

Depreciation and Amortization. Depreciation and amortization increased by $24.7 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023. This change was primarily due to the amortization of intangible assets resulting from the acquisition of TPG Angelo Gordon in November 2023.

Interest Expense. Interest expense increased by $13.7 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023, primarily due to higher interest rates on certain borrowings and increased interest expense on draws under our Senior Unsecured Revolving Credit Facility to partially fund the Acquisition.

Expenses of Consolidated Public SPACs. Expenses of consolidated Public SPACs decreased by $0.5 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023. This change was due to the redemption of outstanding shares of the Public SPACs during the year ended December 31, 2023.

Net (Losses) Gains from Investment Activities. Net (losses) gains from investment activities was a loss of $5.2 million for three months ended March 31, 2024 compared to a gain of $14.8 million for the three months ended March 31, 2023. This change was primarily attributable to net loss of $5.5 million from our investments in Nerdy Inc. during the three months ended March 31, 2024.

Interest, Dividends and Other. Interest, dividends and other increased by $4.9 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023. This increase was primarily driven by additional interest income earned from higher rates during the three months ended March 31, 2024 compared to the three months ended March 31, 2023.

Investment and Other Income of Consolidated Public SPACs. Investment and other income of consolidated Public SPACs recognized during the three months ended March 31, 2023 was related to the interest income earned on the Assets held in Trust Account and the unrealized losses on derivative instruments warrants issued by the consolidated Public SPAC entities and forward purchase agreements held by third parties. As of December 31, 2023, we no longer hold any Assets held in Trust Accounts or have any derivative liabilities associated with Public SPACs in our Consolidated Financial Statements due to the redemption of the outstanding shares of the Public SPACs during the year ended December 31, 2023.

Income Tax Expense. Income tax expense decreased by $7.7 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023 primarily due to a decrease in our valuation allowance during the three months ended March 31, 2024.

Unaudited Condensed Consolidated Statements of Financial Condition (U.S. GAAP basis)

	March 31, 2024	December 31, 2023
	($ in thousands)	
Assets		
Cash and cash equivalents	$ 1,090,713	$ 665,188
Investments	6,834,809	6,724,112
Due from affiliates	278,109	418,977
Intangible assets and goodwill	1,058,035	1,085,587
Other assets	677,783	475,808
Total assets	$ 9,939,449	$ 9,369,672
Liabilities, Redeemable Equity and Equity		
Debt obligations	$ 1,229,230	$ 945,052
Due to affiliates	400,093	143,175
Accrued performance allocation compensation	4,144,452	4,096,052
Other liabilities	869,356	824,259
Total liabilities	$ 6,643,131	$ 6,008,538
Equity		
Class A common stock $0.001 par value, 2,340,000,000 shares authorized (100,726,778 and 80,596,501 shares issued and outstanding as of March 31, 2024 and December 31, 2023, respectively)	$ 101	$ 80
Class B common stock $0.001 par value, 750,000,000 shares authorized (263,952,639 and 281,657,626 shares issued and outstanding as of March 31, 2024 and December 31, 2023, respectively)	264	282
Preferred stock, $0.001 par value, 25,000,000 shares authorized (0 issued and outstanding as of March 31, 2024 and December 31, 2023)	—	—
Additional paid-in-capital	779,513	613,476
Accumulated deficit	(59,520)	(34,681)
Other non-controlling interests	2,575,960	2,781,977
Total equity	3,296,318	3,361,134
Total liabilities, redeemable equity and equity	$ 9,939,449	$ 9,369,672

Cash and cash equivalents increased $425.5 million during the three months ended March 31, 2024 primarily due to $282.5 million of proceeds from our Senior Notes and Subordinated Notes offerings net of repayment of our outstanding borrowings under our Senior Unsecured Revolving Credit Facility and Senior Unsecured Term Loan and payments of dividends and distributions to our Class A common stockholders and to holders of non-controlling interests in subsidiaries.

Investments increased $110.7 million during the three months ended March 31, 2024 primarily due to net capital allocation-based income of $311.8 million, which was offset by net proceeds of $232.9 million.

Other assets increased $202.0 million during the three months ended March 31, 2024 primarily due to the deferred tax assets recorded in connection with the exchange of Common Units described in Note 15 to the Condensed Consolidated Financial Statements.

Debt obligations increased $284.2 million during the three months ended March 31, 2024 primarily due to the Senior Notes and Subordinated Notes offerings offset by repayment of our outstanding borrowings under our Senior Unsecured Revolving Credit Facility and Senior Unsecured Term Loan.

Due to affiliates increased $256.9 million during the three months ended March 31, 2024 primarily due to an increase of $185.4 million in expected payments to be made in future years in connection with certain exchanges of Common Units for Class A common stock subject to our Tax Receivable Agreement.

Accrued performance allocation compensation increased $48.4 million for the three months ended March 31, 2024, primarily attributable to net increases in performance fee compensation expense of $196.4 million, partially offset by settlements of performance allocation compensation of $148.0 million during the three months ended March 31, 2024.

Total equity decreased $64.8 million, primarily due to the payments of dividends and distributions to our Class A common stockholders and to holders of non-controlling interests in subsidiaries.

Non-GAAP Financial Measures

Distributable Earnings. Distributable Earnings ("DE") is used to assess performance and amounts potentially available for distributions to partners. DE is derived from and reconciled to, but not equivalent to, its most directly comparable U.S. GAAP measure of net income. DE differs from U.S. GAAP net income computed in accordance with U.S. GAAP in that it does not include (i) unrealized performance allocations and related compensation expense, (ii) unrealized investment income, (iii) equity-based compensation expense, (iv) net income (loss) attributable to non-controlling interests in consolidated entities, or (v) certain other items, such as contingent reserves.

While we believe that the inclusion or exclusion of the aforementioned U.S. GAAP income statement items provides investors with a meaningful indication of our core operating performance, the use of DE without consideration of the related U.S. GAAP measures is not adequate due to the adjustments described herein. This measure supplements U.S. GAAP net income and should be considered in addition to and not in lieu of the results of operations presented in accordance with U.S. GAAP discussed further under "—Key Components of our Results of Operations—Results of Operations" prepared in accordance with U.S. GAAP.

After-Tax Distributable Earnings. After-tax Distributable Earnings ("After-tax DE") is a non-GAAP performance measure of our distributable earnings after reflecting the impact of income taxes. We use it to assess how income tax expense affects amounts available to be distributed to our Class A common stock holders and Common Unit holders. After-tax DE differs from U.S. GAAP net income computed in accordance with U.S. GAAP in that it does not include the items described in the definition of DE herein; however, unlike DE, it does reflect the impact of income taxes. Income taxes, for purposes of determining After-tax DE, represent the total U.S. GAAP income tax expense adjusted to include only the current tax expense (benefit) calculated on U.S. GAAP net income before income tax and includes the current payable under our Tax Receivable Agreement, which is recorded within due to affiliates and other liabilities in our Condensed Consolidated Statements of Financial Condition. Further, the current tax expense (benefit) utilized when determining After-tax DE reflects the benefit of deductions available to the Company on certain expense items that are excluded from the underlying calculation of DE, such as equity-based compensation charges. We believe that including the amount currently payable under the Tax Receivable Agreement and utilizing the current income tax expense (benefit), as described above, when determining After-tax DE is meaningful as it increases comparability between periods and more accurately reflects earnings that are available for distribution to shareholders.

We believe that while the inclusion or exclusion of the aforementioned U.S. GAAP income statement items provides investors with a meaningful indication of our core operating performance, the use of After-tax DE without consideration of the related U.S. GAAP measures is not adequate due to the adjustments described herein. This measure supplements U.S. GAAP net income and should be considered in addition to and not in lieu of the results of operations presented in accordance with U.S. GAAP discussed further under "—Key Components of our Results of Operations-Results of Operations."

Fee-Related Earnings. Fee-Related Earnings ("FRE") is a supplemental performance measure and is used to evaluate our business and make resource deployment and other operational decisions. FRE differs from net income computed in accordance with U.S. GAAP in that it adjusts for the items included in the calculation of DE and also adjusts to exclude (i) realized performance allocations and related compensation expense, (ii) realized investment income from investments and financial instruments, (iii) net interest (interest expense less interest income), (iv) depreciation, (v) amortization, and (vi) certain non-core income and expenses. We use FRE to measure the ability of our business to cover compensation and operating expenses from fee revenues other than capital allocation-based income. The use of FRE without consideration of the related U.S. GAAP measures is not adequate due to the adjustments described herein.

Fee-Related Revenues. Fee-related revenues is a component of FRE. Fee-related revenues is comprised of (i) management fees, (ii) fee-related performance revenues, (iii) transaction, monitoring and other fees, net, and (iv) other income. Fee-related performance revenues refers to incentive fees from perpetual capital vehicles that are: (i) measured and expected to be received on a recurring basis and (ii) not dependent on realization events from the underlying investments. Fee-related revenue differs from revenue computed in accordance with U.S. GAAP in that it excludes certain reimbursement expense arrangements. Refer to "—Reconciliation to U.S. GAAP Measures" to the comparable line items on the Condensed Consolidated Statements of Operations.

Fee-Related Expenses. Fee-related expenses is a component of FRE. Fee-related expenses differs from expenses computed in accordance with U.S. GAAP in that it is net of certain reimbursement arrangements and does not include performance allocation compensation. Fee-related expenses is used in management's review of the business. Refer to "—Reconciliation to U.S. GAAP Measures" to the comparable line items on the Condensed Consolidated Statements of Operations.

Fee-related revenues and fee-related expenses are presented separately in our calculation of non-GAAP measures in order to better illustrate the profitability of our FRE. The use of fee-related revenues and FRE without consideration of the related U.S. GAAP measures is not adequate due to the adjustments described herein.

Our calculations of DE, FRE, fee-related revenues and fee-related expenses may differ from the calculations of other investment managers. As a result, these measures may not be comparable to similar measures presented by other investment managers.

The following table sets forth our total FRE and DE for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	2023
	($ in thousands)	
Management fees	$ 402,684	$ 247,998
Fee-related performance revenues	3,875	—
Transaction, monitoring and other fees, net	34,155	4,672
Other income	10,494	12,783
Fee-Related Revenues	451,208	265,453
Cash-based compensation and benefits, net	181,683	100,155
Fee-related performance compensation	1,938	—
Operating expenses, net	85,216	66,014
Fee-Related Expenses	268,837	166,169
Fee-Related Earnings	$ 182,371	$ 99,284
Realized performance allocations, net	31,552	5,025
Realized investment income and other, net	(9,315)	(5,175)
Depreciation expense	(5,615)	(1,131)
Interest expense, net	(9,987)	(1,033)
Distributable Earnings	$ 189,006	$ 96,970
Income taxes	(8,381)	(9,128)
After-Tax Distributable Earnings	$ 180,625	$ 87,842

Three Months Ended March 31, 2024 Compared to Three Months Ended March 31, 2023

Fee-Related Revenues

Fee-related revenues increased by $185.8 million, or 70%, for the three months ended March 31, 2024 compared to the three months ended March 31, 2023. The change was primarily due to additional management fees of $154.7 million and transaction, monitoring and other fees, net of $29.5 million.

Management Fees

The following table presents management fees in our platforms for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	2023
	($ in thousands)	
Capital	$ 134,989	$ 105,911
Growth	39,674	36,655
Impact	48,390	46,862
TPG Angelo Gordon		
TPG AG Credit	74,748	—
TPG AG Real Estate	51,931	—
Real Estate	34,370	41,361
Market Solutions	18,582	17,209
Total Management Fees	$ 402,684	$ 247,998

Management fees increased by $154.7 million, or 62%, for the three months ended March 31, 2024 compared to the three months ended March 31, 2023.

This change was primarily driven by the addition of $126.7 million in management fees from TPG Angelo Gordon, acquired in November 2023. During the three months ended March 31, 2024, we recorded $74.7 million in fees from TPG AG Credit, largely driven by MMDL IV, Credit Solutions II, and MVP Fund, and $51.9 million from TPG AG Real Estate, largely driven by the Asia Realty V, Realty Value XI and Realty X.

Management fees from our Capital platform increased $29.1 million during the three months ended March 31, 2024. Fee earning capital raised during the last twelve months resulted in additional fees from Asia VIII, TPG IX and THP II.

Management fees from our Growth platform increased $3.0 million mainly due to increases from Growth VI, which was activated during the fourth quarter of 2023, offset by decrease in fees from Growth V primarily resulting from a step down in fee earning AUM.

Management fees from our Real Estate platform decreased $7.0 million primarily due to TREP III, which experienced a step down in fee earning AUM.

Certain management fees earned during the three months ended March 31, 2024, totaling $19.3 million, were considered catch-up fees as a result of additional capital commitments from limited partners. Catch-up fees primarily consisted of $13.6 million for Asia VIII, which was activated in the third quarter of 2022.

Fee-Related Performance Revenues

The following table presents fee-related performance revenues for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	2023
	($ in thousands)	
TPG AG Credit	$ 3,875	$ —
Total Fee-Related Performance Revenues	$ 3,875	$ —

Fee-related performance revenues increased by $3.9 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023, due to the acquisition of TPG Angelo Gordon.

Transaction, Monitoring and Other Fees, Net

The following table presents transaction, monitoring and other fees, net in our platforms for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	2023
	($ in thousands)	
Capital	$ 1,412	$ 1,018
Growth	199	94
Impact	1,523	1,568
TPG Angelo Gordon		
TPG AG Credit	1,044	—
TPG AG Real Estate	424	—
Market Solutions	29,553	1,992
Total Transaction, Monitoring and Other Fees, Net	$ 34,155	$ 4,672

Transaction, monitoring and other fees, net increased by $29.5 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023. This change was primarily driven by a $27.6 million increase in our Market Solutions platform as a result of increased capital markets activity among our portfolio companies involving our broker-dealer.

Other Income

The following table presents other income for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	2023
	($ in thousands)	
Former affiliate funds	$ 9,080	$ 8,385
Other income	1,414	4,398
Total Other Income	$ 10,494	$ 12,783

Total other income decreased by $2.3 million, or 18%, for the three months ended March 31, 2024 compared to the three months ended March 31, 2023.

Fee-Related Expenses

Fee-related expenses increased by $102.7 million, or 62%, during the three months ended March 31, 2024 compared to the three months ended March 31, 2023. This change was primarily due to an increase in cash-based compensation and benefits, net of $81.5 million and operating expenses, net of $19.2 million.

Cash-Based Compensation and Benefits, Net

The following table presents cash-based compensation and benefits, net for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	2023
	($ in thousands)	
Salaries	$ 87,717	$ 53,576
Bonuses	77,187	45,409
Benefits and other	36,188	20,010
Reimbursements	(19,409)	(18,840)
Total Cash-Based Compensation and Benefits, Net	$ 181,683	$ 100,155

Cash-based compensation and benefits, net increased by $81.5 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023. This change was primarily driven by the addition of $82.1 million in salaries, bonuses and benefits as a result of the increase in headcount due to the acquisition of TPG Angelo Gordon in November 2023, partially offset by an increase in reimbursements.

Fee-Related Performance Compensation

The following table presents fee-related performance compensation for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	2023
	($ in thousands)	
TPG AG Credit	$ 1,938	$ —
Total Fee-related Performance Compensation	$ 1,938	$ —

Total fee-related performance compensation increased by $1.9 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023 as a result of the acquisition of TPG Angelo Gordon in the fourth quarter of 2023.

Operating Expenses, Net

Operating expenses, net includes general and administrative expenses as well as reimbursements for professional services and travel expenses related to investment management and advisory services provided to TPG funds and monitoring services provided to our portfolio companies. Operating expenses, net increased by $19.2 million, or 29%, for the three months ended March 31, 2024 compared to the three months ended March 31, 2023. This change was primarily due to the acquisition of TPG Angelo Gordon in the fourth quarter of 2023.

Realized Performance Allocations, Net

The following table presents realized performance allocations, net from our platforms for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	2023
	($ in thousands)	
Capital	$ 18,273	$ —
Growth	—	1,097
Impact	11,618	116
TPG Angelo Gordon		
TPG AG Credit	1,616	—
TPG AG Real Estate	45	—
Real Estate	—	3,812
Total Realized Performance Allocations, Net	$ 31,552	$ 5,025

Realized performance allocations, net of $31.6 million for the three months ended March 31, 2024 were generated from realizations of $13.9 million from TPG VIII and $3.9 millions from Asia VII in the Capital platform and $11.6 million from Rise Climate in the Impact platform. The activity consisted of realizations sourced from portfolio companies, including DirecTV, Singlife and Nextracker.

Realized performance allocations, net of $5.0 million for the three months ended March 31, 2023 were largely generated from realizations of $3.8 million from TREP III within the Real Estate platform. Realizations within the Growth platform of $1.1 million were generated from TTAD. The activity consisted of realizations sourced from portfolio companies, including Alloy Properties, Uber, Deutsche Office Properties and FreedomPay, Inc.

Realized Investment Income and Other, Net

The following table presents realized investment income and other, net for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	2023
	($ in thousands)	
Investments in funds	$ 2,159	$ 6,436
Non-core income (expense)	(11,474)	(11,611)
Total Realized Investment Income and Other, Net	$ (9,315)	$ (5,175)

The decrease in realized investment income and other, net of $4.1 million during the three months ended March 31, 2024 compared to the three months ended March 31, 2023 resulted primarily from a decrease in realizations from certain investments in our funds. Our non-core activity includes $8.0 million related to the acquisition and integration of TPG Angelo Gordon for the three months ended March 31, 2024 and $10.7 million related to the Acquisition for the three months ended March 31, 2023.

Depreciation

Depreciation expense increased $4.5 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023 due to the acquisition of TPG Angelo Gordon in the fourth quarter of 2023.

Interest Expense, Net

The following table presents interest expense, net for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	2023
	($ in thousands)	
Interest expense	$ 21,045	$ 7,418
Interest (income)	(11,058)	(6,385)
Interest Expense, Net	$ 9,987	$ 1,033

Interest expense, net increased by $9.0 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023, primarily due to higher interest rates on certain borrowings and increased interest expense on draws under our Senior Unsecured Revolving Credit Facility to partially fund the Acquisition, partially offset by a corresponding increase in interest rates on our cash holdings.

Distributable Earnings

The increase in DE for the three months ended March 31, 2024 compared to the three months ended March 31, 2023 was primarily due to increased Fee-Related Earnings and realized performance allocations, net.

Income Taxes

Income taxes decreased $0.7 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023 primarily due to realized tax deductions in connection with RSU settlements during the period.

Unaudited Non-GAAP Balance Sheet Measures

Book assets, book liabilities and net book value are non-GAAP performance measures of TPG Operating Group's assets, liabilities and equity on a deconsolidated basis which reflects our investments in subsidiaries as equity method investments. Additionally, the book assets, book liabilities and net book value include the tax assets and liabilities of TPG Inc. We utilize these measures to assess the unrealized value of our book assets after deducting for book liabilities as well as assess our indirect interest in accrued performance allocations from our funds and our co-investments in our funds and third-party investments. We believe these measures are useful to investors as they provide additional insight into the net assets of the TPG Operating Group on a deconsolidated basis. These non-GAAP financial measures should not be considered as a substitute for, or superior to, similar financial measures calculated in accordance with U.S. GAAP. These non-GAAP financial measures may differ from the calculations of other alternative asset managers and, as a result, may not be comparable to similar measures presented by other companies. Refer to "—Reconciliation to U.S. GAAP Measures" for reconciliations of the Condensed Consolidated Statements of Financial Condition to the non-GAAP Balance Sheet.

The following table sets forth our non-GAAP book assets, book liabilities and net book value as of March 31, 2024 and December 31, 2023:

($ in thousands)	March 31, 2024	December 31, 2023
Book Assets		
Cash and cash equivalents	$ 290,880	$ 105,480
Net accrued performance	914,518	891,455
Investments in funds	900,986	877,802
Intangible assets and goodwill	983,900	1,007,899
Other assets	821,048	679,638
Total Book Assets	$ 3,911,332	$ 3,562,274
Book Liabilities		
Accounts payable, accrued expenses and other	$ 418,143	$ 296,147
Debt obligations	1,229,230	945,052
Total Book Liabilities	$ 1,647,373	$ 1,241,199
Net Book Value	$ 2,263,959	$ 2,321,075

During the three months ended March 31, 2024, net book value decreased primarily due to tax payments on behalf of vesting award holders whose Service Awards were net settled and the amortization of intangibles related to the acquisition of Angelo Gordon in the fourth quarter of 2023. That decrease was offset by an increase in net accrued performance and investments in funds, primarily associated with TPG XI, TTAD II, Growth V, Real Estate III, Credit Solution Funds and Structured Credit Funds.

Reconciliation to U.S. GAAP Measures

The following tables reconcile the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP to non-GAAP financial measures for the three months ended March 31, 2024 and 2023:

Revenue

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
	($ in thousands)	
GAAP Revenue	$ 824,071	$ 643,145
Capital-allocation based income	(311,776)	(331,674)
Expense reimbursements	(45,667)	(44,249)
Investment (income) loss and other	(15,420)	(1,769)
Fee-Related Revenues	$ 451,208	$ 265,453

Expenses

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
	($ in thousands)	
GAAP Expenses	$ 836,397	$ 620,117
Depreciation and amortization expense	(32,965)	(8,222)
Interest expense	(21,122)	(7,418)
Expenses related to consolidated Public SPACs	—	(519)
Expense reimbursements	(45,667)	(44,249)
Performance allocation compensation	(196,434)	(221,341)
Equity-based compensation	(227,908)	(157,293)
Non-core expenses and other	(43,464)	(14,906)
Fee-Related Expenses	$ 268,837	$ 166,169

Net income

	Three Months Ended March 31,	
	2024	2023
	($ in thousands)	
Net (loss) income	$ (9,006)	$ 35,674
Net income attributable to redeemable interests in Public SPACs	—	(1,529)
Net income attributable to other non-controlling interests	(30,512)	(34,582)
Amortization expense	23,998	3,538
Equity-based compensation	225,422	155,706
Unrealized performance allocations, net	(24,481)	(66,475)
Unrealized investment income	(20,227)	(9,350)
Unrealized loss on derivatives	—	66
Income taxes	(4,178)	2,988
Non-recurring and other	19,609	1,806
After-tax Distributable Earnings	$ 180,625	$ 87,842
Income taxes	8,381	9,128
Distributable Earnings	$ 189,006	$ 96,970
Realized performance allocations, net	(31,552)	(5,025)
Realized investment income and other, net	9,315	5,175
Depreciation expense	5,615	1,131
Interest expense, net	9,987	1,033
Fee-Related Earnings	$ 182,371	$ 99,284

Balance sheet

The following tables reconcile the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP to non-GAAP financial measures as of March 31, 2024 and December 31, 2023:

($ in thousands)	March 31, 2024	December 31, 2023
Total GAAP Assets	$ 9,939,449	$ 9,369,672
Impact of other consolidated entities		
Cash and cash equivalents	(799,833)	(559,708)
Due from affiliates	(20,053)	(346,910)
Investments	(5,019,305)	(4,954,855)
Intangible assets and goodwill	(74,135)	(77,688)
Other assets	(450,324)	(285,406)
Subtotal for other consolidated entities	(6,363,650)	(6,224,567)
Reclassification adjustments[(1)]		
Restricted cash	(13,327)	(13,183)
Due from affiliates	(258,056)	(72,067)
Investments	(1,815,504)	(1,769,257)
Net accrued performance	914,518	891,455
Investments in funds	900,986	877,802
Other assets	606,916	502,419
Subtotal for reclassification adjustments	335,533	417,169
Total Book Assets	$ 3,911,332	$ 3,562,274
Total GAAP Liabilities	$ 6,643,131	$ 6,008,538
Impact of other consolidated entities		
Accounts payable and accrued expenses	(267,630)	(167,235)
Due to affiliates	(208,246)	(137,479)
Accrued performance allocation compensation	(4,144,452)	(4,096,052)
Other liabilities	(375,680)	(377,727)
Subtotal for other consolidated entities	(4,996,008)	(4,778,493)
Reclassification adjustments[(1)]		
Accounts payable and accrued expenses	407,972	291,586
Due to affiliates	(191,847)	(5,696)
Other liabilities	(215,875)	(274,736)
Subtotal for reclassification adjustments	250	11,154
Total Book Liabilities	$ 1,647,373	$ 1,241,199
Total GAAP Equity	$ 3,296,318	$ 3,361,134
Impact of other consolidated entities	(1,367,642)	(1,446,074)
Reclassification adjustments[(1)]	335,283	406,015
Net Book Value	$ 2,263,959	$ 2,321,075

(1) Certain amounts were reclassified to reflect how we utilize our non-GAAP balance sheet measures. We separately analyze our investments on a non-GAAP basis between accrued performance fees and other investments, which consists of co-investments into our funds and other equity method investments. Additionally, we reclassified U.S. GAAP financial statement amounts due from affiliates and certain amounts within other assets, net for non-GAAP purposes and reclassified U.S. GAAP financial statement amounts due to affiliates and other liabilities within accounts payable, accrued expenses and other for non-GAAP purposes.

Operating Metrics

We monitor certain operating metrics that are common to the alternative asset management industry and that we believe provide important data regarding our business. The following operating metrics do not include other investments that are not included in the TPG Operating Group.

Assets Under Management

Assets Under Management ("AUM") represents the sum of:

i. fair value of the investments and financial instruments held by our private equity, credit and real estate funds (including fund-level asset-related leverage), other than as described below, as well as related co-investment vehicles managed or advised by us, plus the capital that we are entitled to call from investors in those funds and vehicles, pursuant to the terms of their respective capital commitments, net of outstanding leverage associated with subscription-related credit facilities, and including capital commitments to funds that have yet to commence their investment periods;

ii. the gross amount of assets (including leverage where applicable) for our real estate investment trusts and BDCs;

iii. the net asset value of certain of our hedge funds;

iv. the aggregate par amount of collateral assets, including principal cash, for our collateralized loan obligation vehicles; and

v. IPO proceeds held in trust, excluding interest, as well as forward purchase agreements and proceeds associated with the private investment in public equity related to our Public SPACs upon the consummation of a business combination.

Our definition of AUM is not based on any definition of AUM that may be set forth in the agreements governing the investment funds that we manage, or calculated pursuant to any regulatory definitions.

The tables below present rollforwards of our total AUM for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	2023
	($ in millions)	
Balance as of Beginning of Period	$ 221,623	$ 135,034
Capital Raised	4,660	2,025
Realizations	(4,885)	(2,135)
Outflows[1]	(448)	(142)
Changes in Investment Value and Other[2]	2,643	2,360
AUM as of end of period	$ 223,593	$ 137,142

(1) Outflows represent redemptions and withdrawals.

(2) Changes in Investment Value and Other consists of changes in fair value, capital invested, available capital, and net fund-level asset related leverage activity plus other investment activities.

The following table summarizes our AUM by platform as of March 31, 2024 and 2023:

	March 31,	
	2024	2023
	($ in millions)	
Capital	$ 71,418	$ 67,712
Growth	27,316	23,587
Impact	19,175	17,408
TPG Angelo Gordon		
TPG AG Credit	61,316	—
TPG AG Real Estate	18,555	—
Real Estate	17,567	19,336
Market Solutions	8,246	9,099
AUM as of end of period	$ 223,593	$ 137,142

AUM increased from approximately $221.6 billion as of December 31, 2023 to approximately $223.6 billion as of March 31, 2024. During the three months ended March 31, 2024, new capital of $4.7 billion was raised primarily attributable to Asia VIII within the Capital platform, Growth VI within the Growth platform, and Essential Housing III and TCAP within TPG AG Credit. Realizations totaled $4.9 billion and were primarily attributable to TPG VIII and Asia VII within the Capital platform, Rise Climate within the Impact platform and Credit Solutions II Dislocation A within TPG AG Credit.

Fee Earning Assets Under Management

Fee earning AUM, or FAUM, represents only the AUM from which we are entitled to receive management fees. FAUM is the sum of all the individual fee bases that are used to calculate our management fees and differs from AUM in the following respects: (i) assets and commitments from which we are not entitled to receive a management fee are excluded (e.g., assets and commitments with respect to which we are entitled to receive only performance allocations or are otherwise not currently entitled to receive a management fee) and (ii) certain assets, primarily in our credit and real estate funds, have different methodologies for calculating management fees that are not based on the fair value of the respective funds' underlying investments. We believe this measure is useful to investors as it provides additional insight into the capital base upon which we earn management fees. Our definition of FAUM is not based on any definition of AUM or FAUM that is set forth in the agreements governing the investment funds and products that we manage.

The table below present rollforwards of our FAUM for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	2023
	($ in millions)	
Balance as of Beginning of Period	$ 136,794	$ 77,945
Fee Earning Capital Raised[(1)]	1,540	791
Net Change in Investment Activity[(2)]	(407)	247
Outflows[(3)]	(420)	(138)
Reduction in Fee Base of Certain Funds[(4)]	(548)	—
FAUM as of end of period	$ 136,959	$ 78,845

(1) Fee Earning Capital Raised represents capital raised by our funds for which management fees calculated based on commitments or subscriptions were activated during the period.

(2) Net Change in Investment Activity includes capital called during the period, net of return of capital distributions and changes in net asset value of hedge funds. It also includes adjustments related to funds with a fee structure based on the cost or value of investments.

(3) Outflows represent redemptions and withdrawals.

(4) Reduction in Fee Base represents decreases in the fee basis for funds where the investment or commitment fee period has expired, and the fee base has reduced from commitment base to actively invested capital. It also includes reductions for funds that are no longer fee paying.

The following table summarizes our FAUM by platform as of March 31, 2024 and 2023:

	March 31,	
	2024	2023
	($ in millions)	
Capital	$ 38,877	$ 35,678
Growth	12,214	11,084
Impact	13,648	12,984
TPG Angelo Gordon		
TPG AG Credit	40,930	—
TPG AG Real Estate	14,017	—
Real Estate	11,539	13,400
Market Solutions	5,734	5,699
FAUM as of end of period	$ 136,959	$ 78,845

FAUM increased from $136.8 billion as of December 31, 2023 to $137.0 billion as of March 31, 2024. This increase was related to fee earning capital raised activity totaling $1.5 billion primarily attributable to the subsequent closings of Asia VIII within the Capital platform, which was activated during the third quarter of 2022, and Growth VI within the Growth platform, which was activated during the fourth quarter of 2023. For the three months ended March 31, 2024, annualized weighted average management fees as a percentage of FAUM, which represent annualized management fees divided by the average of each applicable period's FAUM, were 1.18%.

Net Accrued Performance

Net accrued performance represents both unrealized and undistributed performance allocations and fee-related performance revenues resulting from our general partner interests in investment funds that we manage. We believe this measure is useful to investors as it provides additional insight into the accrued performance to which the TPG Operating Group Common Unit holders are expected to receive.

The tables below summarize our net accrued performance by fund vintage year and platform as of March 31, 2024 and December 31, 2023:

	March 31, 2024	December 31, 2023
	($ in millions)	
Fund Vintage		
2017 & Prior	$ 343	$ 363
2018	81	77
2019	272	269
2020	114	104
2021	63	56
2022	42	22
Net Accrued Performance	$ 915	$ 891

	March 31, 2024	December 31, 2023
	($ in millions)	
Platform		
Capital	$ 405	$ 404
Growth	201	185
Impact	100	107
TPG Angelo Gordon		
TPG AG Credit	76	59
TPG AG Real Estate	93	97
Real Estate	17	12
Market Solutions	23	27
Net Accrued Performance	$ 915	$ 891

Net accrued performance were primarily comprised of TPG VII, TPG VIII, Asia VII, Growth IV, Growth V and Rise I as of March 31, 2024 and TPG VII, TPG VIII, THP I, Asia VII, Growth IV, Growth V, Rise I, Rise II and Rise Climate as of December 31, 2023.

We also utilize Performance Generating AUM and Performance Eligible AUM as key metrics to understand AUM that could produce performance allocations or fee related performance revenues. Performance Generating AUM refers to the AUM of funds we manage that are currently above their respective hurdle rate or preferred return, and profit of such funds are being allocated to, or earned by, us in accordance with the applicable limited partnership agreements or other governing agreements. Performance Eligible AUM refers to the AUM that is currently, or may eventually, produce performance allocations or fee-related performance revenues. All funds for which we are entitled to receive a performance allocation, incentive fee or fee-related performance revenue are included in Performance Eligible AUM.

Performance Generating AUM totaled $152.5 billion and $150.8 billion as of March 31, 2024 and December 31, 2023, respectively. Across the investment funds that we manage, Performance Eligible AUM totaled $192.9 billion and $191.8 billion as of March 31, 2024 and December 31, 2023, respectively.

AUM Subject to Fee Earning Growth

AUM Subject to Fee Earning Growth represents capital commitments that when deployed have the ability to grow our fees through earning new management fees (AUM Not Yet Earning Fees) or when management fees can be charged at a higher rate as capital is invested or for certain funds as management fee rates increase during the life of a fund (FAUM Subject to Step-Up).

AUM Not Yet Earning Fees represents the amount of capital commitments to TPG's funds and co-investment vehicles that has not yet been invested or considered active, and as this capital is invested or activated, the fee-paying portion will be included in FAUM. FAUM Subject to Step-Up represents capital raised within certain funds where the management fee rate increases once capital is invested or as a fund reaches a certain point in its life where the fee rate for certain investors increases. FAUM Subject to Step-Up is included within FAUM.

The table below reflects AUM Subject to Fee Earning Growth by platform as of March 31, 2024 and December 31, 2023:

	March 31, 2024	December 31, 2023
	($ in millions)	
AUM Not Yet Earning Fees:		
Capital	$ 3,105	$ 2,444
Growth	2,819	2,979
Impact	133	173
TPG Angelo Gordon		
TPG AG Credit	3,814	3,721
TPG AG Real Estate	1,346	1,206
Real Estate	2,462	2,720
Market Solutions	394	809
Total AUM Not Yet Earning Fees	$ 14,073	$ 14,052
FAUM Subject to Step-Up:		
Capital	$ 1,477	$ 1,565
TPG Angelo Gordon		
TPG AG Credit	6,799	6,389
TPG AG Real Estate	2,677	2,389
Total FAUM Subject to Step-Up:	10,953	10,343
Total AUM Subject to Fee Earning Growth	$ 25,026	$ 24,395

As of March 31, 2024, AUM Not Yet Earning Fees was $14.1 billion, which primarily consisted of TPG VIII and Asia VII within the Capital platform, TTAD II within the Growth platform, TREP III and TAC+ within the Real Estate platform, and MMDL V and Essential Housing III within TPG AG Credit.

Associated with FAUM Subject to Step-Up, management fee rates for these respective underlying funds range between 0.24% and 1.65% and step-up to rates in the range of 0.25% and 1.75% after capital is invested or as a fund reaches a certain point in its life where the fee rate for certain investors increases. FAUM Subject to Step-Up as of March 31, 2024 relates primarily to TPG IX within the Capital platform, MMDL IV, MMDL V and Credit Solutions II within TPG AG Credit and Realty Value XI and Asia Realty V within TPG AG Real Estate.

Capital Raised

Capital raised is the aggregate amount of subscriptions and capital raised by our investment funds and co-investment vehicles during a given period, as well as the senior and subordinated notes issued through our CLOs and equity raised through our perpetual vehicles. We believe this measure is useful to investors as it measures access to capital across TPG and our ability to grow our management fee base. The table below presents capital raised by platform for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	2023
	($ in millions)	
Capital	$ 1,303	$ 1,023
Growth	435	398
Impact	78	360
TPG Angelo Gordon		
TPG AG Credit	2,134	—
TPG AG Real Estate	632	—
Real Estate	—	51
Market Solutions	78	193
Total Capital Raised	$ 4,660	$ 2,025

Capital raised totaled approximately $4.7 billion for the three months ended March 31, 2024. This was primarily attributable to the fundraising activities of Asia VIII within the Capital platform, Growth VI within the Growth platform and Essential Housing III and TCAP within TPG AG Credit during the three months ended March 31, 2024.

Available Capital

Available capital is the aggregate amount of unfunded capital commitments and recallable distributions that partners have committed to our funds and co-investment vehicles to fund future investments, as well as IPO and forward purchase agreement proceeds associated with our Public SPACs, and private investment in public equity commitments by investors upon the consummation of a business combination associated with our Public SPACs. Available capital is reduced for investments completed using fund-level subscription-related credit facilities. We believe this measure is useful to investors as it provides additional insight into the amount of capital that is available to our investment funds and co-investment vehicles to make future investments. The table below presents available capital by platform as of March 31, 2024 and 2023:

	March 31,	
	2024	2023
	($ in millions)	
Capital	$ 17,441	$ 20,154
Growth	4,981	4,467
Impact	4,710	6,750
TPG Angelo Gordon		
TPG AG Credit	7,595	—
TPG AG Real Estate	7,617	—
Real Estate	7,262	8,778
Market Solutions	1,641	2,502
Available Capital	$ 51,247	$ 42,651

Available capital decreased from approximately $51.3 billion as of December 31, 2023 to approximately $51.2 billion as of March 31, 2024. This change was primarily attributable to capital invested in TREP IV within the Real Estate platform and TPG IX within the Capital platform during the three months ended March 31, 2024. This decrease was partially offset by fundraising activities of Asia VIII within the Capital platform and Essential Housing III within TPG AG Credit during the three months ended March 31, 2024.

Capital Invested

Capital invested is the aggregate amount of capital invested during a given period by our investment funds, co-investment vehicles, and CLOs, as well as SPACs in conjunction with the completion of a business combination and increases in gross assets of certain perpetual funds. It excludes certain hedge fund activity, but includes investments made using investment financing arrangements like credit facilities, as applicable. We believe this measure is useful to investors as it measures capital deployment across the firm. The table below presents capital invested by platform for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	2023
	($ in millions)	
Capital	$ 771	$ 341
Growth	493	242
Impact	396	1,160
TPG Angelo Gordon		
TPG AG Credit	3,118	—
TPG AG Real Estate	518	—
Real Estate	1,065	363
Market Solutions	108	145
Capital Invested	$ 6,469	$ 2,251

Capital invested was $6.5 billion for the three months ended March 31, 2024, which was primarily attributable to TPG IX within the Capital platform, Growth VI within the Growth platform, TREP IV within the Real Estate platform and TCAP, ABC Fund and MITT within TPG AG Credit.

Realizations

Realizations represent distributions sourced from proceeds from the disposition of investments and current income, in addition to investment proceeds from Public SPACs in conjunction with the completion of a business combination. The table below presents realizations by platform for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	2023
	($ in millions)	
Capital	$ 1,906	$ 1,191
Growth	240	233
Impact	639	57
TPG Angelo Gordon		
TPG AG Credit	1,444	—
TPG AG Real Estate	503	—
Real Estate	63	643
Market Solutions	90	11
Total Realizations	$ 4,885	$ 2,135

Realizations were $4.9 billion for the three months ended March 31, 2024 compared to $2.1 billion for the three months ended March 31, 2023. This was primarily attributable to a higher pace of realization activities in TPG VIII and Asia VII within the Capital platform and Rise Climate within the Impact platform and Credit Solutions II Dislocation A within TPG AG Credit during the three months ended March 31, 2024.

Fund Performance Metrics

Fund performance information for our investment funds as of March 31, 2024 is included throughout this discussion and analysis to facilitate an understanding of our results of operations for the periods presented. These fund performance metrics do not include co-investment vehicles, SMAs or certain other legacy or discontinued funds. Additionally, these fund performance metrics exclude the firm’s CLOs and real estate investment trusts. The fund return information for individual funds reflected in this discussion and analysis is not necessarily indicative of our firmwide performance and is also not necessarily indicative of the future performance of any particular fund. An investment in us is not an investment in any of our funds. This track record presentation is unaudited and does not purport to represent the respective fund’s financial results in accordance with U.S. GAAP. There can be no assurance that any of our funds or our other existing and future funds will achieve similar returns. See “Item 1A.Risk Factors—Risks Related to Our Business—Our funds’ historical returns should not be considered as indicative of our or our funds’ future results or of any returns expected on an investment in our Class A common stock.”

The following tables reflect the performance of our selected funds as of March 31, 2024 ($ in millions):

Fund	Vintage Year[1]	Capital Committed[2]	Capital Invested[3]	Realized Value[4]	Unrealized Value[5]	Total Value[6]	Gross IRR[7]	Gross MoM[7]	Net IRR[8]	Net MoM[9]
Platform: Capital										
Capital Funds										
Air Partners	1993	$ 64	$ 64	$ 697	$ —	$ 697	81 %	10.9x	73 %	8.9x
TPG I	1994	721	696	3,095	—	3,095	47 %	4.4x	36 %	3.5x
TPG II	1997	2,500	2,554	5,010	—	5,010	13 %	2.0x	10 %	1.7x
TPG III	1999	4,497	3,718	12,360	—	12,360	34 %	3.3x	26 %	2.6x
TPG IV	2003	5,800	6,157	13,733	—	13,733	20 %	2.2x	15 %	1.9x
TPG V	2006	15,372	15,564	22,071	1	22,072	6 %	1.4x	5 %	1.4x
TPG VI	2008	18,873	19,220	33,344	215	33,559	14 %	1.7x	10 %	1.5x
TPG VII	2015	10,495	10,205	19,443	4,491	23,934	26 %	2.3x	20 %	1.9x
TPG VIII	2019	11,505	10,713	3,894	15,181	19,075	34 %	1.8x	23 %	1.5x
TPG IX	2022	12,014	4,957	—	5,855	5,855	90 %	1.3x	31 %	1.1x
Capital Funds		*81,841*	*73,848*	*113,647*	*25,743*	*139,390*	*23 %*	*1.9x*	*15 %*	*1.6x*
Asia Funds										
Asia I	1994	96	78	71	—	71	(3 %)	0.9x	(10 %)	0.7x
Asia II	1998	392	764	1,669	—	1,669	17 %	2.2x	14 %	1.9x
Asia III	2000	724	623	3,316	—	3,316	46 %	5.3x	31 %	3.8x
Asia IV	2005	1,561	1,603	4,089	—	4,089	23 %	2.6x	17 %	2.1x
Asia V	2007	3,841	3,257	5,435	133	5,568	10 %	1.7x	6 %	1.4x
Asia VI	2012	3,270	3,285	3,470	3,311	6,781	15 %	2.0x	10 %	1.7x
Asia VII	2017	4,630	4,524	2,935	4,812	7,747	19 %	1.7x	12 %	1.4x
Asia VIII	2022	4,913	2,099	—	2,624	2,624	141 %	1.4x	49 %	1.1x
Asia Funds		*19,427*	*16,233*	*20,985*	*10,880*	*31,865*	*20 %*	*2.0x*	*14 %*	*1.6x*
Healthcare Funds										
THP I	2019	2,704	2,405	848	2,954	3,802	29 %	1.6x	17 %	1.3x
THP II	2022	3,576	1,121	—	1,399	1,399	124 %	1.3x	45 %	1.1x
Healthcare Funds		*6,280*	*3,526*	*848*	*4,353*	*5,201*	*32 %*	*1.5x*	*18 %*	*1.3x*
Continuation Vehicles										
TPG AAF	2021	1,317	1,314	2,720	—	2,720	43 %	2.1x	37 %	1.9x
TPG AION	2021	207	207	—	191	191	(3 %)	0.9x	(4 %)	0.9x
Continuation Vehicles		*1,524*	*1,521*	*2,720*	*191*	*2,911*	*37 %*	*1.9x*	*31 %*	*1.7x*
Platform: Growth										
Growth Funds										
STAR	2007	1,264	1,259	1,865	40	1,905	13 %	1.5x	6 %	1.3x
Growth II	2011	2,041	2,185	4,734	621	5,355	22 %	2.6x	16 %	2.0x
Growth III	2015	3,128	3,377	4,773	2,284	7,057	26 %	2.1x	17 %	1.7x
Growth IV	2017	3,739	3,612	2,020	4,947	6,967	21 %	1.9x	15 %	1.5x
Gator	2019	726	686	661	632	1,293	31 %	1.9x	24 %	1.6x
Growth V	2020	3,558	3,258	448	4,567	5,015	27 %	1.5x	18 %	1.3x
Growth VI	2023	1,525	420	—	420	420	NM	NM	NM	NM
Growth Funds		*15,981*	*14,797*	*14,501*	*13,511*	*28,012*	*20 %*	*1.9x*	*14 %*	*1.6x*
Tech Adjacencies Funds										
TTAD I	2018	1,574	1,497	941	1,709	2,650	24 %	1.7x	18 %	1.5x
TTAD II	2021	3,198	1,868	75	2,170	2,245	16 %	1.2x	10 %	1.1x
Tech Adjacencies Funds		*4,772*	*3,365*	*1,016*	*3,879*	*4,895*	*22 %*	*1.5x*	*16 %*	*1.3x*
TDM	2017	1,326	571	—	1,049	1,049	17 %	1.8x	13 %	1.6x
LSI	2023	367	90	—	95	95	NM	NM	NM	NM

Fund	Vintage Year[1]	Capital Committed[2]	Capital Invested[3]	Realized Value[4]	Unrealized Value[5]	Total Value[6]	Gross IRR[7]	Gross MoM[7]	Net IRR[8]	Net MoM[9]
Platform: Impact										
The Rise Funds										
Rise I	2017	$ 2,106	$ 2,004	$ 1,320	$ 2,448	$ 3,768	19 %	1.8x	12 %	1.5x
Rise II	2020	2,176	1,999	204	2,839	3,043	24 %	1.5x	15 %	1.3x
Rise III	2022	2,700	1,191	11	1,404	1,415	57 %	1.2x	7 %	1.0x
The Rise Funds		*6,982*	*5,194*	*1,535*	*6,691*	*8,226*	*21 %*	*1.6x*	*13 %*	*1.3x*
TSI	2018	333	133	368	—	368	35 %	2.8x	25 %	2.1x
Evercare	2019	621	435	31	327	358	(5 %)	0.8x	(10 %)	0.7x
Rise Climate	2021	7,268	4,706	709	5,644	6,353	45 %	1.4x	23 %	1.2x
TPG NEXT[11]	2023	510	3	—	3	3	NM	NM	NM	NM
Platform: Real Estate										
TPG Real Estate Partners										
DASA RE	2012	1,078	576	1,069	—	1,069	21 %	1.9x	15 %	1.6x
TREP II	2014	2,065	2,213	3,520	59	3,579	28 %	1.7x	18 %	1.5x
TREP III	2018	3,722	4,192	2,656	2,728	5,384	14 %	1.4x	9 %	1.2x
TREP IV	2022	6,820	2,403	220	2,272	2,492	4 %	1.0x	(36 %)	*0.8x*
TPG Real Estate Partners		*13,685*	*9,384*	*7,465*	*5,059*	*12,524*	*21 %*	*1.5x*	*13 %*	*1.3x*
TAC+	2021	1,797	916	98	811	909	(1 %)	1.0x	(4 %)	0.9x
TRECO	2024	378	212	3	212	215	NM	NM	NM	NM
Platform: Market Solutions										
NewQuest Funds										
NewQuest I[11]	2011	390	291	767	—	767	48 %	3.2x	37 %	2.3x
NewQuest II[11]	2013	310	342	656	104	760	25 %	2.3x	19 %	1.8x
NewQuest III[11]	2016	541	543	419	424	843	12 %	1.6x	8 %	1.3x
NewQuest IV[11]	2020	1,000	883	133	1,094	1,227	19 %	1.4x	10 %	1.2x
NewQuest V[11]	2022	502	279	43	368	411	120 %	1.6x	83 %	1.5x
NewQuest Funds		*2,743*	*2,338*	*2,018*	*1,990*	*4,008*	*35 %*	*1.8x*	*22 %*	*1.5x*
TGS[11]	2022	819	272	—	375	375	NM	NM	NM	NM
Platform: TPG Angelo Gordon										
Credit Solutions										
Credit Solutions										
Credit Solutions I	2019	1,805	1,801	1,603	1,053	2,656	17 %	1.5x	13 %	1.4x
Credit Solutions I Dislocation A	2020	909	602	795	—	795	34 %	1.3x	27 %	1.3x
Credit Solutions I Dislocation B	2020	308	176	211	—	211	28 %	1.2x	21 %	1.2x
Credit Solutions II	2021	3,134	2,559	305	2,684	2,989	16 %	1.2x	12 %	1.1x
Credit Solutions II Dislocation A	2022	1,310	868	268	759	1,027	28 %	1.2x	20 %	1.1x
Credit Solutions		*7,466*	*6,006*	*3,182*	*4,496*	*7,678*	*19 %*	*1.3x*	*14 %*	*1.2x*
Essential Housing										
Essential Housing I	2020	642	456	521	56	577	16 %	1.3x	12 %	1.2x
Essential Housing II	2021	2,534	1,071	58	1,167	1,225	15 %	1.2x	11 %	1.1x
Essential Housing III		605	—	—	—	—	NM	NM	NM	NM
Essential Housing		*3,781*	*1,527*	*579*	*1,223*	*1,802*	*15 %*	*1.3x*	*12 %*	*1.2x*
Structured Credit & Specialty Finance										
ABC Fund	2021	1,005	754	40	833	873	18 %	1.2x	14 %	1.1x
Structured Credit & Specialty Finance		*1,005*	*754*	*40*	*833*	*873*	*18 %*	*1.2x*	*14 %*	*1.1x*

Fund	Vintage Year[1]	Capital Committed[2]	Capital Invested[3]	Realized Value[4]	Unrealized Value[5]	Total Value[6]	Gross IRR[7]	Gross MoM[7]	Net IRR[8]	Net MoM[9]
Middle Market Direct Lending[12]										
MMDL I	2015	$ 594	$ 572	$ 846	$ —	$ 846	14 %	1.6x	10 %	1.4x
MMDL II	2016	1,580	1,563	1,706	595	2,301	14 %	1.7x	11 %	1.5x
MMDL III	2018	2,751	2,548	2,027	1,594	3,621	14 %	1.6x	10 %	1.4x
MMDL IV	2020	2,671	2,586	545	2,748	3,293	16 %	1.4x	12 %	1.3x
MMDL IV Annex	2021	797	721	95	745	840	15 %	1.3x	11 %	1.2x
MMDL V	2022	2,026	695	25	764	789	18 %	1.3x	14 %	1.2x
Middle Market Direct Lending		*10,419*	*8,685*	*5,244*	*6,446*	*11,690*	*15 %*	*1.5x*	*11 %*	*1.4x*
U.S. Real Estate										
Realty										
Realty I	1994	30	30	65	—	65	27 %	2.2x	20 %	1.9x
Realty II	1995	33	33	81	—	81	31 %	2.4x	22 %	2.2x
Realty III	1997	61	94	120	—	120	5 %	1.3x	3 %	1.3x
Realty IV	1999	255	332	492	—	492	11 %	1.5x	8 %	1.5x
Realty V	2001	333	344	582	—	582	32 %	1.7x	26 %	1.6x
Realty VI	2005	514	558	657	—	657	5 %	1.2x	3 %	1.1x
Realty VII	2007	1,257	1,675	2,543	1	2,544	17 %	1.7x	12 %	1.5x
Realty VIII	2011	1,265	2,132	2,767	175	2,942	16 %	1.7x	11 %	1.5x
Realty IX	2015	1,329	1,976	2,193	297	2,490	9 %	1.4x	5 %	1.3x
Realty Value X	2018	2,775	4,360	3,556	2,069	5,625	18 %	1.4x	12 %	1.3x
Realty Value XI	2022	2,589	1,404	475	1,035	1,510	11 %	1.1x	(6 %)	1.0x
Realty		*10,441*	*12,938*	*13,531*	*3,577*	*17,108*	*15 %*	*1.5x*	*10 %*	*1.3x*
Core Plus Realty										
Core Plus Realty I	2003	534	532	876	—	876	20 %	1.6x	18 %	1.5x
Core Plus Realty II	2006	794	1,112	1,456	—	1,456	11 %	1.4x	8 %	1.3x
Core Plus Realty III	2011	1,014	1,420	2,231	—	2,231	23 %	1.8x	19 %	1.6x
Core Plus Realty IV	2015	1,308	2,000	1,991	354	2,345	6 %	1.3x	3 %	1.2x
Core Plus Realty		*3,650*	*5,064*	*6,554*	*354*	*6,908*	*15 %*	*1.5x*	*11 %*	*1.4x*
Asia Real Estate										
Asia Realty										
Asia Realty I	2006	526	506	645	—	645	6 %	1.3x	3 %	1.2x
Asia Realty II	2010	616	602	1,071	—	1,071	24 %	1.8x	16 %	1.6x
Asia Realty III	2015	847	851	973	257	1,230	14 %	1.5x	9 %	1.3x
Asia Realty IV	2018	1,315	1,255	935	953	1,888	19 %	1.5x	13 %	1.4x
Asia Realty V	2022	2,007	399	18	429	447	34 %	1.1x	(11 %)	0.9x
Asia Realty		*5,311*	*3,613*	*3,642*	*1,639*	*5,281*	*13 %*	*1.5x*	*9 %*	*1.3x*
Japan Value										
Japan Value[13]	2023	417	60	—	60	60	NM	NM	NM	NM
Japan Value		*417*	*60*	*—*	*60*	*60*	*NM*	*NM*	*NM*	*NM*
Europe Real Estate										
Europe Realty I	2014	570	1,186	1,710	16	1,726	24 %	2.0x	17 %	1.7x
Europe Realty II	2017	843	1,673	1,493	777	2,270	11 %	1.5x	8 %	1.4x
Europe Realty III[14]	2019	1,515	1,833	589	1,328	1,917	15 %	1.3x	9 %	1.2x
Europe Realty IV[14]	2023	1,163	47	—	46	46	NM	NM	NM	NM
Europe Realty		*4,091*	*4,739*	*3,792*	*2,167*	*5,959*	*17 %*	*1.6x*	*12 %*	*1.4x*
Net Lease										
Net Lease Realty I	2006	159	209	457	—	457	18 %	2.4x	14 %	2.2x
Net Lease Realty II	2010	559	1,060	1,854	—	1,854	16 %	2.4x	11 %	2.0x
Net Lease Realty III	2013	1,026	2,356	2,231	1,006	3,237	12 %	1.9x	8 %	1.5x
Net Lease Realty IV	2019	997	1,835	1,164	881	2,045	10 %	1.2x	6 %	1.1x
Net Lease Realty V		147	—	—	—	—	NM	NM	NM	NM
Net Lease		*2,888*	*5,460*	*5,706*	*1,887*	*7,593*	*15 %*	*1.8x*	*10 %*	*1.5x*

The following table reflects the performance of our significant perpetual funds as of March 31, 2024 ($ in millions):

Fund	Vintage Year[1]	AUM	Total Return[10]
Platform: Market Solutions			
TPEP Long/Short[15]	2013	$ 1,942	168 %
TPEP Long Only[16]	2013	1,347	43 %
Platform: TPG Angelo Gordon			
Credit Solutions			
Corporate Credit Opportunities[17]	1988	313	10 %
Structured Credit & Specialty Finance			
MVP Fund[18]	2009	5,730	12 %
Middle Market Direct Lending			
TCAP[19]	2022	1,912	9 %
MMDL Evergreen	2022	802	9 %
Multi-Strategy			
Super Fund[18]	1993	872	9 %

Note:

Past performance is not indicative of future results.

“NM” signifies that the relevant data would not be meaningful. Performance metrics are generally deemed “NM” when, among other reasons, there has been limited time since initial investment.

Performance metrics generally exclude amounts attributable to the fund’s general partner, its affiliated entities and “friends-of-the-firm” entities that generally pay no or reduced management fees and performance allocations. These metrics also represent an average of returns for all included investors and do not necessarily reflect the actual return of any particular investor.

Amounts shown are in U.S. dollars.

Unless otherwise noted, when an investment is made in another currency, (i) Capital Invested is calculated using the exchange rate at the time of the investment, (ii) Unrealized Value is calculated using the exchange rate at the period end and (iii) Realized Value reflects actual U.S. dollar proceeds to the fund.

(1) Vintage Year represents the year in which the fund consummated its first investment (or, if earlier, received its first capital contributions from investors). For platforms other than TPG Angelo Gordon, for consistency with prior reporting, however, the Vintage Year classification of any fund that held its initial closing before 2018 represents the year of such fund’s initial closing.

(2) Capital Committed represents the amount of inception to date commitments a particular fund has received. Certain of our newer vintage funds are actively fundraising and capital committed is subject to change.

(3) Capital Invested represents cash outlays by the fund for its investments, whether funded through investor capital contributions or borrowing under the fund’s credit facility. For TPG AG Credit funds, Capital Invested represents inception-to-date investor contributed capital net of returned contributions, excluding borrowings under the fund’s credit facility.

(4) Realized Value represents total cash received or earned by the fund in respect of such investment or investments through the period end, including all interest, dividends and other proceeds. For TPG AG Credit funds, Realized Value represents inception-to-date capital distributed by the fund, including any performance distributions net of recalled distributions, if any.

(5) Unrealized Value, with respect to an investment in a publicly traded security, is based on the closing market price of the security as of the period end on the principal exchange on which the security trades, as adjusted by the general partner for any restrictions on disposition. Unrealized Value, with respect to an investment that is not a publicly traded security, represents the general partner’s estimate of the unrealized fair value of the fund’s investment. Unrealized Value, with respect to TPG AG Credit funds, represents the ending NAV for such fund, which is the period end ending capital balances of the investors and general partner. Valuations entail a degree of subjectivity, and therefore actual value may differ from such estimated value and these differences may be material and adverse. Except as otherwise noted, valuations are as of the period end.

(6) Total Value is the sum of Realized Value and Unrealized Value of investments.

(7) Gross IRR and Gross MoM represent investment level performance by the fund and incorporates the impact of fund level credit facilities, to the extent utilized by the fund. Gross IRR and Gross MoM are calculated by adjusting Net IRR and Net MoM to generally approximate investor performance metrics excluding management fees, fund expenses (other than interest expense and other fees arising from amounts borrowed under the fund’s credit facility to fund investments) and performance allocations. Gross IRR is the discount rate at which (i) the present value of all Capital Invested in an investment or investments is equal to (ii) the present value of all realized and unrealized returns from such investment or investments. Gross IRR and Gross MoM for TPG AG Credit funds are calculated at the fund level and do not consider the impact of credit facilities and exclude fund expenses.

(8) Net IRR represents the compound annualized return rate (i.e., the implied discount rate) of a fund, which is calculated using investor cash flows in the fund, including cash received from capital called from investors, cash distributed to investors and the investors’ ending capital balances as of the period end. Net IRR is the discount rate at which (i) the present value of all capital contributed by investors to the fund (which excludes, for the avoidance of doubt, any amounts borrowed by the fund in lieu of calling capital) is equal to (ii) the present value of all cash distributed to investors and the investors’ ending capital balances.

(9) Net MoM represents the multiple-of-money on contributions to the fund by investors. Net MoM is calculated as the sum of cash distributed to investors and the investors' ending capital balances as of the period end, divided by the amount of capital contributed to the fund by investors (which amount excludes, for the avoidance of doubt, any amounts borrowed by the fund in lieu of calling capital).

(10) Total Return represents net performance data for investors (excluding certain classes/series with special fee arrangements), net of all expenses including actual quarterly management fees payable by the fund and the accrual of carried interest to the general partner.

(11) Unless otherwise specified, the fund performance information presented above for certain funds is, due to the nature of their strategy, as of December 31, 2023.

(12) Each Middle Market Direct Lending fund is comprised of four vehicles: onshore levered, onshore unlevered, offshore levered and offshore unlevered. Capital Committed, Capital Invested, Realized Value, Unrealized Value and Total Value for each fund are presented on a consolidated basis across the four vehicles. Performance metrics are presented only for the onshore levered vehicle of each fund. The Net IRRs and Net MoMs for TPG AG Middle Market Direct Lending funds on a consolidated basis were: (i) for the onshore unlevered vehicles, 7% and 1.3x, (ii) for the offshore levered vehicles, 10% and 1.3x and (iii) for the offshore unlevered vehicles, 7% and 1.2x.

(13) Japanese-Yen denominated fund. Commitments, Capital Invested and Realized Value are calculated using the exchange rate at the end of the quarter in which the relevant commitment was made or transaction occurred, as applicable.

(14) Includes Euro denominated fund entity with Commitments, Capital Invested and Realized Value calculated using the exchange rate at the end of the quarter in which the relevant commitment was made or transaction occurred, as applicable. Performance metrics only reflects capital committed in U.S. dollars, which represents the majority of capital committed to each fund. Net IRR and Net MoM were: (i) for the euro-denominated vehicle of Europe Realty III, 8% and 1.2x and (ii) for the euro-denominated vehicle of Europe Realty IV, NM and NM.

(15) These performance estimates represent the composite performance of TPG Public Equity Partners, LP and TPG Public Equity Partners Master Fund, L.P., adjusted as described below. The performance estimates are based on an investment in TPG Public Equity Partners, LP made on September 1, 2013, the date of TPEP's inception, with the performance estimates for the period from January 1, 2016 to present being based on an investment in TPG Public Equity Partners Master Fund, L.P. made through TPG Public Equity Partners-A, L.P., the "onshore feeder." As of March 31, 2024, TPEP Long/Short had estimated inception-to-date gross returns of 168% and net returns of 122%. Gross performance figures (i) are presented after any investment-related expenses, net interest, other expenses and the reinvestment of dividends; (ii) include any gains or losses from "new issue" securities; and (iii) are adjusted for illustration purposes to reflect the reduction of a hypothetical 1.5% annual management fee.

(16) These performance estimates represent performance for TPEP Long Only and are based on an investment in TPEP Long Only made on May 1, 2019, the date of TPEP Long Only's inception, through TPG Public Equity Partners Long Opportunities-A, L.P., the "onshore feeder." As of March 31, 2024, TPEP Long Only had estimated inception-to-date gross returns of 43% and net returns of 43%. Gross performance figures are presented after any investment-related expenses, a 1% annual management fee, net interest, other expenses and the reinvestment of dividends, and include any gains or losses from "new issue" securities.

(17) Total Return includes onshore investors participating directly through the master fund and investors through the offshore vehicle. Total Return for the offshore vehicle was 4%.

(18) Total Returns for onshore funds only. Total Returns for the offshore vehicles were: (i) for the MVP Fund, 11% and (ii) for the Super Fund, 8%.

(19) TCAP launched on January 1, 2023. Total Return includes AGTB Private BDC, which commenced operations on May 10, 2022 and merged with TCAP on January 1, 2023. Total Return is calculated as the change in NAV per share during the period, plus distributions per share (assuming dividends and distributions are reinvested) divided by the beginning NAV per share. Inception-to-date figures for Class I, Class D, and Class S shares use the initial offering price per share as the beginning NAV. Total Return presented is for Class I and is prior to the impact of any potential upfront placement fees. An investment in TCAP is subject to a maximum upfront placement fee of 1.5% for Class D and 3.5% for Class S, which would reduce the amount of capital available for investment, if applicable. There are no upfront placement fees for Class I shares. Total Return has been annualized for periods less than or greater than one year. On July 28, 2023, TCAP completed its merger with AGTB where TCAP paid cash consideration for each share of common stock of AGTB. TCAP will continue as the surviving company. At the completion of the merger, AGTB's final Net IRR was 6.1%.

Liquidity and Capital Resources

We have historically derived revenues primarily from third-party assets under management and have required limited capital resources to support the working capital or operating needs of our business. We believe that our current sources of liquidity described below are sufficient to meet our projected capital needs and other obligations as they arise for at least the next 12 months. To the extent that our current liquidity is insufficient to fund future activities, we may need to raise additional funds. In the future, we may attempt to raise additional capital through the sale of equity securities or through debt financing arrangements. If we raise additional funds by issuing equity securities, the ownership of our existing investors will be diluted. The incurrence of additional debt financing would result in incremental debt service obligations, and any future instruments governing such debt could include operating and financial covenants that could restrict our operations.

As of March 31, 2024, our total liquidity was $2,470.7 million, comprised of $1,090.7 million of cash and cash equivalents, excluding $13.3 million of restricted cash, as well as $1,200.0 million and $30.0 million of incremental borrowing capacity under the Senior Unsecured Revolving Credit Facility and the Subordinated Credit Facility (each as defined herein), respectively and $150.0 million of the 364-day revolving credit facility. Total cash of $1,104.0 million as of March 31, 2024 includes $290.9 million of cash that is attributable to the TPG Operating Group and on balance sheet securitization vehicles.

Sources of Liquidity

We have multiple sources of liquidity to meet our capital needs, including:

- cash generated by our operating activities, such as management fees, monitoring, transaction and other fees, realized capital allocation-based income and investment sales from our consolidated funds,
- cash received from investing activities, including amounts received from notes receivable from affiliates, and
- cash received from our financing activities, including cash and funds available under our credit facilities.

Cash and Cash Equivalents

Our consolidated cash and cash equivalents totaled approximately $1,104.0 million at March 31, 2024.

Credit Facilities

Senior Unsecured Revolving Credit Facility

In March 2011, TPG Holdings, L.P. entered into a $400.0 million credit facility (the "Senior Unsecured Revolving Credit Facility"). The Senior Unsecured Revolving Credit Facility, as amended May 2018, November 2020, November 2021, July 2022, August 2022 and September 2023, has aggregate revolving commitments of $1.2 billion and is scheduled to mature on September 26, 2028.

Dollar-denominated principal amounts outstanding under the Senior Unsecured Revolving Credit Facility accrue interest, at the option of the applicable borrower, either (i) at a base rate plus applicable margin not to exceed 0.25% per annum or (ii) at a term SOFR rate plus a 0.10% per annum adjustment and an applicable margin not to exceed 1.25%. We are also required to pay a quarterly commitment fee on the unused commitments under the Amended Senior Unsecured Revolving Credit Facility not to exceed 0.15% per annum, as well as certain customary fees for any issued letters of credit.

During the three months ending March 31, 2024, we used the net proceeds from the Senior Notes and Subordinated Notes to repay all the outstanding borrowings under the Senior Unsecured Revolving Credit Facility. As of March 31, 2024, $1,200.0 million was available to be borrowed under the terms of the Senior Unsecured Revolving Credit Facility.

Senior Notes

On March 5, 2024, the Notes Issuer issued in an SEC-registered offering $600.0 million aggregate principal amount of Senior Notes due 2034. The Senior Notes will mature on March 5, 2034, unless earlier accelerated, redeemed or repurchased. The Senior Notes are fully and unconditionally guaranteed, jointly and severally, by each of the Guarantors, and are unsecured and unsubordinated obligations of the Notes Issuer and the Guarantors. The Senior Notes bear interest at a rate of 5.875% per annum. Interest on the Senior Notes is payable semi-annually in arrears on March 5 and September 5 of each year, beginning on September 5, 2024. The Senior Notes contain certain covenants as set forth in the Senior Notes' Indenture and First Supplement Indenture, which, subject to certain limitations, restrict the ability of the Notes Issuer and, as applicable, the Guarantors to merge, consolidate or sell, assign, transfer, lease or convey all or substantially all of their combined assets, or create liens on the voting stock of their subsidiaries.

The payment of the principal of, premium, if any, and interest on the Senior Notes and the payment of any Senior Notes guarantee will:

- rank equally in right of payment with all existing and future unsecured and unsubordinated indebtedness, liabilities and other obligations of the Notes Issuer or the relevant Guarantor, including indebtedness under the Amended Senior Unsecured Revolving Credit Facility and Senior Unsecured Term Loan Agreement;

- rank senior in right of payment to all existing and future subordinated indebtedness, liabilities and other obligations of the Notes Issuer or the relevant Guarantor;

- be effectively subordinated to all existing and future secured indebtedness of the Notes Issuer or the relevant Guarantor, to the extent of the value of the assets securing such indebtedness; and

- be effectively subordinated in right of payment to all existing and future indebtedness, liabilities and other obligations of each subsidiary of the Issuer or the relevant Guarantor that is not itself the Notes Issuer or a Guarantor.

Subordinated Notes

On March 4, 2024, the Notes Issuer issued in an SEC-registered offering $400.0 million aggregate principal amount of Fixed-Rate Junior Subordinated Notes due 2064 (the "Subordinated Notes"). The Subordinated Notes bear interest at a rate of 6.950% per annum. Interest on the Subordinated Notes is payable quarterly in arrears on March 15, June 15, September 15 and December 15 of each year, beginning on June 15, 2024, subject to the Notes Issuer's right, on one or more occasions, to defer the payment of interest on the notes for up to five consecutive years. The Subordinated Notes are fully and unconditionally guaranteed, jointly and severally, by each of the Guarantors, and are unsecured and subordinated obligations of the Notes Issuer and the Guarantors. The Subordinated Notes will mature on March 15, 2064, unless earlier accelerated, redeemed or repurchased. The Subordinated Notes may be redeemed at the Notes Issuer's option (i) in whole at any time or in part from time to time on or after March 15, 2029 at a redemption price equal to their principal amount plus any accrued and unpaid interest, (ii) upon occurrence of a Tax Redemption Event, as defined in the Subordinated Notes' First Supplemental Indenture, at a price equal to 100% of their principal amount plus any accrued and unpaid interest or (iii) in whole, but not in part, at any time prior to March 15, 2029, upon the occurrence of a Rating Agency Event, as defined in the Subordinated Notes' First Supplemental Indenture, at a price equal to 102% of their principal amount plus any accrued and unpaid interest. The Subordinated Notes contain certain covenants as set forth in the Subordinated Notes' Indenture and First Supplemental Indenture, which, subject to certain limitations, restrict the ability of the Notes Issuer and, as applicable, the Guarantors to merge, consolidate or sell, assign, transfer, lease or convey all or substantially all of their combined assets, or create liens on the voting stock of their subsidiaries.

The payment of the principal of, premium, if any, and interest on the Subordinated Notes and the payment of any Subordinated Notes guarantee will:

- be subordinate and rank junior in right of payment to all existing and future senior indebtedness, including indebtedness under the Amended Senior Unsecured Revolving Credit Facility and Senior Unsecured Term Loan Agreement;

- rank equally in right of payment with all existing and future parity indebtedness;

- be effectively subordinated to all existing and future secured indebtedness of the Notes Issuer or the relevant Guarantor, to the extent of the value of the assets securing such indebtedness; and

- be effectively subordinated in right of payment to all existing and future indebtedness, liabilities and other obligations (including policyholder liabilities and other payables) of each subsidiary of the Notes Issuer or the relevant Guarantor that is not itself the Notes Issuer or a Guarantor.

As permitted under Rule 13-01(a)(4)(vi) of Regulation S-X, we have excluded alternative financial disclosures for the Notes Issuer and Guarantors. Other than the guaranteed Senior Notes and Subordinated Notes and the associated interest expense, the Notes Issuer and Guarantors do not have any other material assets, liabilities or operations. During the three months ended March 31, 2024, we incurred interest expense of $4.5 million associated with the Senior Notes and Subordinated Notes. For more information on our borrowings, see Note 8, “Debt Obligations”, to the Condensed Consolidated Financial Statements.

Senior Unsecured Term Loan

In December 2021, we entered into a credit agreement (the “Senior Unsecured Term Loan Agreement”) pursuant to which the lenders thereunder agreed to make term loans in a principal amount of up to $300.0 million during the period commencing on December 2, 2021 and ending on the date that is 30 days thereafter. Unused commitments were terminated at the end of such period. The proceeds from the term loan were used to make a ratable distribution to each of our investors and are not available for our operations. The Senior Unsecured Term Loan Agreement, as amended in July 2022 and September 2023, is scheduled to mature on March 31, 2026.

Principal amounts outstanding under the amended Senior Unsecured Term Loan Agreement accrue interest, at the option of the borrower, either (i) at a base rate plus an applicable margin of 0.00% or (ii) at a term SOFR rate plus a 0.10% per annum adjustment and an applicable margin of 1.00%.

During the three months ending March 31, 2024, we used the net proceeds from the Senior Notes and Subordinated Notes to repay all the outstanding borrowings under the Senior Unsecured Term Loan.

Secured Borrowings

Our secured borrowings are issued using on-balance sheet securitization vehicles. The secured borrowings are required to be repaid only from collections on the underlying securitized equity method investments and restricted cash of the securitization vehicles. The secured borrowings are separated into two tranches. Tranche A secured borrowings (the “Series A Securitization Notes”) were issued in May 2018 at a fixed rate of 5.33% with an aggregate principal balance of $200.0 million due June 20, 2038, with interest payable semiannually. Tranche B secured borrowings (the “Series B Securitization Notes” or, collectively with the Series A Securitization Notes, the “Securitization Notes”) were issued in October 2019 at a fixed rate of 4.75% with an aggregate principal balance of $50.0 million due June 20, 2038, with interest payable semiannually. The secured borrowings contain an optional redemption feature giving us the right to call the notes in full or in part, subject to a prepayment penalty if called before May 2023. If the secured borrowings are not redeemed on or prior to June 20, 2028, we will pay additional interest equal to 4.00% per annum.

The secured borrowings contain covenants and conditions customary in transactions of this nature, including negative pledge provisions, default provisions and financial covenants and limitations on certain consolidations, mergers and sales of assets. As of March 31, 2024, we were in compliance with these covenants and conditions.

Subordinated Credit Facility

In August 2014, one of our consolidated subsidiaries entered into two $15.0 million subordinated revolving credit facilities (collectively, the “Subordinated Credit Facility”), for a total commitment of $30.0 million. The Subordinated Credit Facility is available for direct borrowings and is guaranteed by certain members of TPG Operating Group. In August 2023, the subsidiary extended the maturity date of the Subordinated Credit Facility from August 2024 to August 2025. The interest rate for borrowings under the Subordinated Credit Facility is calculated at a term Secured Overnight Financing Rate (“SOFR”) rate plus a 0.10% per annum adjustment and 2.25%.

During the three months ended March 31, 2024, the subsidiary borrowed and made repayments of $30.0 million on the Subordinated Credit Facility, resulting in a zero balance outstanding at March 31, 2024.

364-Day Credit Facility

On April 14, 2023, a consolidated subsidiary of the Company entered into a 364-day revolving credit facility (the “364-Day Credit Facility”) with Mizuho Bank, Ltd., acting as administrative agent, to provide the subsidiary with revolving borrowings of up to $150.0 million. Borrowings under the 364-Day Credit Facility are subject to one of three interest rates depending on the type of drawdown requested. Alternate Base Rate (“ABR”) loans are denominated in U.S. Dollars and subject to a variable interest rate computed daily as the higher of the Federal Funds Rate plus 0.50% or the one-month Term SOFR plus 1.00%, plus an applicable margin of between 1.00% and 2.00%, depending on the term of the loan. Term Benchmark Loans may be denominated in U.S. Dollars or Euros, and are subject to a fixed interest rate computed as the SOFR rate for a period comparable to the term of the loan in effect two business days prior to the date of borrowing, plus an applicable margin of between 2.00% and 3.00%, depending on the term of the loan. Risk-Free Rate (“RFR”) loans are denominated in Sterling and subject to a fixed interest rate computed daily as the Sterling Overnight Index Average (“SONIA”) in effect five business days prior to the date of borrowing, plus an applicable margin of between 2.00% and 3.00%, depending on the term of the loan. The subsidiary is also required to a pay a quarterly facility fee equal to 0.30% per annum of the total facility capacity of $150.0 million, as well as certain customary fees for any issued loans.

The Company entered into an equity commitment letter in connection with the 364-Day Credit Facility, committing to provide capital contributions, if and when required, to the consolidated subsidiary throughout the life of the facility. In April 2024, the consolidated subsidiary amended the 364-Day Credit Facility to extend the commitment termination date to April 11, 2025.

During the three months ended March 31, 2024, the subsidiary borrowed and made repayments of $130.0 million on the 364-Day Credit Facility, resulting in a zero balance outstanding at March 31, 2024.

Our Liquidity Needs

We expect that our primary liquidity needs include cash required to:

- support our working capital needs;
- fund cash operating expenses, including compensation and contingencies, including for clawback obligations or litigation matters;
- service debt obligations, including the payment of obligations at maturity, on interest payment dates or upon redemption, as well as any contingent liabilities that may give rise to future cash payments;
- continue growing our businesses, including seeding new strategies, pursuing strategic investments or acquisitions, funding our capital commitments made to existing and future funds and co-investments, funding any net capital requirements of our broker-dealer and otherwise supporting investment vehicles that we sponsor;
- pay amounts that may become due under the Tax Receivable Agreement;
- pay earnouts and contingent cash consideration associated with our Acquisition;
- pay cash dividends in accordance with our dividend policy for our Class A common stock;
- warehouse investments in portfolio companies or other investments for the benefit of one or more of our funds or other investment pending contribution of committed capital by the investors in such vehicles and advance capital to them for other operational needs;
- manage risk retention for CLOs;
- address capital needs of regulated and other subsidiaries, including our broker-dealer; and
- exchange Common Units pursuant to the Exchange Agreement or repurchase or redeem other securities issued by us.

Contractual Obligations

In the ordinary course of business, we enter into 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, 2024 (in thousands):

	Payments Due by Period						
	Total	**2024**	**2025**	**2026**	**2027**	**2028**	**2029 and Thereafter**
Debt obligations[1]	$ 1,250,000	$ —	$ —	$ —	$ —	$ —	$ 1,250,000
Interest on debt obligations[2]	1,754,357	52,359	76,085	76,085	76,085	81,085	1,392,658
Capital commitments[3]	526,442	526,442	—	—	—	—	—
Operating lease obligations	272,881	31,353	39,868	37,995	38,263	37,132	88,270
Repurchase agreements	81,449	1,855	5,668	25,965	22,736	25,225	—
Total contractual obligations	$ 3,885,129	$ 612,009	$ 121,621	$ 140,045	$ 137,084	$ 143,442	$ 2,730,928

(1) Debt obligations presented in the table reflect scheduled principal payments related to the Securitization Notes, Senior Notes and Subordinated Notes.

(2) Estimated interest payments on our debt obligations include estimated future interest payments based on the terms of the debt agreements. See Note 8 to the Condensed Consolidated Financial Statements for further discussion of these debt obligations.

(3) Capital commitments represent our obligations to provide general partner capital funding to the TPG funds. These amounts are generally due on demand, and accordingly, have been presented as obligations payable in the "2024" column. We generally utilize proceeds from return of capital distributions and proceeds from secured borrowings to help fund these commitments.

Additional Contingent Obligations

As of March 31, 2024 and December 31, 2023, if all investments held by the TPG funds were liquidated at their current unrealized fair value, there would be clawback of $58.3 million related to STAR, net of tax, for which a performance allocation reserve was recorded within other liabilities in the Condensed Consolidated Statements of Financial Condition. The potential liquidation of STAR could require clawback payments. Additionally, if all remaining investments were deemed worthless, a possibility management views as remote, the amount of performance allocations subject to projected clawback as of March 31, 2024 and December 31, 2023 would be $2,025.3 million and $1,910.2 million, respectively.

As of March 31, 2024 and December 31, 2023, we had guarantees outstanding totaling $71.6 million and $73.6 million, respectively, related to employee guarantees primarily related to a third-party lending program which enables certain of our eligible employees to obtain financing for co-invest capital commitment obligations with a maximum potential exposure of $190.6 million and $176.3 million, respectively.

Dividends

The table below presents information regarding the quarterly dividends on the Class A common stock, which were made at the sole discretion of our Executive Committee and Board of Directors.

Date Declared	Record Date	Payment Date	Dividend per Class A Common Share	
May 15, 2023	May 25, 2023	June 5, 2023	$	0.20
August 8, 2023	August 18, 2023	September 1, 2023		0.22
November 7, 2023	November 17, 2023	December 1, 2023		0.48
February 13, 2024	February 23, 2024	March 8, 2024		0.44
Total 2023 Dividend Year (through Q4 2023)			$	1.34
May 8, 2024	May 20, 2024	June 3, 2024	$	0.41
Total 2024 Dividend Year (through Q1 2024)			$	0.41

Tax Receivable Agreement

The future exchanges by owners of Common Units for cash from a substantially concurrent public offering, reorganization or private sale (based on the price per share of the Class A common stock on the day before the pricing of such public offering or private sale) or, at our election, for shares of our Class A common stock on a one-for-one basis (or, in certain cases, for shares of nonvoting Class A common stock) are expected to produce or otherwise deliver to us favorable tax attributes that can reduce our taxable income. We (and our wholly-owned subsidiaries) are a party to a tax receivable agreement, under which generally we (or our wholly-owned subsidiaries) are required to pay the beneficiaries of the Tax Receivable Agreement 85% of the applicable cash savings, if any, in U.S. federal, state and local income tax that we actually realize or, in certain circumstances, are deemed to realize as a result of the Covered Tax Items. We generally retain the benefit of the remaining 15% of the applicable tax savings. The payment obligations under the Tax Receivable Agreement are obligations of TPG Inc. (or our wholly-owned subsidiaries), and we expect that the payments we will be required to make under the Tax Receivable Agreement will be substantial.

On February 27, 2024, pursuant to the Amended and Restated Exchange Agreement, certain holders exchanged 17,704,987 Common Units of TPG Operating Group for 17,704,987 shares of Class A common stock. This exchange resulted in the issuance of 17,704,987 shares of Class A common stock and the cancellation of 17,704,987 shares of Class B common stock for no additional consideration. The shares of Class A common stock issued to such holders of Common Units were registered pursuant to the Company's registration statement on Form S-3 filed on November 2, 2023. Subsequent to the exchange, certain selling stockholders sold 15,526,915 shares of Class A common stock at a public offering price of $41.64 per shares. We did not receive any proceeds from these sales of shares of Class A common stock. This exchange resulted in an increase in our tax basis of our investment in the TPG Operating Group and is subject to the Tax Receivable Agreement. We recognized an additional liability associated with the Tax Receivable Agreement in the amount of $185.4 million in connection with the exchange.

On March 31, 2023, a pre-IPO Investor exchanged 1,000,000 Common Units of each TPG Operating Group partnership for 1,000,000 shares of Class A common stock. This exchange resulted in an increase in our tax basis of our investment in the TPG Operating Group partnerships and is subject to the Tax Receivable Agreement. We recognized an additional liability associated with the Tax Receivable Agreement in the amount of $6.3 million in connection with the exchange.

Net Cash Flows

The following table presents a summary of our cash flows for the periods presented:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
	($ in thousands)	
Net cash provided by operating activities	$ 436,713	$ 35,800
Net cash used in investing activities	(25,341)	(896)
Net cash provided by (used in) financing activities	14,297	(210,331)
Net change in cash, cash equivalents and restricted cash	425,669	(175,427)
Cash and cash equivalents, beginning of period	678,371	1,120,650
Cash and cash equivalents, end of period	$ 1,104,040	$ 945,223

Operating Activities

Operating activities provided $436.7 million and $35.8 million of cash for the three months ended March 31, 2024, and 2023, respectively. Key drivers consisted of performance allocation and co-investment proceeds totaling $384.6 million and $172.6 million for the three months ended March 31, 2024 and 2023, respectively. This was partially offset by other changes in operating assets and liabilities for the three months ended March 31, 2024 and 2023, respectively.

Investing Activities

Investing activities used $25.3 million and $0.9 million of cash during the three months ended March 31, 2024, and 2023, respectively. During the three months ended March 31, 2024, cash used in investing activities is primarily related to the payment of cash consideration to the sellers of Angelo Gordon as a result of post close net working capital adjustments and purchases of fixed assets. Cash used in investing activities during the three months ended March 31, 2023 is primarily related to purchases of fixed assets.

Financing Activities

Financing activities provided $14.3 million and used $210.3 million of cash during the three months ended March 31, 2024, and 2023, respectively. During the three months ended March 31, 2024, cash provided from financing activities is primarily related to the Senior Notes and Subordinated Notes offerings, partially offset by repayment of our outstanding borrowings under our Senior Unsecured Revolving Credit Facility and Senior Unsecured Term Loan and by the payments of dividends and distributions to our Class A common stockholders and to holders of non-controlling interests in subsidiaries. Cash used in financing activities during the three months ended March 31, 2023 primarily reflects the payments of dividends and distributions to our Class A common stockholders and to holders of non-controlling interests in subsidiaries.

Off-Balance Sheet Arrangements

We have not entered into any off-balance sheet arrangements, as defined in Regulation S-K.

Critical Accounting Estimates

There has been no material change to our critical accounting estimates disclosed in our Annual Report. We prepare our Condensed Consolidated Financial Statements in accordance with U.S. GAAP. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, and liabilities and disclosure of contingent assets and liabilities in our financial statements. We regularly assess these estimates; however, actual amounts could differ from those estimates. The impact of changes in estimates is recorded in the period in which they become known. For a description of our accounting policies, see Note 2, “Summary of Significant Accounting Policies,” to the Condensed Consolidated Financial Statements included elsewhere in this report and for a discussion of our policies and estimates, see “Item 7.—Management's Discussion and Analysis of Financial Condition and Results of Operation” in our Annual Report on Form 10-K for the year ended December 31, 2023.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Our exposure to market risks primarily relates to our role as investment advisor or general partner to our TPG funds and the impact of movements in the underlying fair value of their investments. There was no material change in our market risks during the three months ended March 31, 2024. For additional information, refer to our Annual Report on Form 10-K for the year ended December 31, 2023.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) are designed to ensure that information required to be disclosed by us in reports we file or submit under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the appropriate time periods, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely discussions regarding required disclosure.

In designing and evaluating our disclosure controls and procedures, management recognizes that any disclosure controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

We, under the supervision of and with participation of our management, including our Chief Executive Officer and Chief Financial Officer, have evaluated the effectiveness of our disclosure controls and procedures. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that the design and operation of our disclosure controls and procedures were effective as of March 31, 2024.

Changes in Internal Control Over Financial Reporting

There has been no change in our internal control over financial reporting during the quarter ended March 31, 2024 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we are involved in litigation and claims incidental to the conduct of our business. Our business is also subject to extensive regulation, which may result in regulatory proceedings against us. See “Item 1A.—Risk Factors—Risks Related to Our Industry—Extensive regulation of our businesses affects our activities and creates the potential for significant liabilities and penalties. Increased regulatory focus on the alternative asset industry or legislative or regulatory changes could result in additional burdens and expenses on our business” in our Annual Report. We are not currently subject to any pending legal (including judicial, regulatory, administrative or arbitration) proceedings that we expect to have a material impact on our Condensed Consolidated Financial Statements. However, given the inherent unpredictability of these types of proceedings, an adverse outcome in certain matters could have a material effect on TPG’s financial results in any particular period. See Note 12, “Commitments and Contingencies,” to the Condensed Consolidated Financial Statements.

Item 1A. Risk Factors

For a discussion of our potential risks and uncertainties, see the information under “Item 1A.—Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2023.

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

None.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

In the first quarter of 2024, no director or officer (as defined in Exchange Act Rule 16a-1(f)) of the Company adopted or terminated a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement for the purchase or sale of securities of the Company, within the meaning of Item 408 of Regulation S-K.

Item 6. Exhibits

The following is a list of all exhibits filed or furnished as part of this report:

Exhibits are included below.

Exhibit No.	Description
2.1	Amendment No. 3 to the Transaction Agreement, dated March 13, 2024, between TPG Operating Group II, L.P. and API Representative, LLC.
3.1*	Amended and Restated Certificate of Incorporation of TPG Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed on June 12, 2023).
3.2*	Amended and Restated Bylaws of TPG Inc. (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K, filed on June 12, 2023).
4.1*	Subordinated Indenture, dated as of March 4, 2024, among TPG Operating Group II, L.P., the Guarantors named therein and U.S. Bank Trust Company, National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed on March 4, 2024).
4.2*	First Supplemental Indenture, dated as of March 4, 2024, among TPG Operating Group II, L.P., the Guarantors named therein and U.S. Bank Trust Company, National Association, as trustee (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K, filed on March 4, 2024).
4.3*	Form of 6.950% Subordinated Notes due 2064 (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K, filed on March 4, 2024).
4.4*	Senior Indenture, dated as of March 5, 2024, among TPG Operating Group II, L.P., the Guarantors named therein and U.S. Bank Trust Company, National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed on March 5, 2024).
4.5*	First Supplemental Indenture, dated as of March 5, 2024, among TPG Operating Group II, L.P., the Guarantors named therein and U.S. Bank Trust Company, National Association, as trustee (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K, filed on March 5, 2024).
4.6*	Form of 5.875% Senior Notes due 2034 (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K, filed on March 5, 2024).
22.1	List of Notes Issuer and Guarantor Subsidiaries, Senior and Subordinated Notes.
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer of Periodic Financial Reports pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350.
32.2	Certification of Chief Financial Officer of Periodic Financial Reports pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350.
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

* Incorporated by reference

Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: May 8, 2024

/s/ Jack Weingart
Jack Weingart
Chief Financial Officer and Director
(Principal Financial Officer and
Authorized Signatory)

Exhibit 2.1

Execution Version

AMENDMENT NO. 3 TO
TRANSACTION AGREEMENT

This Amendment No. 3 to Transaction Agreement (this "Amendment") is entered into as of March 13, 2024, by and among TPG Operating Group II, L.P., a Delaware limited partnership ("Acquiror"), and API Representative, LLC, a Delaware limited liability company, as the API Representative (the "API Representative"). Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Transaction Agreement (as defined below).

R E C I T A L S

WHEREAS, the parties hereto have entered into that certain Transaction Agreement, dated as of May 14, 2023 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Transaction Agreement"), by and among, Acquiror, TPG GP A, LLC, a Delaware limited liability company ("Tennessee GP"), TPG Inc., a Delaware corporation ("PubCo" and, together with Acquiror and Tennessee GP, the "Acquiror Parties" and each of them, an "Acquiror Party"), Angelo, Gordon & Co., L.P., a Delaware limited partnership ("Alabama OpCo"), AG Funds, L.P., a Delaware limited partnership ("Alabama CarryCo"), AG Partner Investments, L.P., a Delaware limited partnership ("API"), AG GP LLC, a Delaware limited liability company ("API GP", and together with Alabama OpCo, Alabama CarryCo and API, the "Companies" and each of them, a "Company"), Alabama Investments (Parallel) Founder A, LP, a Delaware limited partnership ("Founder Holdings A"), Alabama Investments (Parallel) Founder G, LP, a Delaware limited partnership ("Founder Holdings G"), Alabama Investments (Parallel), LP, a Delaware limited partnership ("New API II", and together with API GP, Founder Holdings A and Founder Holdings G, the "API Entities" and each of them, an "API Entity"), Michael Gordon 2011 Revocable Trust (the "Alabama Founder Trust" and together with the API Entities, the "API Sellers"), the members of API GP and listed on Annex A, solely for purposes of Section 2.1(a)(v) and Section 2.14 of the Transaction Agreement (the "API GP Members"), and API GP as the API Representative (as such term is used in the Transaction Agreement); and

WHEREAS, the parties hereto desire to amend the terms of the Transaction Agreement, in accordance with Section 11.1 of the Transaction Agreement, as more fully set forth in this Amendment.

NOW THEREFORE, in consideration of the premises and the mutual agreements and covenants hereinafter set forth, the parties hereby agree as follows:

1. Amendments.

(a) A new definition of "Covered Tax Distribution Holdback Amount" is hereby added in Section 1.1 of the Transaction Agreement as follows:

""Covered Tax Distribution Holdback Amount" means the amount set forth on Exhibit Q (or such lesser amount as Acquiror and the API Representative may agree in writing), which amount shall be held in the Adjustment Escrow Account until disbursed in accordance with the terms of Section 2.4 hereof and the Escrow Agreement."

(b) The definition of "Covered Tax Distribution" is hereby deleted in its entirety and replaced with the following (changes are shown in blacklined form for convenience):

""Covered Tax Distributions" means the total amount of tax distributions made to Alabama CarryCo with respect to the calendar year 2023 from the Covered Alabama Funds that are determined and declared on or before ~~January 15~~April 30, 2024; provided, for the avoidance of doubt, that Covered Tax Distributions shall not include any tax distributions made in respect of "downstairs" team allocations."

(c) Section 1.2 of the Transaction Agreement is hereby amended by inserting the following new terms:

Term	Section
Negative Revised Cash Adjustment Amount	2.4(n)(ii)
Negative Revised Cash Adjustment Shortfall	2.4(n)(ii)
Positive Revised Cash Adjustment Amount	2.4(n)(i)
Revised Final Determination Date	2.4(n)(i)
Revised Final Statement	2.4(l)
Revised Post-Closing Adjustment Statement	2.4(k)
Revised Statement Objection Notice	2.4(l)

(d) Section 2.4(h) of the Transaction Agreement is hereby deleted in its entirety and replaced with the following (changes are shown in blacklined form for convenience):

"(h) The Cash, Net GP Investments, Pre-Closing Crystalized Fees Receivable, Post-Closing Net Crystalized Performance Fees Receivable, Closing Indebtedness, Transaction Expenses, Closing Working Capital and the resulting calculation of the Balance Sheet Adjustment Amount, and the Client Deficit Percentage as set forth on any Final Statement (and, solely with respect to Accrued Covered Tax Distribution Receivable, Closing Working Capital and the resulting calculation of the Balance Sheet Adjustment Amount as set forth on any Revised Final Statement) as determined in accordance with this Section 2.4 are the "Final Cash", "Final Net GP Investments", "Final Pre-Closing Crystalized Performance Fees Receivables", "Final Post-Closing Net Crystalized Performance Fees Receivables", "Final Closing Indebtedness," "Final Transaction Expenses," "Final Working Capital" and "Final Client Deficit Percentage," respectively. For purposes of this Agreement, "Final Unit Consideration" means the adjusted Total Common Unit Consideration, and "Final Cash Consideration" means the adjusted Total Cash Consideration, respectively, calculated using the Final Cash, Final Net GP Investments, Final Pre-Closing Crystalized Fees Receivable, Final Post-Closing Net Crystalized Performance Fees Receivable, Final Working Capital, Final Closing Indebtedness, Final Transaction Expenses and Final Client Deficit Percentage, and "Final Consideration" means the sum of the Final Unit Consideration and Final Cash Consideration."

(e) Section 2.4(i)(i) of the Transaction Agreement is hereby deleted in its entirety and replaced with the following (changes are shown in blacklined form for convenience):

"(i) if the Final Cash Consideration as set forth in the Final Statement is greater than the Estimated Cash Consideration (the absolute value of such difference, a "Positive Cash Adjustment Amount"), then (x) Acquiror shall, within five (5) Business Days after the determination of the Final Consideration in the Final Statement (the "Final Determination Date"), deliver or cause to be delivered to each Alabama Partner that delivered its Required Merger Deliverables (in accordance with the payment instructions set forth in the Estimated Statement), by wire transfer of immediately available funds, such Alabama Partner's Closing Cash Participation Percentage of the Positive Cash Adjustment Amount, and (y) Acquiror and the API Representative shall jointly, within five (5) Business Days after the Final Determination Date, execute and deliver joint written instructions to the Escrow Agent instructing the Escrow Agent to deliver to each Alabama Partner that delivered its Required Merger Deliverables such Alabama Partner's Closing Cash Participation Percentage of an amount equal to (A) the Adjustment Escrow Amount, *less* (B) the Covered Tax Distribution Holdback Amount, by wire transfer of immediately available funds."

(f) Section 2.4(i)(iii) of the Transaction Agreement is hereby deleted in its entirety and replaced with the following (changes are shown in blacklined form for convenience):

"(iii) If the Final Cash Consideration as set forth in the Final Statement is less than the Estimated Cash Consideration (the absolute value of such difference, a "Negative Cash Adjustment Amount"), then (A) in the event the Negative Cash Adjustment Amount is less than or equal to the Adjustment Escrow Amount, Acquiror and the API Representative shall jointly, within five (5) Business Days after the Final Determination Date, execute and deliver joint written instructions to the Escrow Agent instructing the Escrow Agent to (1) deliver to Acquiror from the Adjustment Escrow Account, by wire transfer of immediately available funds to the account or accounts designated in writing by Acquiror, an amount equal to the lesser of (x) the Negative Cash Adjustment Amount and (y) the balance of the Adjustment Escrow Account, and (2) deliver to each Alabama Partner that delivered its Required Merger Deliverables such Alabama Partner's Closing Cash Participation Percentage of the balance of the Adjustment Escrow Account following the payment in the foregoing clause (A)(1) that exceeds the Covered Tax Distribution Holdback Amount, if any (in accordance with the payment instructions set forth in the Estimated Statement), by wire transfer of immediately available funds and (B) in the event the Negative Cash Adjustment Amount is greater than the Adjustment Escrow Amount (such excess amount, the "Negative Cash Adjustment Shortfall"), (x) Acquiror and the API Representative shall jointly, within five (5) Business Days after the Final Determination Date, execute and deliver joint written instructions to the Escrow Agent instructing the Escrow Agent to release the Adjustment Escrow Amount to the Acquiror and (y) each Alabama Partner shall, within five (5) Business Days after the Final Determination Date, pay or cause to be paid to the Acquiror, by wire transfer of immediately available funds, such Alabama Partner's Closing Cash Participation Percentage of the Negative Cash Adjustment Shortfall."

(g) Section 2.4(i)(v) of the Transaction Agreement is hereby deleted in its entirety and replaced with the following (changes are shown in blacklined form for convenience):

"(v) If the Final Cash Consideration is equal to the Estimated Cash Consideration, then Acquiror and the API Representative shall jointly, within five (5) Business Days after the determination of the Final Cash Consideration, execute and deliver joint written instructions to the Escrow Agent instructing the Escrow Agent to deliver each Alabama Partner that delivered its Required Merger Deliverables such Alabama Partner's Closing Cash Participation Percentage of an amount equal to (A) the Adjustment Escrow Amount *less* (B) the Covered Tax Distribution Holdback Amount (in accordance with the payment instructions set forth on the Estimated Statement), by wire transfer of immediately available funds."

(h) Section 2.4(j) of the Transaction Agreement is hereby deleted in its entirety and replaced with the following (changes are shown in blacklined form for convenience):

"(j) Following the Closing, no action with respect to the accounting books and records of the Companies, or the items reflected thereon, on which the Post-Closing Adjustment Statement or the Revised Post-Closing Adjustment Statement, as applicable, is to be based, that is inconsistent with the Accounting Principles shall be given effect for purposes of determining the Final Cash, Final Net GP Investments, Final Pre-Closing Crystalized Fees Receivable, Final Post-Closing Net Crystalized Performance Fees Receivable, Final Working Capital, Final Closing Indebtedness, Final Transaction Expenses, Final Client Deficit Percentage, Final Unit Consideration or Final Cash Consideration; provided, that, to the extent that an action or item was not taken into account prior to the Closing by the Company Group Entities, but such action or item existed as of the Closing, such item or action may be given effect for purposes of determining the Final Cash, Final Net GP Investments, Final Pre-Closing Crystalized Fees Receivable, Final Post-Closing Net Crystalized Performance Fees Receivable, Final Working Capital, Final Closing Indebtedness, Final Transaction Expenses, Final Client Deficit Percentage, Final Unit Consideration or Final Cash Consideration and, for the avoidance of doubt, Client Consents obtained within ninety (90) days following the Closing and BDC Consents obtained within ninety

(90) days following the Closing (in accordance with Rule 15a-4 under the Investment Company Act), in each case, shall be taken into account for purposes of determining Final Client Deficit Percentage. No actions taken by any Acquiror Party or any of its Affiliates on its own behalf or on behalf of the Companies or the Companies' Subsidiaries, on or following the Closing Date shall be given effect for purposes of determining the Final Cash, Final Net GP Investments, Final Pre-Closing Crystalized Fees Receivable, Final Post-Closing Net Crystalized Performance Fees Receivable, Final Working Capital, Final Closing Indebtedness, Final Transaction Expenses, the Final Unit Consideration or Final Cash Consideration (other than in the case of determining the Final Client Deficit Percentage)."

(i) A new Section 2.4(k) of the Transaction Agreement is hereby added to the Transaction Agreement as follows:

"(k) No later than May 5, 2024, Acquiror shall prepare and deliver to API Representative a statement (the "Revised Post-Closing Adjustment Statement") setting forth its revised calculation of the Accrued Covered Tax Distribution Receivable along with updated calculations of the Closing Working Capital, Balance Sheet Adjustment Amount and Total Cash Consideration resulting therefrom, in each case calculated in accordance with the Accounting Principles and consistent with the Final Statement in all respects other than solely to reflect any difference in the amount of the Accrued Covered Tax Distribution Receivable set forth in such Revised Post-Closing Adjustment Statement from the amount of the Accrued Covered Tax Distribution set forth in the Final Statement (and, for the avoidance of doubt, such Final Statement shall otherwise remain conclusive, final and binding on all of the Parties)."

(j) A new Section 2.4(l) of the Transaction Agreement is hereby added to the Transaction Agreement as follows:

"(l) Following the delivery of the Revised Post-Closing Adjustment Statement until the final determination of Accrued Covered Tax Distribution Receivable and the resulting updated calculations of Closing Working Capital, Balance Sheet Adjustment Amount and Total Cash Consideration, as applicable, in accordance with the terms hereof, each Acquiror Party shall, and shall cause its Affiliates and representatives to, reasonably cooperate with the API Representative and its representatives in connection with their review of the Revised Post-Closing Adjustment Statement and the components thereof and calculations relating thereto, including by providing the API Representative and its representatives the access rights described in Section 2.4(d), which shall apply *mutatis mutandis* to this Section 2.4(l) as if fully set forth herein. If the API Representative disagrees with any part of Acquiror's revised calculation of the Accrued Covered Tax Distribution Receivable or the resulting updated calculations of Closing Working Capital, Balance Sheet Adjustment Amount or Total Cash Consideration as set forth on the Revised Post-Closing Adjustment Statement, the API Representative shall, within five (5) days after its receipt of such Revised Post-Closing Adjustment Statement, notify Acquiror in writing of such disagreement (a "Revised Statement Objection Notice"). The Revised Statement Objection Notice shall specify with reasonable detail which aspects of the calculation of Accrued Covered Tax Distribution Receivable and the resulting calculation of Closing Working Capital, Balance Sheet Adjustment Amount and the Total Cash Consideration are being disputed and describe the basis for and amount of such dispute. If API Representative does not deliver a Revised Statement Objection Notice within such five (5) day period, then the Revised Post-Closing Adjustment Statement shall be conclusive, final and binding on all of the Parties (in such instance, a "Revised Final Statement")."

(k) A new Section 2.4(m) of the Transaction Agreement is hereby added to the Transaction Agreement as follows:

"(m) If a Revised Statement Objection Notice is timely delivered by the API Representative to Acquiror, then Acquiror, on the one hand, and the API Representative, on the other hand, shall negotiate in good faith to resolve their disagreements with respect to the revised calculation of Accrued Covered Tax Distribution Receivable and the resulting updated calculations of Closing Working Capital, Balance Sheet Adjustment Amount and Total Cash Consideration, as applicable, and any resolution agreed upon between the Acquiror and the API Representative in writing shall be the conclusive and binding calculation of the revised calculation of Accrued Covered Tax Distribution Receivable and the resulting updated calculations of Closing Working Capital, Balance Sheet Adjustment Amount and Total Cash Consideration, as applicable (in such instance, a "Revised Final Statement"). In the event that Acquiror, on the one hand, and API Representative, on the other hand, are unable to resolve all disagreements within thirty (30) days after Acquiror's receipt of a Revised Statement Objection Notice from the API Representative, then Acquiror or API Representative, as applicable, may submit such remaining disagreements to the Accounting Expert for final resolution and the dispute resolution mechanisms described in Section 2.4(f) and Section 2.4(g) shall apply *mutatis mutandis* to the resolution of such disagreements as if fully set forth herein. The determination of the Accounting Expert in accordance with the procedures thereof shall be conclusive and binding upon the Parties and shall not be subject to appeal or further review (other than with respect to errors in arithmetic calculations) (in such instance, a "Revised Final Statement")."

(l) A new Section 2.4(n) of the Transaction Agreement is hereby added to the Transaction Agreement as follows:

"(n) After the Revised Post-Closing Adjustment Statement has become final and binding on the Parties, the following shall occur:

(i) if the Final Cash Consideration as set forth in the Revised Final Statement is greater than the Final Cash Consideration as set forth in the Final Statement (the absolute value of such difference, a "Positive Revised Cash Adjustment Amount"), then (x) Acquiror shall, within five (5) days after the determination of the Final Cash Consideration in the Revised Final Statement (the "Revised Final Determination Date"), deliver or cause to be delivered to each Alabama Partner that delivered its Required Merger Deliverables (in accordance with the payment instructions set forth in the Estimated Statement), by wire transfer of immediately available funds, such Alabama Partner's Closing Cash Participation Percentage of the Positive Revised Cash Adjustment Amount, and (y) Acquiror and the API Representative shall jointly, within five (5) days after the Revised Final Determination Date, execute and deliver joint written instructions to the Escrow Agent instructing the Escrow Agent to deliver to each Alabama Partner that delivered its Required Merger Deliverables such Alabama Partner's Closing Cash Participation Percentage of the balance of the Adjustment Escrow Account, by wire transfer of immediately available funds.

(ii) if the Final Cash Consideration as set forth in the Revised Final Statement is less than the Final Cash Consideration as set forth in the Final Statement (the absolute value of such difference, a "Negative Revised Cash Adjustment Amount"), then (A) in the event the Negative Revised Cash Adjustment Amount is less than or equal to the balance of the Adjustment Escrow Account, Acquiror and the API Representative shall jointly, within five (5) days after the Revised Final Determination Date, execute and deliver joint written instructions to the Escrow Agent instructing the Escrow Agent to (1) deliver to Acquiror from the Adjustment Escrow Account, by wire transfer of immediately available funds to the account or accounts designated in writing by Acquiror, an amount equal to the Negative Revised Cash Adjustment Amount, and (2) deliver to each Alabama Partner that delivered its Required Merger Deliverables such Alabama Partner's Closing Cash Participation Percentage of the balance of the Adjustment Escrow Account following the payment in the foregoing clause (A)(1), if any (in accordance with the payment instructions set forth in the Estimated Statement), by wire transfer of immediately available funds and (B) in the event the Negative Revised Cash Adjustment Amount is greater than the balance of the Adjustment Escrow Account (such excess amount, the "Negative Revised Cash Adjustment Shortfall"), (x) Acquiror and the API Representative shall jointly, within five (5) days after the Revised Final Determination Date, execute and deliver joint written instructions to the Escrow Agent instructing the Escrow Agent to release the balance of the Adjustment Escrow Account (if any) to the Acquiror and (y) each Alabama Partner shall, within ten (10) days after the Revised Final Determination Date, pay or cause to be paid to the Acquiror, by wire transfer of immediately available funds, such Alabama Partner's Closing Cash Participation Percentage of the Negative Revised Cash Adjustment Shortfall.

(iii) if the Final Cash Consideration as set forth in the Revised Final Statement is equal to the Final Cash Consideration as set forth in the Final Statement, then Acquiror and the API Representative shall jointly, within five (5) days after the Revised Final Determination Date, execute and deliver joint written instructions to the Escrow Agent instructing the Escrow Agent to deliver each Alabama Partner that delivered its Required Merger Deliverables such Alabama Partner's Closing Cash Participation Percentage of the balance of the Adjustment Escrow Account, if any (in accordance with the payment instructions set forth on the Estimated Statement), by wire transfer of immediately available funds.

(iv) Upon payment of the amounts provided in this Section 2.4(n), none of the parties hereto may make or assert any claim against any other Party under this Section 2.4 (*Closing Estimate and Post-Closing Adjustment for Consideration*) for any matter included in Accrued Covered Tax Distribution Receivable, Final Working Capital or Final Cash Consideration (other than any action for specific performance of any covenant provided for in Section 2.4 or Fraud)."

(m) Schedule I to the Transaction Agreement (Accounting Principles) is hereby amended as further set forth on Schedule I attached hereto.

(n) A new Exhibit Q to the Transaction Agreement is added as attached hereto.

2. Transaction Agreement Remains in Effect. Except as expressly amended by this Amendment, the Transaction Agreement shall remain in full force and effect in accordance with its terms, and is hereby ratified, approved and confirmed in all respects. Nothing in this Amendment shall otherwise affect any other provision of the Transaction Agreement or the rights and obligations of the parties thereto.

3. References to the Transaction Agreement. After giving effect to this Amendment, each reference in the Transaction Agreement to "this Agreement," "hereof," "hereunder" or words of like import referring to the Transaction Agreement shall refer to the Transaction Agreement as amended by this Amendment. Notwithstanding the foregoing, references to the date of the Transaction Agreement, as amended hereby, shall in all instances continue to refer to May 14, 2023 and references to "the date hereof" and "the date of this Agreement" shall continue to refer to May 14, 2023.

4. Incorporation by Reference. Sections 11.1 (Amendment; Extension; Waiver), 11.2 (Entire Agreement) as modified to contemplate this Amendment, 11.3 (Construction and Interpretation), 11.4 (Severability), 11.5 (Notices), 11.6 (Binding Effect; No Assignment), 11.7 (Counterparts), 11.8 (Specific Enforcement), 11.9 (No Third Party Beneficiaries), 11.10 (Governing Law) and 11.11 (Consent to Jurisdiction; Waiver of Jury Trial) of the Transaction Agreement are incorporated herein by reference, *mutatis mutandis*.

[*Remainder of Page Intentionally Left Blank*]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered as of the date first above written.

TPG OPERATING GROUP II, L.P.

By: TPG Holdings II-A, LLC, its general partner

By: /s/ Martin Davidson
Name: Martin Davidson
Title: Chief Accounting Officer

API REPRESENTATIVE, LLC

By: /s/ Christopher D. Moore
Name: Christopher D. Moore
Title: Chief Legal Officer, General Counsel & Secretary

[Signature Page to Amendment No.3 to Transaction Agreement]

Each of the subsidiaries of TPG Inc. (the “Company”) listed below is a guarantor of the 5.875% Senior Notes due 2034 and 6.950% Fixed-Rate Junior Subordinated Notes due 2064 (collectively, the “Notes”) issued by TPG Operating Group II, L.P., a Delaware limited partnership and subsidiary of the Company. In addition to the subsidiaries listed below, the Company is also a guarantor of the Notes.

Subsidiary Guarantor	**Jurisdiction of Organization**
TPG Operating Group I, L.P.	Delaware
TPG Operating Group III, L.P.	Delaware
TPG Holdings II Sub, L.P.	Delaware

Exhibit 31.1

I, Jon Winkelried, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 of TPG Inc.;

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

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

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

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

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

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

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

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

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

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

Date: May 8, 2024

/s/ Jon Winkelried

Jon Winkelried

Chief Executive Officer

Exhibit 31.2

I, Jack Weingart, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 of TPG Inc.;

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

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

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

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

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

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

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

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

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

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

Date: May 8, 2024

/s/ Jack Weingart

Jack Weingart
Chief Financial Officer

Exhibit 32.1

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

In connection with the Quarterly Report on Form 10-Q of TPG Inc. (the "Company") for the quarter ended March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jon Winkelried, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

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

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

This certificate is being furnished solely for the purposes of 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

Date: May 8, 2024

/s/ Jon Winkelried

Jon Winkelried
Chief Executive Officer

Exhibit 32.2

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

In connection with the Quarterly Report on Form 10-Q of TPG Inc. (the "Company") for the quarter ended March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jack Weingart, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

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

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

This certificate is being furnished solely for the purposes of 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

Date: May 8, 2024

/s/ Jack Weingart

Jack Weingart
Chief Financial Officer