

For Immediate Release:

**ASSOCIATED CAPITAL GROUP, INC.**  
**Reports First Quarter Results**

- **Core business strength continues as merger arbitrage results deliver for the period**
- **Assets Under Management (“AUM”): \$1.50 billion at March 31, 2026 compared to \$1.48 billion at December 31, 2025**
- **Book value was \$44.53 per share at March 31, 2026 versus \$42.51 per share at March 31, 2025**
- **Dividend and share repurchases in the first quarter returned \$3.9 million to shareholders**
- **In January 2026, pursuant to a previously established reorganization plan, voting control of the Company changed from Chairman Mario Gabelli to Vice Chairman Marc Gabelli**

GREENWICH, Connecticut, May 15, 2026 – Associated Capital Group, Inc. (“AC” or the “Company”), a diversified financial services company, today reported its financial results for the first quarter ended March 31, 2026.

**Financial Highlights**

(\$ in 000's except AUM and per share data)

<b>(Unaudited)</b>	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2026</b>	<b>2025</b>
AUM - end of period (in millions)	\$ 1,503	\$ 1,268
AUM - average (in millions)	1,521	1,261
Revenues	2,524	2,129
Income/(loss) before income taxes	(879)	10,546
Net income/(loss)	(824)	7,669
Net income/(loss) per share-diluted	\$ (0.04)	\$ 0.36
Shares outstanding (000's):		
Class A	1,734	2,194
Class B	18,921	18,921
Total shares outstanding	20,655	21,145
Book Value per share	\$ 44.53	\$ 42.51

## First Quarter Financial Data

- Assets under management ended the quarter at \$1.50 billion versus \$1.27 billion at March 31, 2025.
- Book value was \$44.53 per share at March 31, 2026 versus \$42.51 per share at March 31, 2025.

## First Quarter Results

Total revenues in the first quarter were \$2.5 million compared to \$2.1 million in the first quarter of 2025. Revenues generated by the GAMCO International SICAV – GAMCO Merger Arbitrage (the “SICAV”) were \$1.3 million versus \$0.9 million in the prior year period due to higher average AUM in 2026. All other revenues were \$1.2 million in both periods.

Total operating expenses, excluding management fee, were \$6.6 million in the first quarter of 2026 and \$6.3 million in the first quarter of 2025. The increase is driven primarily by higher variable-based marketing expenses on the SICAV of \$0.1 million in the 2026 quarter.

Net investment and other non-operating income was \$3.2 million for the first quarter of 2026 compared to \$15.8 million in the first quarter of 2025. The primary driver of the 2026 quarter's results was our merger arbitrage partnerships and interest income. The year ago quarter's result also reflects unrealized appreciation on certain investments.

No management fee expense was incurred in the first quarter of 2026 due to a loss in the period. For the quarter ended March 31, 2025, management fee expense was \$1.1 million.

The effective tax rate applied to our pre-tax loss for the quarter ended March 31, 2026 was -8.3%, resulting in an income tax expense of \$0.1 million. In the year ago quarter, the effective tax rate applied to our pre-tax income was 26.3%, which resulted in an income tax expense of \$2.8 million.

## Assets Under Management (AUM)

Assets under management at March 31, 2026 were \$1.50 billion, \$21 million higher than year-end 2025 primarily due to investor inflows of \$19 million.

	<u>March 31,</u> <u>2026</u>	<u>December 31,</u> <u>2025</u>	<u>March 31,</u> <u>2025</u>
(\$ in millions)			
Merger Arbitrage <sup>(a)</sup>	\$ 1,174	\$ 1,156	\$ 1,012
Long/Short Value <sup>(b)</sup>	293	289	221
Other	36	37	36
Total AUM	<u>\$ 1,503</u>	<u>\$ 1,482</u>	<u>\$ 1,269</u>

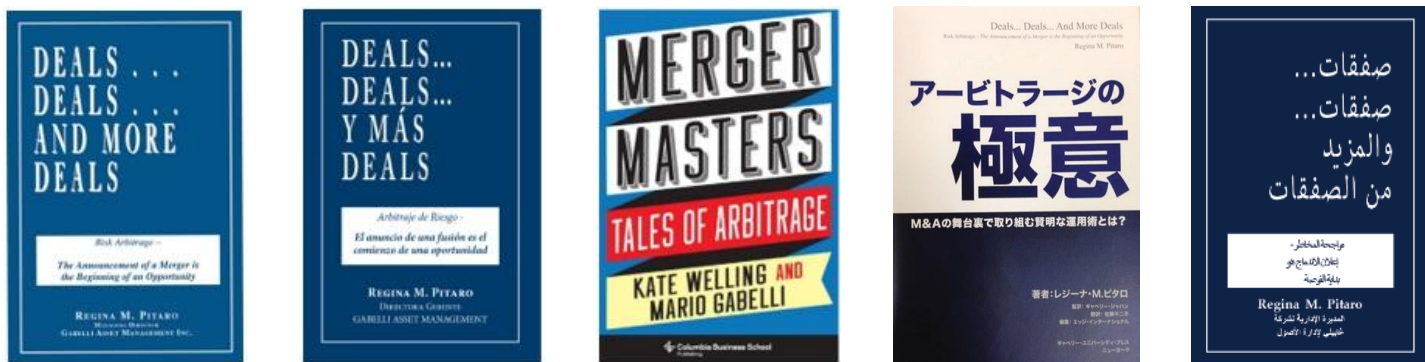
(a) Includes \$546, \$527, and \$401 of sub-advisory AUM related to GAMCO International SICAV - GAMCO Merger Arbitrage, \$72, \$73, and \$70 of sub-advisory AUM related to Gabelli Merchant Partners Plc (f/k/a Gabelli Merger Plus+ Trust Plc), respectively.

(b) Assets under management represent the assets invested in this strategy that are attributable to Associated Capital Group, Inc.

## Alternative Investment Management

Our alternative investment offerings center around our merger arbitrage strategy, which seeks absolute return independent of the broad equity and fixed income markets through a proven strategy of investing in global announced corporate mergers and acquisitions. We also manage funds using strategies focused on fundamental, active, event-driven and special situations investing.

### Merger Arbitrage



For the first quarter of 2026, the longest continuously offered fund in the merger arbitrage strategy generated gross returns of 1.17% (0.73% net of fees). A summary of the performance is as follows:

Performance% <sup>(a)</sup>	Full Year						5 Year <sup>(b)</sup>	Since 1985 <sup>(b)(c)</sup>
	1Q '26	1Q '25	2025	2024	2023	2022		
<b>Merger Arb</b>								
Gross	1.17	3.77	16.10	5.83	5.49	4.47	7.79	10.10
Net	<b>0.73</b>	<b>2.81</b>	<b>11.97</b>	<b>3.82</b>	<b>3.56</b>	<b>2.75</b>	<b>5.39</b>	<b>7.15</b>

(a) Net performance is net of fees and expenses, unless otherwise noted. Performance shown is for an actual fund in this strategy. The performance of other funds in this strategy may vary. Past performance is no guarantee of future results.

(b) Represents annualized returns through March 31, 2026

(c) Inception Date: February 1985

Global announced M&A totaled \$1.2 trillion in the first quarter of 2026, up 27% from the first quarter of 2025 and marking the strongest opening period for dealmaking since 2021. The United States remained the preferred venue for transactions, with U.S. targets accounting for 52% of worldwide activity, or \$623 billion. Technology was the most active sector at 26% of total announced value, followed by Energy & Power at 14%, while Financials also remained a meaningful contributor. Private equity backed buyouts totaled \$319.7 billion, representing 27% of overall M&A activity in the quarter. Activity was also concentrated in larger transactions, with 22 deals greater than \$10 billion driving the strongest opening quarter for mega-deals on record even as overall deal count declined year over year.

The merger arbitrage strategy is available across multiple vehicles tailored to client type and mandate, including partnerships and offshore corporations serving both accredited as well as institutional investors. The strategy is also offered in separately managed accounts, a Luxembourg UCITS (Undertaking for Collective Investment in Transferrable Securities) and a London Stock Exchange-listed investment company, Gabelli Merchant Partners Plc (GMP-LN).

## **Acquisitions**

Associated Capital Group's plan is to accelerate the use of our capital to broaden our product offerings and add new sources of distribution and portfolio management. In addition, we may make acquisitions or direct investments in other operating businesses using a variety of techniques and structures.

## **Shareholder Compensation**

Since our spin-off from GAMCO on November 30, 2015, AC has returned \$202.4 million to shareholders through share repurchases and exchange offers and paid dividends of \$89.5 million.

On May 5, 2026, the Board of Directors declared a quarterly dividend of \$0.10 per share, which will be paid on June 25, 2026 to shareholders of record on June 11, 2026.

During the first quarter of 2026, AC repurchased 44,188 Class A shares, for \$1.8 million, at an average price of \$40.18 per share. In the first quarter of 2025, AC repurchased 39,018 Class A shares, for \$1.4 million, at an average price of \$36.32 per share. Shares may be purchased from time to time in the future, however share repurchase amounts and prices may vary after considering a variety of factors, including the Company's financial position, earnings, other alternative uses of cash, macroeconomic issues, and market conditions.

At March 31, 2026, there were 20.655 million shares outstanding, consisting of 1.734 million Class A shares and 18.921 million Class B shares outstanding.

## **Corporate Events**

In January 2026, pursuant to a previously established reorganization plan, voting control of the Company changed from Chairman Mario Gabelli to Vice Chairman Marc Gabelli. Since late March 2026 Mario Gabelli has been on leave from his roles with the Company for health reasons, and the timeline for his return has not been determined. The Company believes that the absence of Mario Gabelli does not have a material impact on its business. The portfolio management teams that have been in place for over twenty years all continue to manage client assets.

## **About Associated Capital Group, Inc.**

Associated Capital Group, Inc. (OTCQX:ACGP), based in Greenwich, Connecticut, is a diversified global financial services company that provides alternative investment management through Gabelli & Company Investment Advisers, Inc. ("GCIA"). We have also earmarked proprietary capital to acquire or invest in new and existing businesses.

### *Operating Loss Before Management Fee*

Operating loss before management fee represents a non-GAAP financial measure. We believe this measure is useful in illustrating the operating results of the Company, as management fee expense is based on pre-tax income before management fee expense, which includes nonoperating items including investment gains and losses from the Company's proprietary investment portfolio and interest expense.

(\$ in 000's)	Three Months Ended March 31,	
	2026	2025
Operating loss - GAAP	\$ (4,114)	\$ (5,288)
Add: management fee expense (1)	-	1,103
Operating loss before management fee - Non-GAAP	\$ (4,114)	\$ (4,185)

(1) Management fee expense is incentive-based and is equal to 10% of Income before management fee and income taxes and excludes the impact of consolidating entities. For the three months ended March 31, 2026, there was no management fee expense due to a loss in the period. For the three months ended March 31, 2025, Income before management fee, income taxes and excluding consolidated entities was \$11,028. As a result, \$1,103 was accrued for the 10% management fee expense in the first quarter of 2025.

**Table I**

**ASSOCIATED CAPITAL GROUP, INC.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION**  
**(Amounts in thousands)**

	<u>March 31,</u> <u>2026</u>	<u>December 31,</u> <u>2025</u>	<u>March 31,</u> <u>2025</u>
<b>ASSETS</b>			
Cash, cash equivalents and US Treasury Bills	\$ 353,603	\$ 365,342	\$ 357,813
Investments in securities and partnerships	519,071	521,570	506,156
Investment in GAMCO stock	8,399	8,566	15,599
Receivable from brokers	21,293	22,954	25,458
Income taxes receivable, including deferred tax assets, net	1,290	4,752	3,310
Other receivables	2,432	19,983	1,752
Property and equipment, net	38,401	23,352	16,070
Other assets	11,339	12,727	7,099
Total assets	<u>\$ 955,828</u>	<u>\$ 979,246</u>	<u>\$ 933,257</u>
<b>LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY</b>			
Payable to brokers	\$ 9,249	\$ 7,567	\$ 5,258
Income taxes payable, including deferred tax liabilities, net	6,285	6,083	-
Compensation payable	6,466	25,890	12,456
Securities sold short, not yet purchased	4,819	6,029	8,754
Accrued expenses and other liabilities	3,511	3,333	2,149
Total liabilities	<u>30,330</u>	<u>48,902</u>	<u>28,617</u>
Redeemable noncontrolling interests	<u>5,729</u>	<u>5,908</u>	<u>5,682</u>
Total equity	<u>919,769</u>	<u>924,436</u>	<u>898,958</u>
Total liabilities, redeemable noncontrolling interests and equity	<u>\$ 955,828</u>	<u>\$ 979,246</u>	<u>\$ 933,257</u>

(1) Certain captions include amounts related to a consolidated variable interest entity ("VIE") and voting interest entity ("VOE"); refer to footnote 4 of the Condensed Consolidated Financial Statements included in the quarterly report to be filed for the quarter ended March 31, 2026 for more details on the impact of consolidating these entities.

(2) Investment in GAMCO stock: 349,948, 351,648 and 674,700 shares, respectively.

**Table II**

**ASSOCIATED CAPITAL GROUP, INC.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
**(Amounts in thousands, except per share data)**

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2026</b>	<b>2025</b>
Investment advisory and incentive fees	\$ 2,410	\$ 2,004
Other revenues	114	125
Total revenues	<u>2,524</u>	<u>2,129</u>
Compensation	4,433	4,448
Operating expenses	2,205	1,866
Total expenses	<u>6,638</u>	<u>6,314</u>
Operating loss before management fee	<u>(4,114)</u>	<u>(4,185)</u>
Net investment gain/(loss)	(2,149)	10,892
Dividend income from GAMCO	35	54
Interest and dividend income, net	5,788	4,919
Charitable contributions	(439)	(31)
Investment and other non-operating income, net	<u>3,235</u>	<u>15,834</u>
Income/(loss) before management fee and income taxes	(879)	11,649
Management fee expense	-	1,103
Income/(loss) before income taxes	<u>(879)</u>	<u>10,546</u>
Income tax expense	73	2,777
Income/(loss) before noncontrolling interests	<u>(952)</u>	<u>7,769</u>
Income/(loss) attributable to noncontrolling interests	(128)	100
Net income/(loss) attributable to Associated Capital Group, Inc.	<u>\$ (824)</u>	<u>\$ 7,669</u>
Net income/(loss) per share attributable to Associated Capital Group, Inc.:		
Basic and Diluted	<u>\$ (0.04)</u>	<u>\$ 0.36</u>
Weighted average shares outstanding:		
Basic and Diluted	20,675	21,166
Shares outstanding - end of period	20,655	21,145

## SPECIAL NOTE REGARDING FORWARD-LOOKING INFORMATION

The financial results set forth in this press release are preliminary. Our disclosure and analysis in this press release, which do not present historical information, contain “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements convey our current expectations or forecasts of future events. You can identify these statements because they do not relate strictly to historical or current facts. They use words such as “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” and other words and terms of similar meaning. They also appear in any discussion of future operating or financial performance. In particular, these include statements relating to future actions, future performance of our products, expenses, the outcome of any legal proceedings, and financial results. Although we believe that we are basing our expectations and beliefs on reasonable assumptions within the bounds of what we currently know about our business and operations, the economy and other conditions, there can be no assurance that our actual results will not differ materially from what we expect or believe. Therefore, you should proceed with caution in relying on any of these forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance.

Forward-looking statements involve a number of known and unknown risks, uncertainties and other important factors, some of which are listed below, that are difficult to predict and could cause actual results and outcomes to differ materially from any future results or outcomes expressed or implied by such forward-looking statements. Some of the factors that could cause our actual results to differ from our expectations or beliefs include a decline in the securities markets that adversely affect our assets under management, negative performance of our products, the failure to perform as required under our investment management agreements, and a general downturn in the economy that negatively impacts our operations. We also direct your attention to the more specific discussions of these and other risks, uncertainties and other important factors contained in our Form 10 and other public filings. Other factors 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 do not undertake to update publicly any forward-looking statements if we subsequently learn that we are unlikely to achieve our expectations whether as a result of new information, future developments or otherwise, except as may be required by law.

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For further information please visit  
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