

ASSOCIATED CAPITAL GROUP, INC.

A Delaware Corporation

191 Mason Street, Greenwich, CT 06830

Telephone: (203) 629-9595

Website: www.associated-capital-group.com

Email: info@associated-capital-group.com

SIC code: 6211

Issuer's Annual Report **For the year ended December 31, 2025**

Indicate the number of shares outstanding of each of the Issuer's classes of Common Stock, as of the end of the previous reporting period and the latest practical date.

<u>Class</u>	<u>Outstanding at September 30, 2025</u>	<u>Outstanding at February 27, 2026</u>
Class A Common Stock, \$0.001 par value (OTCQX: ACGP)	1,841,831	1,742,572
Class B Common Stock, \$0.001 par value	18,921,100	18,921,100

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes No

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes No

Indicate by check mark whether a Change in Control of the company has occurred over this reporting period:

Yes No

Associated Capital Group, Inc. is responsible for the content of this Annual Report. The securities described in this document are not registered with, and the information contained in this report has not been filed with, or approved by, the U.S. Securities and Exchange Commission.

ASSOCIATED CAPITAL GROUP, INC. AND SUBSIDIARIES

INDEX

	<u>Page</u>
Part A. General Company Information	3
Exact name of the issuer	
Address of the issuer's principal executive officers	
Jurisdiction and date of the issuer's incorporation	
Part B. Share Structure	3
The exact title and class of securities outstanding	
Par or stated value and description of the security	
The number of shares outstanding for each class of securities authorized	
Purchases of equity securities by the issuer and affiliated persons	
The name and address of the transfer agent	
Part C. Business Information	5
The nature of the issuer's business	
The nature of the products or services offered	
The nature and extent of the issuer's facilities	
Part D. Management Structure and Financial Information	13
Company Insiders (Officers, Directors, and Control Persons)	
Financial information for the issuer's most recent fiscal period and two preceding fiscal years	
Management's Discussion and Analysis	
The name, address, telephone number, and email address of outside providers that advise the issuer on matters relating to operations, business development, and disclosure	
Part E. Issuance History	43
List of securities offerings and shares issued for services in the past two years	
Part F. Exhibits	44
Material Contracts	
Articles of Incorporation and Bylaws	
Issuer's Certifications	

PART A: GENERAL COMPANY INFORMATION

The name of the issuer is Associated Capital Group, Inc.

Unless we have indicated otherwise, or the context otherwise requires, references in this report to “Associated Capital Group, Inc.,” “AC Group,” “the Company,” “AC,” “we,” “us” and “our” or similar terms are to Associated Capital Group, Inc., its predecessors and its subsidiaries through which our operations are actually conducted.

Company Description

We are a Delaware corporation, incorporated in 2015, that provides alternative investment management services and operates a direct investment business that over time invests in businesses that fit our criteria. Additionally, we derive income from proprietary investments.

We conduct our investment management activities through our wholly-owned subsidiary Gabelli & Company Investment Advisers, Inc. (“GCIA”) and its wholly-owned subsidiary, Gabelli & Partners, LLC (“Gabelli & Partners”). GCIA is an investment adviser registered with the Securities and Exchange Commission (“SEC”) under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). GCIA and Gabelli & Partners together serve as general partners or investment managers to investment funds, including limited partnerships and offshore companies (collectively, “Investment Partnerships”) and separate accounts. We primarily manage assets across a range of risk and event arbitrage portfolios and in equity event-driven value strategies. The business earns management and incentive fees from its advisory activities.

The principal executive office and principal place of business is located at 191 Mason Street, Greenwich, CT 06830.

Telephone: (203) 629-9595
Website: <https://www.associated-capital-group.com/>
Email: info@associated-capital-group.com
Jurisdiction: Delaware (active), incorporated April 15, 2015

PART B: SHARE STRUCTURE

There are two classes of AC’s common stock: class A (“Class A Stock”) and class B (“Class B Stock”). Class A Stock trades on the OTCQX market under the symbol ACGP and Class B Stock does not trade publicly. The following table shows summary information on each class of securities outstanding as of December 31, 2025, 2024 and 2023.

<u>Class A Stock</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Number of shares authorized	100,000,000	100,000,000	100,000,000
Number of shares outstanding	1,778,525	2,233,920	2,587,036
Number of shares freely tradable (public float)	1,555,958	2,011,353	2,364,469
Number of beneficial shareholders owning at least 100 shares	102	112	115
Total number of holders of record	121	132	135

<u>Class B Stock</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Number of shares authorized	100,000,000	100,000,000	100,000,000
Number of shares outstanding	18,921,100	18,950,571	18,950,571
Number of shares freely tradable (public float)	-	-	-
Total number of holders	16	17	17

<u>Preferred Stock</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Number of shares authorized	10,000,000	10,000,000	10,000,000
Number of shares outstanding	-	-	-
Number of shares freely tradable (public float)	-	-	-
Total number of holders	-	-	-

The number of shares freely tradable may include shares held by stockholders owning 10% or more of our Class A Stock. These shareholders may be considered “affiliates” within the meaning of Rule 144 and their shares may be “control shares” subject to the volume and manner of sale restrictions under Rule 144. AC’s board of directors (the “Board of Directors”) has authorized the exchange of Class B Stock for Class A Stock on a one for one basis.

As of February 27, 2026, there were 121 Class A stockholders of record and 16 Class B stockholders of record.

Our listing on the New York Stock Exchange (“NYSE”) under the symbol AC was completed in November 2015. AC voluntarily delisted from the NYSE and began trading on the OTCQX under the new symbol ACGP as of September 5, 2025. Furthermore, AC voluntarily deregistered with the U.S. Securities and Exchange Commission (“SEC”) with an effective date of November 24, 2025.

Voting Rights

The holders of Class A Stock and Class B Stock have identical rights except that (i) holders of Class A Stock are entitled to one vote per share, while holders of Class B Stock are entitled to ten votes per share, on all matters to be voted on by shareholders in general, and (ii) holders of Class A Stock are not eligible to vote on matters relating exclusively to Class B Stock and vice versa.

Dividends

The declaration of dividends is subject to the discretion of our Board of Directors. Our Board of Directors will consider such matters as general business conditions, our financial results, capital requirements, contractual, legal and regulatory restrictions on the payment of dividends, and such other factors as our Board of Directors may deem relevant. Since our inception in 2015, AC has returned \$200.6 million to shareholders through share repurchases, exchange offers and dividends of \$87.4 million.

In November 2025, the Board of Directors approved a 100% increase in the Company’s regular cash dividend whereby the quarterly dividend rate will be set at \$0.10 per share, compared to the historical semi-annual rate of \$0.10 per share paid semi-annually.

On February 3, 2026, the Board of Directors declared its regular quarterly dividend of \$0.10 per share, to shareholders of Class A Stock and Class B Stock payable on March 19, 2026 to shareholders of record on March 3, 2026.

Stock Award and Incentive Plan

The Company maintains a stock award and incentive plan approved by the shareholders (the “Plan”), which is designed to provide incentives which will attract and retain individuals key to the success of the Company primarily through indirect ownership of our common stock. Pursuant to the Plan, the Company’s Board of Directors periodically grant shares of Phantom Restricted Stock awards (“Phantom RSAs” or “PRSAs”) which entitles the grantee to the cash value of one share of Class A Stock, inclusive of dividends declared in the vesting period, subject to restrictions. Under the terms of the grants, the Phantom RSAs vest 30% and 70% after three and five years, respectively. The Phantom RSAs are settled by a cash payment, net of applicable withholding tax, on the vesting dates.

The Phantom RSAs are treated as a liability because cash settlement is required and compensation will be recognized over the vesting period. In determining the compensation expense to be recognized each period, the Company will re-measure the fair value of the liability at each reporting date taking into account the remaining vesting period attributable to each award, cumulative dividends and the current market value of the Company’s Class A Stock. In making these determinations, the Company will consider the impact of Phantom RSAs that have been forfeited prior to vesting (e.g., due to an employee termination). The Company has elected to consider forfeitures as they occur. As of December 31, 2025 and 2024, there were 279,650 and 301,595 Phantom RSAs outstanding with weighted average grant prices of \$36.89 and \$36.52, respectively.

Stock Repurchase Program

In December 2015, the Board of Directors established a stock repurchase program authorizing the Company to repurchase up to 500,000 shares of Class A Stock. On February 7, 2017, the Board of Directors reset the available number of shares to be purchased under the stock repurchase program to 500,000 shares. On August 3, 2017 and May 8, 2018, the Board of Directors authorized the repurchase of an additional 1 million and 500,000 shares, respectively. On February 6, 2024, August 7, 2024, August 5, 2025 and November 7, 2025, the Board of Directors authorized the repurchase of an additional 350,000, 200,000, 150,000 and 500,000 shares, respectively. Our stock repurchase program is not subject to an expiration date. Shares of common stock 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.

The following table provides information regarding purchases of Class A Stock made by or on behalf of the Company or any affiliated purchaser during the year ended December 31, 2025:

Period	Total Number of Shares Repurchased ⁽¹⁾	Average Price Paid Per Share, net of Commissions	Total Number of Shares Repurchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs
01/01/25 - 01/31/25	11,136	\$ 35.80	11,136	342,412
02/01/25 - 02/28/25	9,887	37.08	9,887	332,525
03/01/25 - 03/31/25	17,995	36.23	17,995	314,530
04/01/25 - 04/30/25	7,796	34.48	7,796	306,734
05/01/25 - 05/31/25	5,211	37.04	5,211	301,523
06/01/25 - 06/30/25	8,234	38.14	8,234	293,289
07/01/25 - 07/31/25	11,901	37.79	11,901	281,388
08/01/25 - 08/31/25	75,756	34.82	75,756	355,632 ⁽²⁾
09/01/25 - 09/30/25	273,644	32.07	273,644	81,988
10/01/25 - 10/31/25	52,258	36.34	52,258	29,730
11/01/25 - 11/30/25	4,977	37.71	4,977	524,753 ⁽²⁾
12/01/25 - 12/31/25	6,071	37.50	6,071	518,682
Totals	484,866	\$ 33.76	484,866	

(1) On trade date basis.

(2) On August 5, 2025 and November 7, 2025, the Board of Directors authorized the repurchase of an additional 150,000 and 500,000 shares, respectively.

Transfer Agent

The name and address of the transfer agent is:

Computershare
150 Royall Street
Suite 101
Canton, MA 02021
(800) 564-6253

Computershare is registered under the Securities Exchange Act of 1934 (the “Exchange Act”) and regulated by the SEC.

PART C: BUSINESS INFORMATION

Forward-Looking Statements

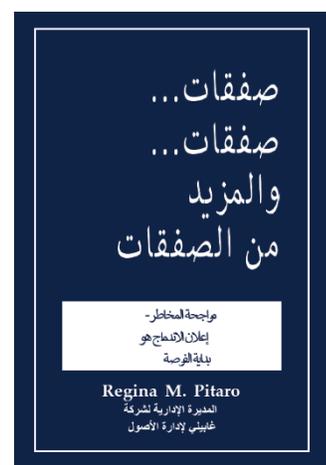
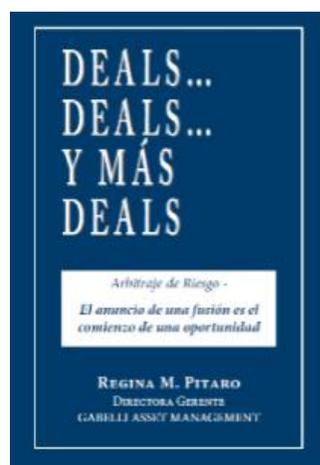
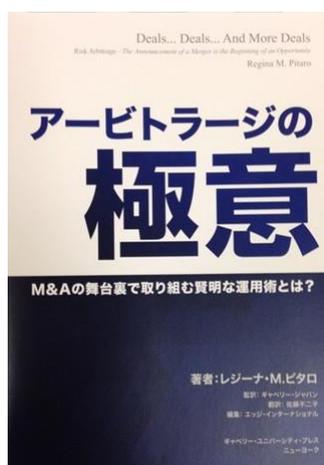
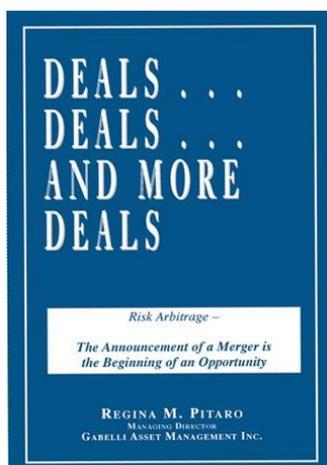
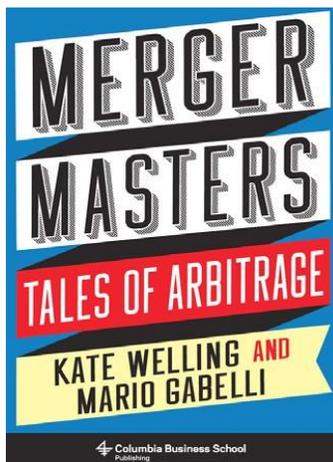
Our disclosure and analysis in this Annual Report contains some forward-looking statements. Forward-looking statements give our current expectations or forecasts of future events. You can identify these statements because they do not relate strictly to historical or current facts. They use words such as “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “will,” “should,” “may,” 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, there can be no assurance that our actual results will not differ materially from what we expect or believe. Some of the factors that could cause our actual results to differ from our expectations or beliefs include, without limitation: the adverse effect from a decline in the securities markets that adversely affects our assets under management; a decline in the performance of our products; a general downturn in the economy; changes in government policy or regulation; changes in our ability to attract or retain key employees (“teammates”); and unforeseen costs and other effects related to legal proceedings or investigations of governmental and self-regulatory organizations. We are providing these statements as permitted by the Private Litigation Reform Act of 1995. Our actual results and condition could differ materially from those implied or expressed in the forward-looking statements for any reason. We do not undertake to update publicly any forward-looking statements if we subsequently learn that we are unlikely to achieve our expectations or if we receive any additional information relating to the subject matters of our forward-looking statements.

BUSINESS

(Y)our Business

We are a Delaware corporation, incorporated in 2015, that provides alternative investment management services and operates a direct investment business to invest in and control businesses that fit our criteria over time. Additionally, we derive income from proprietary investments.

Alternative Investment Management



We conduct our investment management activities through our wholly-owned subsidiary Gabelli & Company Investment Advisers, Inc. (“GCIA”) and its wholly-owned subsidiary, Gabelli & Partners, LLC (“Gabelli & Partners”). GCIA is an investment adviser registered with the Securities and Exchange Commission (“SEC”) under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). GCIA and Gabelli & Partners together serve as general partners or investment managers to investment funds including limited partnerships and offshore companies (collectively, “Investment Partnerships”), and separate accounts. We primarily manage assets across a range of risk and event arbitrage portfolios and in equity event-driven value strategies. The business earns management and incentive fees from its advisory activities. Management fees are largely based on a percentage of assets under management (“AUM”). Incentive fees are based on a percentage of the investment returns of certain client portfolios.

We manage assets on a discretionary basis and invest in a variety of U.S. and foreign securities mainly in the developed global markets. We primarily employ absolute return strategies with the objective of generating positive returns. We serve a wide variety of investors globally, including private wealth management clients, corporations, corporate pension and profit-sharing plans, foundations and endowments.

In merger arbitrage, the goal is to earn absolute positive returns. We introduced our first limited partnership, Gabelli Arbitrage (renamed Gabelli Associates Fund), in February 1985. Our typical investment process begins when a deal is announced, buying shares of the target at a discount to the stated deal terms, earning the spread until the deal closes, and reinvesting the proceeds in new deals in a similar manner. By owning a diversified portfolio of transactions, we mitigate the adverse impact of single deal-specific risks. Since inception, we have compounded net annual returns of 7.2% with 39 of 41 positive years, net, overall. As a result, a \$10 million investment by a tax free vehicle in this fund at its inception would be worth more than \$170 million as of December 31, 2025. In addition, the value of the investment would have exhibited significantly less volatility than that of broad equity indices.

As the business and investor base expanded, we launched an offshore version in 1989. Building on our strengths in global event-driven value investing, several investment vehicles have been added to balance investors' geographic, strategic and sector-specific needs. Today, we manage investments in multiple categories, including merger arbitrage, event-driven value and other strategies.

The Company is reviewing the launch of new products, including private equity, direct investment and other funds, which leverage and complement our core strengths in fundamental investing.

Assets Under Management

As of December 31, 2025, we managed approximately \$1.48 billion in assets vs. \$1.25 billion at December 31, 2024. The following table sets forth total AUM, including investment funds and separately managed accounts, for the dates shown:

(\$ in millions)	December 31,			
	2025	2024	2020	2015
Merger Arbitrage	\$ 1,156	\$ 1,003	\$ 1,126	\$ 869
Long/Short Value ^(a)	289	209	180	145
Other ^(b)	37	36	45	66
Total AUM	\$ 1,482	\$ 1,248	\$ 1,351	\$ 1,080
Composition of AUM (% of Total AUM):				
Domestic Clients	34%	35%	34%	65%
International Clients	66%	65%	66%	35%

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

(b) Includes investment vehicles focused on private equity, merchant banking, and non-investment grade credit.

Proprietary Capital

Proprietary capital is earmarked for our direct investment business that invests in new and existing businesses, using a variety of techniques and structures. We launched our direct private equity and merchant banking activities in August 2017. The direct investment business is developing along several core pillars:

- Gabelli Private Equity Partners, LLC (“GPEP”), formed in August 2017 with \$150 million of authorized capital as a “fund-less” sponsor.
- Gabelli Principal Strategies Group, LLC (“GPS”) was created in December 2015 to pursue strategic operating initiatives broadly.

Our direct investing efforts are organized to invest in growth capital, leveraged buyouts and restructurings, with an emphasis on small and mid-sized companies. Our investment sourcing is across a variety of channels, including direct owners, private equity funds, classic agents, and corporate carve outs (which are positioned for accelerated growth, as businesses seek to enhance shareholder value through financial engineering). The Company’s direct investing vehicles allow us to acquire companies and create long-term value with no pre-determined exit timetable.

We have a proprietary portfolio of cash and investments which we expect to invest primarily in funds that we manage, provide seed capital for new products, expand our geographic presence, develop new markets and pursue strategic acquisitions and alliances.

Business Strategy

Our business strategy targets global growth through leveraging our proven asset management strengths, including the long-term performance record of our alternative investment funds, diverse product offerings and experienced investment, research and client relationship professionals. In order to achieve performance and growth in AUM and profitability, we are pursuing a strategy which includes the following key elements:

Continuing an Active Fundamental Investment Approach

Since 1985, our results demonstrate our core competence in absolute return, event driven investing through varying market cycles to earn rates of return independent of the broad markets' direction. Our proprietary "Private Market Value (PMV) with a Catalyst™" investing approach remains the principal investment philosophy guiding our global research efforts and forms the backbone of our M&A investment activities. The PMV methodology is based on investing principles first articulated by Graham & Dodd, and further refined by our Executive Chair, Mario J. Gabelli. Our M&A portfolios provide access to Gabelli's deep history of investing in mergers and is a natural extension of our long standing research-driven investment process oriented toward undervalued assets based on our PMV methodology. The investment team takes an active approach to merger investing, analyzing the various qualitative and quantitative aspects of the transaction from announcement to deal completion, coupled with our fundamental understanding of business valuations, building and monitoring transactions in the portfolio over the deal timeline.

Growing our Investment Partnerships Advisory Business

We intend to grow our Investment Partnerships advisory operations by gaining share with existing products and introducing new products within our core competencies, such as event and merger arbitrage. In addition, we intend to grow internationally.

Capitalizing on Acquisitions and Alliances - Direct Investments

We intend to leverage our research and investment capabilities by pursuing acquisitions and alliances that will broaden our product offerings and add new sources of distribution. In addition, we may make direct investments in operating businesses using a variety of techniques and structures.

Opportunities in Private Equity

One of our initiatives is to launch a private equity business to capitalize on the developing opportunities in the capital market place.

Pursuing Partnerships and Joint Ventures

We plan to pursue partnerships and joint ventures with firms that fit with AC's product quality and that can provide Asian/European distribution capabilities that would complement our U.S. equity product expertise. We expect to target opportunities for investors interested in non-market correlated returns.

Competition

The alternative asset management industry is intensely competitive. We face competition in all aspects of our business from other managers in the United States and around the globe. We compete with alternative investment management firms, insurance companies, banks, brokerage firms and financial institutions that offer products that have similar features and investment objectives. Many of these investment management firms are subsidiaries of large diversified financial companies and may have access to greater resources than we do. Many are larger in terms of AUM and revenues and, accordingly, have larger investment and sales organizations and related budgets. Historically, we have competed primarily on the basis of the long-term investment performance of our investment products. We have recently taken steps to increase our distribution channels, brand awareness and marketing efforts.

The market for providing investment management services to institutional and private wealth management clients is also highly competitive. Selection of investment advisors by U.S. institutional investors is often subject to a screening process and to favorable recommendations by investment industry consultants. Many of these investors require their investment advisors to have a successful and sustained performance record, often five years or longer, and focus on one-year and three-year performance records. Currently, we believe that our investment performance record would be attractive to potential new institutional and private wealth management clients. While we have significantly increased our AUM from institutional investors since our founding, no assurance can be given that our efforts to obtain new business will be successful.

Intellectual Property

Service marks and brand name recognition are important to our business. We have rights to the service marks under which our products are offered. We have rights to use the "Gabelli" name, and the "GAMCO" brand, pursuant to a non-exclusive, royalty-free license agreement we have entered into with GAMCO (the "Service Mark and Name License Agreement"). We can use these names with respect to our funds, collective investment vehicles, Investment Partnerships and other investment products pursuant to the Service Mark and Name License Agreement. The Service Mark and Name License Agreement has a perpetual term, subject to termination only in the event we are not in compliance with its quality control provisions. Pursuant to a 1999 agreement, Mario J. Gabelli assigned his rights, title and interests in and to the "Gabelli" name for use in connection with investment management services and institutional research services to GAMCO. In addition, the funds managed by Mario J. Gabelli outside GAMCO and AC entered into a license agreement with GAMCO permitting them to continue limited use of the "Gabelli" name under specified circumstances.

Regulation

Virtually all aspects of our businesses are subject to federal, state and foreign laws and regulations. These laws and regulations are primarily intended to protect investment advisory clients and investors and the financial markets. Under such laws and regulations, agencies that regulate investment advisors have broad powers, including the power to limit, restrict or prohibit such an advisor from carrying on its business in the event that it fails to comply with such laws and regulations. Possible sanctions that may be imposed for non-compliance include civil and criminal liability, the suspension of individual employees, injunctions, limitations on engaging in certain lines of business for specified periods of time, revocation of the investment advisor and other registrations, censures and fines.

Existing U.S. Regulation Overview

AC and certain of its U.S. subsidiaries are currently subject to extensive regulation, primarily at the federal level, by the SEC, the United States Department of Labor, and other regulatory bodies. Certain of our U.S. subsidiaries are also subject to anti-terrorist financing, privacy, and anti-money laundering regulations, as well as economic sanctions laws and regulations established by these agencies.

The Advisers Act

GCIA is registered with the SEC under the Advisers Act and is regulated by and subject to examination by the SEC. The Advisers Act imposes numerous obligations on registered investment advisers including fiduciary duties, disclosure obligations and record keeping, operational and marketing requirements. The SEC is authorized to institute proceedings and impose sanctions for violations of the Advisers Act, ranging from censure to termination of an investment adviser's registration. The failure of GCIA to comply with the requirements of the SEC could have a material adverse effect on us.

We derive substantially all of our revenues from investment advisory services under investment management agreements. Under the Advisers Act, our investment management agreements cannot be assigned without the client's consent.

Employee Retirement Income Security Act of 1974 ("ERISA")

GCIA is subject to ERISA and to regulations promulgated thereunder, insofar as it is a "fiduciary" under ERISA with respect to certain of its clients. ERISA and applicable provisions of the Internal Revenue Code of 1986, as amended, impose certain duties on persons who are fiduciaries under ERISA and prohibit certain transactions involving ERISA plan clients. Our failure to comply with these requirements could have a material adverse effect on us.

Anti-Tax Evasion Legislation

Our global business may be impacted by the Foreign Account Tax Compliance Act ("FATCA"), which was enacted in 2010 and introduced expansive new investor onboarding, withholding and reporting rules aimed at ensuring U.S. persons with financial assets outside of the United States pay appropriate taxes. In many instances, however, the precise nature of what needs to be implemented will be governed by bilateral Intergovernmental Agreements ("IGAs") between the United States and the countries in which we do business or have accounts. While many of these IGAs have been put into place, others have yet to be concluded.

The Organization for Economic Cooperation and Development ("OECD") has developed the Common Reporting Standard ("CRS") to address the issue of offshore tax evasion on a global basis. Aimed at maximizing efficiency and reducing cost for financial institutions, the CRS provides a common standard for due diligence, reporting and exchange of information regarding financial accounts. Pursuant to the CRS, participating jurisdictions will obtain from reporting financial institutions, and automatically exchange with partner jurisdictions on an annual basis, financial information with respect to all reportable accounts identified by financial institutions on the basis of common due diligence and reporting procedures. As a result, the Investment Partnerships will be required to report information on the investors of the Partnerships to comply with the CRS due diligence and reporting requirements, as adopted by the countries in which the Investment Partnerships are organized.

The FATCA and CRS rules will impact both U.S. and non-U.S. Investment Partnerships and separately managed accounts and subject us to extensive additional administrative burdens. Our business could also be impacted to the extent there are other changes to tax laws, such as the recent tax reform legislation. Such changes could adversely affect our financial results.

The Patriot Act

The USA Patriot Act of 2001 contains anti-money laundering and financial transparency laws and mandates various regulations applicable to financial services companies, including standards for verifying client identification at account opening, and obligations to monitor client transactions and report suspicious activities. Anti-money laundering laws outside of the United States contain some similar provisions. Our failure to comply with these requirements as applicable to us could have a material adverse effect on us.

Laws and Other Issues Relating to Taking Significant Equity Stakes in Companies

Investments by AC, its affiliates, and those made on behalf of their respective advisory clients and Investment Partnerships often represent a significant equity ownership position in an issuer's equity. This may be due to the fact that AC is deemed to be a member of a "group" that includes GAMCO, an entity under common control with AC, and, therefore, may be deemed to beneficially own the securities owned by other members of the group under applicable securities regulations. As of December 31, 2025, by virtue of being a member of the group, AC was deemed to hold five percent or more beneficial ownership with respect to approximately 58 equity securities. This activity raises frequent regulatory, legal and disclosure issues regarding our aggregate beneficial ownership level with respect to portfolio securities, including issues relating to issuers' stockholder rights plans or "poison pills", various federal and state regulatory limitations, including (i) state gaming laws and regulations, (ii) federal communications laws and regulations, (iii) federal and state public utility laws and regulations, (iv) federal proxy rules governing stockholder communications, and (v) federal laws and regulations regarding the reporting of beneficial ownership positions. Our failure to comply with these requirements could have a material adverse effect on us.

Potential Legislation Relating to Private Pools of Capital

We manage a variety of private pools of capital, including hedge funds. Congress, regulators, tax authorities and others continue to explore increased regulation related to private pools of capital, including changes with respect to: investor eligibility; trading activities, record-keeping and reporting; the scope of anti-fraud protections; safekeeping of client assets; tax treatment; and a variety of other matters. AC may be materially and adversely affected by new legislation, rule-making or changes in the interpretation or enforcement of existing rules and regulations imposed by various regulators.

Existing European Regulation Overview

Alternative Investment Fund Managers Directive

Our European activities are impacted by the European Union's ("EU") Alternative Investment Fund Managers Directive ("AIFMD"). AIFMD regulates managers of, and service providers to, a broad range of alternative investment funds ("AIFs") domiciled within and, potentially, outside the EU. AIFMD also regulates the marketing of all AIFs inside the European Economic Area. AIFMD's requirements restrict AIF marketing and impose additional compliance and disclosure obligations on AC regarding items such as remuneration, capital requirements, leverage, valuation, stakes in EU companies, depositaries, domicile of custodians and liquidity management. These compliance and disclosure obligations and the associated risk management and reporting requirements will subject us to additional expenses.

Undertakings for Collective Investment in Transferable Securities

The EU has also adopted directives on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS") impacting depositary functions, remuneration policies and sanctions. The latest initiative in this area, UCITS V, seeks to align the depositary regime, remuneration rules and sanctioning powers of regulators under the UCITS Directive with the requirements of AIFMD.

Similarly, the European Securities and Markets Authority recently revised its guidelines for exchange-traded and other UCITS funds. These guidelines introduced new collateral management requirements for UCITS funds concerning collateral received in the context of derivatives using Efficient Portfolio Management ("EPM") techniques (including securities lending) and over-the-counter derivative transactions. We are following the guidelines with respect to our collateral management arrangements applicable to the EPM of the UCITS funds for which GCIA acts as a sub-advisor. The costs of complying with increasing regulation in the EU may negatively impact the net performance of the UCITS fund that GCIA sub advises and therefore may result in decreased remuneration to GCIA for this sub advisory activity.

Markets in Financial Instruments Directive

The EU's revised Markets in Financial Instruments Directive ("MiFID II"), which was fully implemented in 2018, created specific new rules regarding the use of "soft dollars" to pay for research. A MiFID licensed investment firm that provides portfolio management services or independent investment advisory services to clients may not pay for third-party research with soft dollars generated through client trading activity. Research must be paid for either (i) by the investment firm out of its own resources, or (ii) through a separate research payment account for each client to pay for the research. While currently GCIA is not directly subject to MiFID II: (a) GCIA may be invoiced separately by any EU brokers from whom it purchases research in the future; and (b) clients may begin to require that GCIA "unbundle" research payments from commission trading.

The Financial Conduct Authority (“FCA”) currently regulates Gabelli Securities International (UK) Limited (“GSIL UK”), our MiFID licensed entity in the United Kingdom. Authorization by the FCA is required to conduct certain financial services-related business in the United Kingdom under the Financial Services and Markets Act 2000. The FCA’s rules adopted under that Act provide requirements dealing with a firm’s capital resources, senior management arrangements, conduct of business, interaction with clients and systems and controls. The FCA supervises GSIL UK through a combination of proactive engagement, event-driven and reactive supervision and thematic-based reviews in order to monitor our compliance with regulatory requirements. Breaches of the FCA’s rules may result in a wide range of disciplinary actions against GSIL UK and/or its employees.

Clients whose assets we manage in the EU are additionally subject to EU regulations on OTC derivatives which require (i) the central clearing of standardized OTC derivatives, (ii) the application of risk-mitigation techniques to non-centrally cleared OTC derivatives and (iii) the reporting of all derivative contracts.

Regulatory Matters Generally

The investment management industry is likely to continue to face a high level of regulatory scrutiny and to become subject to additional rules designed to increase disclosure, tighten controls and reduce potential conflicts of interest. In addition, the SEC has substantially increased its use of focused inquiries which request information from investment advisors regarding particular practices or provisions of the securities laws. We may be subject to these inquiries in the normal course of our business. Changes in laws, regulations and administrative practices by regulatory authorities, and the associated compliance costs, have increased our cost structure and could in the future have a material adverse impact. Although we have installed procedures and utilize the services of experienced administrators, accountants and lawyers to assist us in adhering to regulatory guidelines and satisfying these requirements, and maintain insurance to protect ourselves in the case of client losses, there can be no assurance that the precautions and procedures that we have instituted and installed, or the insurance that we maintain to protect ourselves in case of client losses, will protect us from all potential liabilities.

Employees

On February 27, 2026, we had a full-time staff of 25 teammates, of whom 9 served in the portfolio management, research and trading areas, 8 served in the marketing and shareholder servicing areas and 8 served in the finance, legal, operations and administrative areas. We also avail ourselves of services provided by GAMCO, in accordance with a transitional services agreement that was entered into with GAMCO as part of AC’s spin-off from GAMCO on November 30, 2015, and also have access to their global team of research analysts and industry conferences hosted by Gabelli Funds.

Cybersecurity

Cybersecurity Risk Management and Strategy

We have developed and implemented a cybersecurity risk management program intended to protect the confidentiality, integrity and availability of our critical systems and information.

Our cybersecurity risk management program is aligned with the Company’s business strategy. It shares common methodologies, reporting channels and governance processes that apply to other areas of enterprise risk, including legal, compliance, strategic, operational, and financial risk. Key elements of our cybersecurity risk management program include:

- risk assessments designed to help identify material cybersecurity risks to our critical systems, information, products, services, and our broader enterprise information technology environment;
- a security team principally responsible for managing our cybersecurity risk assessment processes, our security controls, and our response to cybersecurity incidents;
- the use of external service providers, where appropriate, to assess, test or otherwise assist with aspects of our security controls;
- training and risk awareness programs for team members that include periodic and ongoing assessments to drive adoption and awareness of cybersecurity processes and controls;
- a cybersecurity incident response plan that includes procedures for responding to cybersecurity incidents; and
- a third-party risk management process for service providers, suppliers, and vendors.

In the last three years, the Company has not experienced any material cybersecurity incidents, and expenses incurred from cybersecurity incidents were immaterial.

The operations of the Company are dependent on technology information and communications systems. A failure of any such system, or a security breach or cyberattack related thereto, could significantly disrupt the Company’s operations. The service providers of the Company are also subject to cybersecurity threats. If the Company and/or any service provider of the Company fails to adopt, implement or adhere to adequate cybersecurity measures, or in the event of a breach of any network, information relating to the Company or the Company’s operations, as well as personal information relating to the Company’s clients, may be lost, damaged or corrupted, or improperly accessed, used or disclosed.

Any system failure, security breach or cyberattack on the Company and/or any service provider of the Company could cause the Company to suffer financial loss, disruption to its business, including its trading capabilities and its ability to transfer payments, increased operating costs, liability to third parties, regulatory intervention and reputational damage, among other things, any one or all of which could have a material adverse effect on the Company.

Cybersecurity Governance

Our Board of Directors is responsible for overseeing cybersecurity threats, among other things. Our Chief Technology Officer, who reports to our Interim Chief Executive Officer, provides our senior management and our Board of Directors periodic reports on our cybersecurity risks and any material cybersecurity incidents.

Our cybersecurity risk management team, in conjunction with various information technology, internal audit, legal and compliance personnel, has primary responsibility for our overall cybersecurity risk management program.

Our team of cybersecurity professionals, led by our Chief Technology Officer, who has over 20 years of experience in the cybersecurity space and advanced training in the field of cybersecurity and technology, has primary responsibility for our internal cybersecurity personnel and our retained external cybersecurity consultants.

Our information technology team also monitors the prevention, detection, mitigation, and remediation of cybersecurity risks and incidents through various means, which may include briefings with internal personnel, threat intelligence and other information obtained from governmental, public or private sources, including external consultants engaged by us, and alerts and reports produced by security tools deployed in the information technology environment.

Properties

Our offices are owned by a wholly-owned subsidiary of AC and are located at 191 Mason Street, Greenwich, CT 06830. A portion of the space is leased to affiliates. AC received \$138.4 thousand and \$133.2 thousand from affiliates (primarily GAMCO) pursuant to lease agreements for this property for 2025 and 2024, respectively. These amounts are included in other revenues in the consolidated statements of income.

AC acquired 3 St. James Place, London, UK on March 3, 2020, which was fully leased to GAMCO commencing 2021. For the years ended December 31, 2025 and 2024, the Company received \$305.1 thousand and \$285.9 thousand, respectively, under the lease agreement. These amounts are included in other revenues in the consolidated statements of income.

During 2025 and 2024, AC paid \$77.8 thousand and \$74.3 thousand, respectively, to GAMCO pursuant to a sublease based on the percentage of square footage occupied by several AC teammates (including pro rata allocation of common space). These amounts are included in other operating expenses in the consolidated statements of income.

Legal Proceedings

From time to time, we may be named in legal actions and proceedings. These actions may seek substantial or indeterminate compensatory as well as punitive damages or injunctive relief. We are also subject to governmental or regulatory examinations or investigations. Examinations or investigations can result in adverse judgments, settlements, fines, injunctions, restitutions or other relief. For any such matters, the consolidated financial statements include the necessary provisions for losses that we believe are probable and estimable. Furthermore, we evaluate whether there exist losses which may be reasonably possible and, if material, make the necessary disclosures. Management is not aware of any probable or reasonably possible losses at December 31, 2025. See also Note 12, *Guarantees, Contingencies and Commitments*, to the consolidated financial statements in Part D of this Annual Report.

Seasonality and Inflation

We do not believe that our operations are subject to significant seasonal fluctuations. We do not believe inflation will significantly affect our compensation costs, as they are substantially variable in nature. The rate of inflation may affect certain other expenses, however, such as information technology and occupancy costs. To the extent inflation results in rising interest rates and has other effects upon the securities markets, it may adversely affect our financial position and results of operations by reducing our AUM, revenues or otherwise.

PART D: MANAGEMENT STRUCTURE AND FINANCIAL INFORMATION

Information on Company insiders (officers, directors, and control persons), legal/disciplinary history, and disclosure of family relationships, related party transactions, and conflicts of interest is incorporated by reference from our proxy statement relating to our 2026 annual meeting of stockholders, which is expected to be filed with OTCIQ and mailed to shareholders on or about April 30, 2026.

Prior Financial Statements

The Company's audited consolidated financial statements for the fiscal year ended December 31, 2024 and 2023 were previously included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 19, 2025. Those financial statements remain publicly available on the SEC's EDGAR system and on the OTC Markets Disclosure & News Service.

Such financial statements are incorporated herein by reference. The financial statements incorporated by reference include:

- Report of Independent Registered Public Accounting Firm
- Consolidated Statements of Income for the years ended December 31, 2024 and 2023
- Consolidated Statements of Financial Condition as of December 31, 2024 and 2023
- Consolidated Statements of Equity and Redeemable Noncontrolling Interests for the years ended December 31, 2024 and 2023
- Consolidated Statements of Cash Flows for the years ended December 31, 2024 and 2023
- Notes to the Consolidated Financial Statements

ASSOCIATED CAPITAL GROUP, INC. AND SUBSIDIARIES INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

	Page
Independent Auditor's Report	14
Consolidated Financial Statements:	
Consolidated Statements of Income for the years ended December 31, 2025 and 2024	16
Consolidated Statements of Financial Condition at December 31, 2025 and 2024	17
Consolidated Statements of Equity and Redeemable Noncontrolling Interests for the years ended December 31, 2025 and 2024	18
Consolidated Statements of Cash Flows for the years ended December 31, 2025 and 2024	19
Notes to Consolidated Financial Statements:	
1. Organization	21
2. Significant Accounting Policies	21
3. Revenue	27
4. Investments in Securities	27
5. Investments in Partnerships and Other Entities	28
6. Fair Value	30
7. Income Taxes	32
8. Earnings per Share	33
9. Related Party Transactions	34
10. Equity	35
11. Segment Information	37
12. Guarantees, Contingencies, and Commitments	37
13. Charitable Giving Contribution	38
14. Subsequent Events	38

INDEPENDENT AUDITOR'S REPORT

To the shareholders and the Board of Directors of Associated Capital Group, Inc.

Opinion

We have audited the consolidated financial statements of Associated Capital Group, Inc. and subsidiaries (the "Company"), which comprise the consolidated statements of financial condition as of December 31, 2025 and 2024, and the related consolidated statements of income, equity and redeemable noncontrolling interests, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always

detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Information Included in the Annual Report

Management is responsible for the other information included in the annual report. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Deloitte & Touche LLP

March 31, 2026

ASSOCIATED CAPITAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share data)

	Year Ended December 31,	
	2025	2024
Revenues		
Investment advisory and incentive fees	\$ 26,445	\$ 12,755
Other revenues	443	420
Total revenues	26,888	13,175
Expenses		
Compensation	29,451	18,293
Management fee	7,359	5,870
Other operating expenses	8,122	7,765
Total expenses	44,932	31,928
Operating loss	(18,044)	(18,753)
Other income		
Net gain from investments	66,020	42,767
Interest and dividend income	24,565	32,500
Interest expense	(171)	(267)
Charitable giving contribution	(4,411)	(3,512)
Total other income, net	86,003	71,488
Income before income taxes	67,959	52,735
Income tax expense	15,300	8,307
Income before noncontrolling interests	52,659	44,428
Income attributable to noncontrolling interests	376	100
Net income attributable to Associated Capital Group, Inc.'s shareholders	\$ 52,283	\$ 44,328
Net income per share attributable to Associated Capital Group, Inc.'s shareholders:		
Basic and Diluted	\$ 2.49	\$ 2.08
Weighted average shares outstanding:		
Basic and diluted	21,005	21,347

See accompanying notes.

ASSOCIATED CAPITAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(Dollars in thousands)

	December 31,	December 31,
	2025	2024
ASSETS		
Cash and cash equivalents (includes U.S. Treasury Bills with maturities of 3 months or less)	\$ 255,875	\$ 299,551
Investments in U.S. Treasury Bills with maturities greater than 3 months	109,467	68,299
Investments in equity securities (includes GAMCO stock with a value of \$8,566 and \$16,920, respectively)	185,875	199,040
Investments in affiliated registered investment companies	200,721	165,515
Investments in partnerships	143,540	139,988
Receivable from brokers	22,954	27,634
Investment advisory fees receivable	10,687	4,142
Receivable from affiliates	9,296	636
Income taxes receivable, including deferred tax assets, net	4,752	6,021
Goodwill	3,519	3,519
Property and equipment, net	23,352	16,158
Other assets	9,208	4,786
Total assets	\$ 979,246	\$ 935,289
 LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY		
Payable to brokers	\$ 7,567	\$ 5,491
Income taxes payable, including deferred tax liabilities, net	6,083	-
Compensation payable	25,890	17,747
Securities sold, not yet purchased	6,029	8,436
Accrued expenses and other liabilities	3,333	5,317
Total liabilities	48,902	36,991
Redeemable noncontrolling interests	5,908	5,592
Commitments and contingencies (Note 12)		
Equity:		
Preferred stock, \$0.001 par value; 10,000,000 shares authorized; none issued and outstanding	-	-
Class A Common Stock, \$0.001 par value; 100,000,000 shares authorized; 6,671,072 and 6,641,601 shares issued; 1,778,525 and 2,233,920 shares outstanding, respectively	6	6
Class B Common Stock, \$0.001 par value; 100,000,000 shares authorized; 19,196,792 shares issued; 18,921,100 and 18,950,571 outstanding	19	19
Additional paid-in capital	999,047	999,047
Retained earnings	93,909	45,809
Treasury stock, at cost (4,892,547 and 4,407,681 shares, respectively)	(168,545)	(152,175)
Total equity	924,436	892,706
Total liabilities, redeemable noncontrolling interests and equity	\$ 979,246	\$ 935,289

As of December 31, 2025 and 2024, certain assets and liabilities include amounts related to a consolidated variable interest entity ("VIE") and voting interest entity ("VOE"), see Note 5.

See accompanying notes.

ASSOCIATED CAPITAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY AND REDEEMABLE NONCONTROLLING INTERESTS
(Dollars in thousands)

For the year ended December 31, 2025

	Common Stock	Retained Earnings	Additional Paid-in Capital	Treasury Stock	Total Equity	Redeemable Noncontrolling Interests
Balance at December 31, 2024	\$ 25	\$ 45,809	\$ 999,047	\$ (152,175)	\$ 892,706	\$ 5,592
Redemptions of noncontrolling interests	-	-	-	-	-	(60)
Net income	-	52,283	-	-	52,283	376
Dividends declared (\$0.20 per share)	-	(4,183)	-	-	(4,183)	-
Purchases of treasury stock	-	-	-	(16,370)	(16,370)	-
Balance at December 31, 2025	<u>\$ 25</u>	<u>\$ 93,909</u>	<u>\$ 999,047</u>	<u>\$ (168,545)</u>	<u>\$ 924,436</u>	<u>\$ 5,908</u>

For the year ended December 31, 2024

	Common Stock	Retained Earnings	Additional Paid-in Capital	Treasury Stock	Total Equity	Redeemable Noncontrolling Interests
Balance at December 31, 2023	\$ 25	\$ 48,231	\$ 999,047	\$ (140,328)	\$ 906,975	\$ 6,103
Redemptions of noncontrolling interests	-	-	-	-	-	(611)
Net income	-	44,328	-	-	44,328	100
Dividends declared (\$2.20 per share)	-	(46,750)	-	-	(46,750)	-
Purchases of treasury stock	-	-	-	(11,847)	(11,847)	-
Balance at December 31, 2024	<u>\$ 25</u>	<u>\$ 45,809</u>	<u>\$ 999,047</u>	<u>\$ (152,175)</u>	<u>\$ 892,706</u>	<u>\$ 5,592</u>

See accompanying notes.

ASSOCIATED CAPITAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in thousands)

	Year Ended December 31,	
	2025	2024
Operating activities		
Income before noncontrolling interests	\$ 52,659	\$ 44,428
Adjustments to reconcile net income to net cash provided by operating activities:		
Equity in net gains from partnerships	(17,521)	(8,441)
Depreciation and amortization	392	361
Deferred income taxes	10,136	3,251
Donated securities	1,334	1,431
Net unrealized gains on securities	(28,030)	(38,088)
Net realized (gains)/losses on sales of securities	(17,167)	1,423
(Increase)/decrease in assets:		
Investments in trading securities	(7,672)	6,407
Investments in partnerships:		
Contributions to partnerships	(2,293)	(16,210)
Distributions from partnerships	16,262	27,637
Receivable from affiliates	(8,660)	240
Receivable from brokers	(826)	(784)
Investment advisory fees receivable	(6,545)	569
Income taxes receivable	(2,784)	(798)
Other assets	(4,425)	1,694
Increase/(decrease) in liabilities:		
Payable to brokers	2,076	1,032
Compensation payable	8,143	2,578
Accrued expenses and other liabilities	(1,984)	144
Total adjustments	(59,564)	(17,554)
Net cash (used in) / provided by operating activities	(6,905)	26,874
Investing activities		
Purchase of building	(7,583)	-
Purchases of securities	(30,184)	(40,839)
Proceeds from sales of securities	15,010	50,634
Return of capital on securities	1,093	1,185
Net cash (used in) / provided by investing activities	\$ (21,664)	\$ 10,980

ASSOCIATED CAPITAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)
(Dollars in thousands)

	Year Ended December 31,	
	2025	2024
Financing activities		
Dividends paid	\$ (4,183)	\$ (46,750)
Purchases of treasury stock	(16,370)	(11,847)
Redemptions of redeemable noncontrolling interests	(60)	(611)
Net cash used in financing activities	(20,613)	(59,208)
Net decrease in cash, cash equivalents and restricted cash	(49,182)	(21,354)
Cash, cash equivalents and restricted cash at beginning of period	325,703	347,057
Cash, cash equivalents and restricted cash at end of period	\$ 276,521	\$ 325,703
Supplemental disclosures of cash flow information:		
Cash paid for interest	\$ 171	\$ 267
Cash paid for taxes	\$ 7,902	\$ 5,811
Reconciliation of Cash, cash equivalents and restricted cash at end of period:		
Cash and cash equivalents	\$ 255,875	\$ 299,551
Restricted cash included in receivable from brokers	7,889	11,621
Cash included in receivable from brokers	12,757	14,531
Cash, cash equivalents and restricted cash	\$ 276,521	\$ 325,703

See accompanying notes.

ASSOCIATED CAPITAL GROUP, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2025

1. Organization

We are a Delaware corporation that provides alternative investment management, and we derive investment income/(loss) from proprietary investment of cash and other assets in our operating business. Our proprietary portfolio of cash and investments will be used to invest primarily in funds that we will manage, provide seed capital for new products, expand our geographic presence, develop new markets and pursue strategic acquisitions and alliances.

GCIA and its wholly-owned subsidiary, Gabelli & Partners, LLC (“Gabelli & Partners”), collectively serve as general partners or investment managers to investment funds, including limited partnerships and offshore companies (collectively, “Investment Partnerships”), and separate accounts. We primarily manage assets across a range of risk and event arbitrage portfolios and in equity event-driven value strategies. The businesses earn management and incentive fees from their advisory activities. Management fees are largely based on a percentage of assets under management. Incentive fees are based on a percentage of the investment returns of certain clients’ portfolios. GCIA is an investment adviser registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940, as amended (the “Advisers Act”).

2. Significant Accounting Policies

Consolidated Financial Statements

All intercompany transactions and balances have been eliminated. Subsidiaries are fully consolidated from the date the Company obtains control and continue to be consolidated until the date that such control ceases. The Company’s principal market is in the United States. Certain prior year amounts have been reclassified to conform to the current year presentation. In particular, property and equipment, net, which was previously included in other assets, is now presented separately on the consolidated statements of financial position. This reclassification had no effect on total assets, total liabilities, stockholders’ equity, or net income as previously reported.

Use of Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires management to make estimates and assumptions that affect the amounts reported on the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Cash Equivalents

Cash equivalents primarily consist of an affiliated money market mutual fund which is highly liquid. U.S. Treasury Bills with maturities of three months or less at the time of purchase are also considered cash equivalents.

Investments in Securities

Securities owned are recorded at fair value in the statements of financial condition with any unrealized gains or losses reported in current period earnings in net gain from investments on the consolidated statements of income. Securities transactions and any related gains and losses are recorded on a trade date basis. Realized gains and losses from securities transactions are recorded on the specific identified cost basis and are included in net gain from investments on the consolidated statements of income.

Management determines the appropriate classification of debt securities at the time of purchase. Government debt securities with maturities of greater than three months at the time of purchase are considered investments in debt securities. Investments in debt securities are accounted for as either trading, available for sale, or held-to-maturity. The Company’s investments in debt securities are all classified as trading securities.

Investments in securities are reflected in Investments in U.S. Treasury Bills, investments in equity securities and investments in affiliated registered investment companies on the consolidated statements of financial condition.

Securities sold, not yet purchased are recorded on the trade date, and are stated at fair value and represent obligations of AC to purchase the securities at prevailing market prices. Therefore, the future satisfaction of such obligations may be for an amount greater or less than the amounts recorded on the consolidated statements of financial condition. The ultimate gains or losses recognized are dependent upon the prices at which these securities are purchased to settle the obligations under the sales commitments. Unrealized gains and losses and realized gains and losses from covers of securities sold, not yet purchased transactions are included in net gain from investments on the consolidated statements of income.

Fair Value of Financial Instruments

The Company's assets and liabilities recorded at fair value have been categorized based upon a fair value hierarchy in accordance with the guidance on fair value measurement. The levels of the fair value hierarchy and their applicability to the Company are described below:

- Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date. Level 1 assets include cash equivalents, government obligations, open-end mutual funds, closed-end funds and equities.
- Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities that are not active and inputs other than quoted prices that are observable for the asset or liability such as interest rates and yield curves that are observable at commonly-quoted intervals. Assets included in this category are over-the-counter derivatives that have valuation inputs that can generally be corroborated by observable market data.
- Level 3 inputs are unobservable inputs for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability. Assets in this category generally include equities that do not trade, trade infrequently and direct private equity investments.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy in which the fair value measurement in its entirety falls has been determined based on the lowest level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

The availability of observable inputs can vary from instrument to instrument and is affected by a wide variety of factors, including, for example, the type of instrument, whether the instrument is new and not yet established in the marketplace, and other characteristics particular to the instrument. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by the Company in determining fair value is greatest for instruments categorized as Level 3.

In the absence of a closing price, an average of the bid and ask price is used. Bid prices reflect the highest price that market participants are willing to pay for an asset. Ask prices represent the lowest price that market participants are willing to accept for an asset.

Cash equivalents—Cash equivalents consist of short-term U.S. Treasury Bills with maturities of three months or less at the time of purchase and an affiliated money market mutual fund, which is invested solely in U.S. Treasury securities and is highly liquid. Accordingly, cash equivalents are categorized in Level 1 of the fair value hierarchy.

Investments in securities—Investments in securities and securities sold, not yet purchased are generally valued based on quoted prices from an exchange or an active dealer market. To the extent these securities are actively traded, valuation adjustments are not applied, and they are categorized in Level 1 of the fair value hierarchy. Securities categorized as Level 2 investments are valued using other observable inputs. Nonpublic and infrequently traded investments are included in Level 3 of the fair value hierarchy because significant inputs to measure fair value are unobservable.

Receivables from Affiliates and Payables to Affiliates

Receivables from affiliates consist primarily of sub-advisory fees due from Gabelli Funds, LLC, a subsidiary of GAMCO. Payables to affiliates primarily consist of expenses paid by affiliates on behalf of the Company pursuant to a transitional services agreement with GAMCO.

Receivables from and Payables to Brokers

Receivables from and payables to brokers consist of amounts related to purchases and sales of securities and restricted cash held on deposit.

Consolidation

The Company assesses all entities with which it is involved for consolidation on a case by case basis depending on the specific facts and circumstances surrounding each entity. Pursuant to the accounting guidance, the Company first evaluates whether it holds a variable interest in an entity. The Company considers all economic interests, including proportionate interests through related parties, to determine if such interests are considered a variable interest. Fees paid to the Company that are customary and commensurate with the level of services provided from entities in which the Company does not hold more than an insignificant economic interest are not considered as a variable interest.

For any entity in which the Company has determined that it does hold a variable interest, the Company performs an assessment to determine whether it qualifies as a variable interest entity (“VIE”). A VIE is an entity in which either the equity investment at risk is not sufficient to permit the entity to finance its own activities without additional financial support or the group of holders of the equity investment at risk lack certain characteristics of a controlling financial interest. The granting of substantive kick-out or participating rights is a key consideration in determining whether a limited partnership or similar entity is a VIE and whether or not that entity should be consolidated. The Company evaluates for consolidation on a case by case basis those entities in which substantive kick-out or participating rights have been granted to the unaffiliated investors to either dissolve the fund or remove the general partner.

Under the variable interest entity model, the Company consolidates those entities where it is determined that the Company is the primary beneficiary of the entity. The Company is determined to be the primary beneficiary when it has a controlling financial interest in the VIE, which is defined as possessing both (i) the power to direct the activities of the 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. When the Company alone is not considered to have a controlling financial interest in the VIE but the Company and its related parties under common control in the aggregate have a controlling financial interest in the VIE, the Company will be deemed the primary beneficiary if it is the party that is most closely associated with the VIE. When the Company and its related parties not under common control in the aggregate have a controlling financial interest in the VIE, the Company would be deemed to be the primary beneficiary if substantially all the activities of the entity are performed on behalf of the Company.

The Company determines whether it is the primary beneficiary of a VIE at the time it becomes initially involved with the VIE and reconsiders that conclusion as required. Investments and redemptions (either by the Company, related parties or third parties) or amendments to the governing documents of the respective entity may affect an entity’s status as a VIE or the determination of the primary beneficiary.

Entities that do not qualify as VIEs are assessed for consolidation as voting interest entities (“VOEs”) under the voting interest model. The Company evaluates whether the entity should be evaluated under the guidance for partnerships and similar entities, or corporations, and consolidates those entities it controls through a majority voting interest or other means. If the Company is the general partner or managing member it generally will not be required to consolidate a VOE.

The Company records noncontrolling interests in consolidated entities for which the Company’s ownership is less than 100%. Refer to Redeemable Noncontrolling Interests below for additional information.

Investments in Partnerships

The Company is general partner or co-general partner of various affiliated entities. We also have investments in unaffiliated partnerships, offshore funds and other entities (collectively, “unaffiliated entities”). Given that we are not a general partner or investment manager in any unaffiliated entity, we neither earn any management or incentive fees nor have a controlling financial interest in such entity. We do not consolidate any unaffiliated entity.

The Company accounts for its investments in partnerships under the equity method. Substantially all of the Company’s equity method investees are entities that record their underlying investments at fair value. Therefore, under the equity method of accounting, the Company’s share of the investee’s underlying net income predominantly represents fair value adjustments in the investments held by the equity method investees. The Company’s share of the investee’s underlying net income or loss is based upon the most currently available information and is recorded in net gain from investments on the consolidated statements of income. Capital contributions are recorded as an increase in investments when payable, and withdrawals and distributions are recorded as reductions of the investments when receivable. Prepaid capital contributions and distributions receivable are included in other assets in the consolidated statements of financial condition. Depending on the terms of the investment, the Company may be restricted as to the timing and amounts of withdrawals.

Major Revenue-Generating Services and Revenue Recognition

The Company's revenues are derived primarily from investment advisory and incentive fees. Revenues are accounted for as contracts with customers, and the timing of revenue recognition is based on the Company's analysis of the provisions of each respective contract. Depending upon the specific terms, revenue may be recognized over time or at a point in time. Modifications to contracts may affect the timing of the satisfaction of performance obligations, the determination of the transaction price, and the allocation of the price to performance obligations, any of which may impact the timing of the recognition of the related revenue.

Investment advisory and incentive fees are directly influenced by the level and mix of AUM as fees are derived from a contractually-determined percentage of the balance of each account as well as a percentage of the investment performance of certain accounts. Management fees from Investment Partnerships and offshore funds are computed either monthly or quarterly, and amounts receivable are included in investment advisory fees receivable on the consolidated statements of financial condition. These revenues vary depending upon the level of capital flows, financial market conditions, investment performance and the fee rates applicable to each account.

Incentive allocations or fees are generally recognized at the end of an annual measurement period and amounts receivable are included in investment advisory fees receivable on the consolidated statements of financial condition. There is a risk of non-payment for our investment advisory fees receivable and, therefore, a credit loss on these receivables is possible at each reporting date. There were no such credit losses for the periods presented.

Investment advisory and incentive fees. The Company and its subsidiaries act as general partner, investment manager or sub-advisor to investment funds and/or separately managed accounts of institutional investors (e.g., corporate pension plans). The fees that are paid to the Company are set forth in the offering documents for the investment fund or the separately managed account agreement. Investment advisory and incentive fee revenue consists of:

- a) Asset-based advisory fees – The Company receives a management fee, payable monthly in advance based on value of the net assets of the client. It is generally set at a rate of 1%-1.5% per annum. Asset-based management fee revenue is recognized as the services are performed over the period. Amounts receivable are included in investment advisory fees receivable in the consolidated statements of financial condition.
- b) Performance-based advisory fees – Certain client contracts call for additional fees and or allocations of income tied to a certain percentage, generally 15%-20%, of the investment performance of the account over a measurement period, typically the calendar year. In addition, the contracts provide that performance-based fees or allocations become fixed in the event of an investor redemption prior to the end of the measurement period. In the event that an account suffers a loss in one period, it must be recovered before incentive fees are earned by the Company; this is commonly referred to as a “high water mark” provision. While the Company's performance obligation is satisfied over time, the Company does not recognize performance-based fees until the end of the measurement period or the time of the investor redemption when the uncertainty surrounding the amount of the variable consideration is resolved. Amounts receivable are included in investment advisory fees receivable in the consolidated statements of financial condition.
- c) Sub-advisory fees – Pursuant to agreements with other investment advisors, the Company receives a percentage of advisory fees received by such advisors from certain of their investment fund clients. These fees may be either asset- or performance-based. In addition, they may be subject to reduction by certain expenses as set forth in the respective agreements. Sub-advisory fee revenue which is asset-based is recognized ratably as the services are performed over the relevant contractual performance period. Sub-advisory fee revenue which is performance-based is recognized only when it becomes fixed and not subject to adjustment. Amounts receivable are included in receivable from affiliates in the consolidated statements of financial condition.

The Company reserves the right to waive or reduce asset-based and performance-based fees with respect to certain investors in the investment funds, which may include investments by employees and other related parties. Advisory and incentive fees payable by investment funds are typically approved by third-party administrators and paid directly from the accounts' assets. Such fees attributable to separate accounts may be subject to review and approval by the client and may be paid either from the accounts' assets or directly by the client.

Our advisory fee revenues are influenced by both the amount of AUM and the investment performance of our products. An overall decline in the prices of securities may cause our advisory fees to decline by either causing the value of our AUM to decrease or causing our clients to withdraw funds in favor of investments they perceive to offer greater opportunity or lower risk. Similarly, success in the investment management business is dependent on investment performance as well as distribution and client services. Good performance can stimulate sales of our investment products and tends to keep withdrawals and redemptions low, which generates higher asset-based management fees. Conversely, poor performance, both in absolute terms and/or relative to peers and industry benchmarks, tends to result in decreased sales, increased withdrawals and redemptions and in the loss of clients, with corresponding decreases in revenues to us.

Fixed Assets and Depreciation

Fixed assets are recorded at cost and depreciated using the straight-line method over their estimated useful lives of four to thirty-nine years and are included in property and equipment, net on the consolidated statements of financial condition. Depreciation expense for the years ended December 31, 2025 and 2024 was \$0.4 million and is included in other operating expenses in the consolidated statements of income.

Fixed assets as of December 31, 2025 and 2024 consisted of the following (in thousands):

	December 31,	
	2025	2024
Buildings	\$ 25,063	\$ 17,748
Equipment	500	233
Total	25,563	17,981
Less: accumulated depreciation	(2,211)	(1,823)
Net book value	<u>\$ 23,352</u>	<u>\$ 16,158</u>

Allocated Expenses

The Company is charged or incurs certain overhead expenses that are paid by, or paid on our behalf by, other affiliates and are included in other operating expenses on the consolidated statements of income. These overhead expenses primarily relate to centralized functions, including legal, compliance, treasury, internal audit, information technology, human resources and risk management. These overhead expenses are allocated to the Company by other affiliates (primarily GAMCO) or allocated by the Company to other affiliates as the expenses are incurred, based upon direct usage when identifiable, or by revenue, headcount, space or other allocation methodologies periodically reviewed by the management of the Company and the affiliates.

The compensation expense and related payroll taxes and benefits of certain employees that provide services to both AC and affiliates are allocated based upon the relative time each employee devotes to each affiliate. These allocated compensation expenses are included in compensation on the consolidated statements of income.

All of the allocations and estimates in the financial statements are based on assumptions that management of AC believes are reasonable. However, these allocations may not be indicative of the actual expenses we would have incurred if the cost was not shared with affiliates or that we may incur in the future.

Management Fee

Management fee expense in the amount of 10% of the aggregate pre-tax profits, before consideration of this fee and before consideration of the income attributable to consolidated funds and partnerships, is paid to the Executive Chair or his designees in accordance with his employment agreement.

Stock-Based Compensation

From time to time, the Company's Board of Directors approves grants of Phantom Restricted Stock awards ("Phantom RSAs"). The Phantom RSAs are settled by a cash payment, net of applicable withholding tax, on the vesting dates. In addition, an amount equivalent to the cumulative dividends declared on shares of the Company's Class A common stock during the vesting period will be paid to participants on vesting.

The Phantom RSAs are accounted for as a liability because cash settlement is required and compensation will be recognized over the vesting period. The Company amortizes each award based on the applicable vesting period. In determining the compensation expense to be recognized each period, the Company will remeasure the fair value of the liability at each reporting date taking into account the remaining vesting period attributable to each award and the current market value of the Company's Class A stock. In making these determinations, the Company will consider the impact of Phantom RSAs that have been forfeited prior to vesting (e.g., due to an employee termination). The Company has elected to consider forfeitures as they occur.

Goodwill

Goodwill is initially measured as the excess of the cost of an acquired business over the sum of the fair value assigned to assets acquired less the liabilities assumed. Goodwill is tested for impairment at least annually on November 30th and whenever certain triggering events are met. In assessing the recoverability of goodwill as of November 30, 2025 and 2024, we performed a qualitative assessment of whether it was more likely than not that an impairment had occurred and concluded that a quantitative analysis was not required. No impairment was recorded during 2025 or 2024.

Income Taxes

For purposes of the preparation of the consolidated financial statements, the provision for income taxes is computed using the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the consolidated financial statements. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income tax expense/benefit in the period that includes the enactment date of the change in tax rate.

The Company records net deferred tax assets to the extent the Company believes these assets will more likely than not be realized. A valuation allowance would be recorded to reduce the carrying value of deferred tax assets to the amount that is more likely than not to be realized. In making such a determination of whether a valuation allowance is necessary, the Company considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. In the event the Company were to determine that the Company would be able to realize the Company's deferred income tax assets in the future in excess of their net recorded amount, the Company would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

For uncertain tax positions the Company first determines whether it is more likely than not that the tax positions will be sustained based on the technical merits of the position. For those tax positions that meet the more-likely-than-not recognition threshold, the Company recognizes the largest amount of tax benefit that is greater than 50% likely to be realized upon ultimate settlement with the related tax authority. The Company recognizes the accrual of interest on uncertain tax positions and penalties in income tax expense on the consolidated statements of income. Uncertain tax positions and accrued interest and penalties on those uncertain tax positions, if any, are included within accrued expenses and other liabilities on the consolidated statements of financial condition.

Redeemable Noncontrolling Interests

Noncontrolling interests in Investment Partnerships or other entities that are redeemable at the option of the holder are classified as redeemable noncontrolling interests in the mezzanine section of the consolidated statements of financial condition between liabilities and equity and are measured at their redemption values at the end of each period.

For the years ended December 31, 2025 and 2024, net income attributable to noncontrolling interests on the consolidated statements of income represents the share of net income/(loss) attributable to third-party investors in consolidated entities based on relative ownership.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents and receivables from brokers. The Company maintains cash and cash equivalents primarily in the Gabelli U.S. Treasury Money Market Fund, which invests fully in instruments issued by the U.S. government. Receivables from brokers and financial institutions can exceed the federally insured limit. The concentration of credit risk with respect to advisory fees and incentive fees, which are included in investment advisory fees receivable and receivables from affiliates on the consolidated statements of financial condition, is generally limited due to the short payment terms extended to clients by the Company. The Company's investments in securities are held primarily at third party custodians.

Credit Losses

The Company measures all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. The allowance for credit losses is subject to judgment. Due to the short-term nature of the Company's receivables, the Company determined there was minimal credit risk inherent in the Company's financial assets. For the years ended December 31, 2025 and 2024, there were no credit losses.

Recent Accounting Developments

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. The amendments require disclosure of specific categories in the rate reconciliation and provide additional information for reconciling items that meet a quantitative threshold and further disaggregation of income taxes paid for individually significant jurisdictions. The standard became effective for the Company for the fiscal year ended December 31, 2025. The Company adopted this new standard on a retrospective basis, and its adoption did not have a material impact on the Company's consolidated financial statements and related disclosures, refer to Note 7 for more information.

In November 2024, the FASB issued ASU 2024-03, *Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. The standard requires disaggregation of certain expense captions into specified categories in disclosures within the footnotes to the financial statements. This new guidance will be effective on January 1, 2027 for annual reporting and January 1, 2028 for interim reporting. We are currently evaluating the impact that the adoption of this new standard will have on our consolidated financial statements and related disclosures.

In July 2025, the FACB issued ASU 2025-05, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*, which amends ASC 326 Credit Losses and simplifies the measurement of expected credit losses for certain accounts receivable and contract assets. The guidance is effective for fiscal years beginning after December 15, 2025. We are currently evaluating the impact of this guidance and we do not expect the adoption to have a material impact on our consolidated financial statements and related disclosures.

3. Revenue

Total revenues by type were as follows for the years ended December 31, 2025 and 2024 (in thousands):

	Year Ended December 31,	
	2025	2024
Investment advisory and incentive fees:		
Asset-based advisory fees	\$ 4,346	\$ 4,754
Performance-based advisory fees	9,559	2,999
Sub-advisory fees	4,194	5,002
Performance-based sub-advisory fees	8,346	-
Sub-total	<u>26,445</u>	<u>12,755</u>
Other		
Miscellaneous	443	420
Total	<u>\$ 26,888</u>	<u>\$ 13,175</u>

4. Investments in Securities

Investments in securities at December 31, 2025 and 2024, consisted of the following (in thousands):

	December 31, 2025		December 31, 2024	
	Cost	Fair Value	Cost	Fair Value
Debt – Trading Securities:				
U.S. Treasury Bills	\$ 108,478	\$ 109,467	\$ 66,721	\$ 68,299
Equity Securities:				
Common stocks	147,492	183,306	173,436	196,557
Mutual funds	768	1,475	686	1,315
Other investments	916	1,094	1,483	1,168
Total investments in equity securities	<u>149,176</u>	<u>185,875</u>	<u>175,605</u>	<u>199,040</u>
Total investments in securities	<u>\$ 257,654</u>	<u>\$ 295,342</u>	<u>\$ 242,326</u>	<u>\$ 267,339</u>

Securities sold, not yet purchased at December 31, 2025 and 2024, consisted of the following (in thousands):

	December 31, 2025		December 31, 2024	
	Cost	Fair Value	Cost	Fair Value
Common stocks	\$ 5,922	\$ 5,945	\$ 8,116	\$ 8,236
Other investments	14	84	41	200
Total securities sold, not yet purchased	<u>\$ 5,936</u>	<u>\$ 6,029</u>	<u>\$ 8,157</u>	<u>\$ 8,436</u>

Investments in affiliated registered investment companies at December 31, 2025 and 2024 consisted of the following (in thousands):

	December 31, 2025		December 31, 2024	
	Cost	Fair Value	Cost	Fair Value
Closed-end funds	\$ 89,614	\$ 112,541	\$ 67,215	\$ 83,705
Mutual funds	52,335	88,180	54,698	81,810
Total investments in affiliated registered investment companies	<u>\$ 141,949</u>	<u>\$ 200,721</u>	<u>\$ 121,913</u>	<u>\$ 165,515</u>

5. Investment Partnerships and Other Entities

The Company is general partner or co-general partner of various affiliated entities whose underlying assets consist primarily of marketable securities (“Affiliated Entities”). The Company had investments in Affiliated Entities totaling \$101.7 million and \$101.8 million at December 31, 2025 and 2024, respectively. We also had investments in unaffiliated partnerships, offshore funds and other entities of \$41.8 million and \$38.1 million at December 31, 2025 and 2024, respectively (“Unaffiliated Entities”).

We evaluate each entity to determine its appropriate accounting treatment and disclosure. Investments in partnerships that are not required to be consolidated are accounted for using the equity method and are included in investments in partnerships on the consolidated statements of financial condition. The Company reflects the equity in earnings of these Affiliated Entities and Unaffiliated Entities as net gain from investments on the consolidated statements of income.

Capital may generally be redeemed from Affiliated Entities on a monthly basis upon adequate notice as determined in the sole discretion of each entity’s investment manager. Capital invested in Unaffiliated Entities may generally be redeemed at various intervals ranging from monthly to annually upon notice of 30 to 95 days. Certain Unaffiliated Entities and Affiliated Entities may require a minimum investment period before capital can be voluntarily redeemed (a “Lockup Period”). No investment in an Unaffiliated Entity has an unexpired Lockup Period. The Company has no outstanding capital commitments to any Affiliated or Unaffiliated Entity.

Consolidated Entities

The following table reflects the net impact of the consolidated investment partnerships (“Consolidated Entities”) on the consolidated statements of financial condition (in thousands):

	December 31, 2025		
	Prior to Consolidation	Consolidated Entities	As Reported
Assets			
Cash and cash equivalents	\$ 245,145	\$ 10,730	\$ 255,875
Investments in U.S. Treasury Bills	84,759	24,708	109,467
Investments in equity securities	138,772	47,103	185,875
Investments in affiliated registered investment companies	258,420	(57,699)	200,721
Investments in partnerships	166,439	(22,899)	143,540
Receivable from brokers	16,047	6,907	22,954
Investment advisory fees receivable	10,699	(12)	10,687
Other assets ⁽¹⁾	48,727	1,400	50,127
Total assets	<u>\$ 969,008</u>	<u>\$ 10,238</u>	<u>\$ 979,246</u>
Liabilities, redeemable noncontrolling interests and equity			
Securities sold, not yet purchased	\$ 5,956	\$ 73	\$ 6,029
Payable to brokers and other liabilities ⁽¹⁾	38,616	4,257	42,873
Redeemable noncontrolling interests	-	5,908	5,908
Total equity	924,436	-	924,436
Total liabilities, redeemable noncontrolling interests and equity	<u>\$ 969,008</u>	<u>\$ 10,238</u>	<u>\$ 979,246</u>

	December 31, 2024		
	Prior to Consolidation	Consolidated Entities	As Reported
Assets			
Cash and cash equivalents	\$ 289,991	\$ 9,560	\$ 299,551
Investments in U.S. Treasury Bills	64,320	3,979	68,299
Investments in equity securities	139,303	59,737	199,040
Investments in affiliated registered investment companies	220,422	(54,907)	165,515
Investments in partnerships	160,537	(20,549)	139,988
Receivable from brokers	20,402	7,232	27,634
Investment advisory fees receivable	4,142	-	4,142
Other assets ⁽¹⁾	28,385	2,735	31,120
Total assets	<u>\$ 927,502</u>	<u>\$ 7,787</u>	<u>\$ 935,289</u>
Liabilities, redeemable noncontrolling interests and equity			
Securities sold, not yet purchased	\$ 8,290	\$ 146	\$ 8,436
Payable to brokers and other liabilities ⁽¹⁾	26,506	2,049	28,555
Redeemable noncontrolling interests	-	5,592	5,592
Total equity	892,706	-	892,706
Total liabilities, redeemable noncontrolling interests and equity	<u>\$ 927,502</u>	<u>\$ 7,787</u>	<u>\$ 935,289</u>

(1) Represents the summation of multiple assets and liabilities from the consolidated statements of financial condition.

The following table reflects the net impact of the Consolidated Entities on the consolidated statements of income (in thousands):

	Year Ended December 31, 2025		
	Prior to Consolidation	Consolidated Entities	As Reported
Total revenues	\$ 27,001	\$ (113)	\$ 26,888
Total expenses	42,409	2,523	44,932
Operating loss	(15,408)	(2,636)	(18,044)
Total other income, net	81,642	4,361	86,003
Income before income taxes	66,234	1,725	67,959
Income tax expense	13,951	1,349	15,300
Income before noncontrolling interests	52,283	376	52,659
Income attributable to noncontrolling interests, net of taxes	-	376	376
Net income	<u>\$ 52,283</u>	<u>\$ -</u>	<u>\$ 52,283</u>

	Year Ended December 31, 2024		
	Prior to Consolidation	Consolidated Entities	As Reported
Total revenues	\$ 13,430	\$ (255)	\$ 13,175
Total expenses	30,674	1,254	31,928
Operating loss	(17,244)	(1,509)	(18,753)
Total other income, net	70,070	1,418	71,488
Income before income taxes	52,826	(91)	52,735
Income tax expense	8,498	(191)	8,307
Income before noncontrolling interests	44,328	100	44,428
Income attributable to noncontrolling interests, net of taxes	-	100	100
Net income	<u>\$ 44,328</u>	<u>\$ -</u>	<u>\$ 44,328</u>

Variable Interest Entity

With respect to the consolidated VIE, its assets may only be used to satisfy its obligations. The investors and creditors of the consolidated VIE have no recourse to the Company's general assets. In addition, the Company neither benefits from such VIE's assets nor bears the related risk beyond its beneficial interest in the VIE.

The following table presents the balances related to the VIE that is consolidated and included on the consolidated statements of financial condition as well as the Company's net interest in the VIE (in thousands):

	December 31,	
	2025	2024
Cash and cash equivalents	\$ 794	\$ 118
Investments in equity securities	11,377	10,473
Receivable from brokers	164	-
Accrued expenses and other liabilities ⁽¹⁾	(35)	(127)
Redeemable noncontrolling interests	(324)	(307)
AC Group's net interests in the consolidated VIE	<u>\$ 11,976</u>	<u>\$ 10,157</u>

(1) Represents the summation of multiple assets and liabilities from the consolidated statements of financial condition.

Voting Interest Entity

We have an investment partnership that is consolidated as a VOE for both 2025 and 2024 because AC has a controlling interest in the entity. This resulted in the consolidation of \$76.9 million of assets, \$2.8 million of liabilities, and \$5.6 million of redeemable noncontrolling interests for 2025 and \$72.4 million of assets, \$1.9 million of liabilities, and \$5.3 million of redeemable noncontrolling interests for 2024. AC's net interest in the consolidated VOE for 2025 and 2024 was \$68.5 million and \$65.2 million, respectively.

Equity Method Investments

The Company's equity method investments include investments in domestic partnerships and offshore funds. The Company evaluates each of its equity method investments to determine if any are significant as defined in the regulations applicable to smaller reporting companies promulgated by the SEC. As of and for the years ended December 31, 2025 and 2024, no individual equity method investment held by the Company met the significance criteria.

6. Fair Value

The following tables present information about the Company's assets and liabilities by major category measured at fair value on a recurring basis as of December 31, 2025 and 2024, and indicate the fair value hierarchy of the valuation techniques utilized by the Company to determine such fair value (in thousands):

Assets	December 31, 2025			
	Level 1	Level 2	Level 3	Total
Cash equivalents	\$ 246,957	\$ -	\$ -	\$ 246,957
Investments in securities (including GAMCO stock):				
Trading – U.S. Treasury Bills	109,467	-	-	109,467
Common stocks	180,782	2,242	282	183,306
Mutual funds	1,475	-	-	1,475
Other	179	789	126	1,094
Total investments in securities	<u>291,903</u>	<u>3,031</u>	<u>408</u>	<u>295,342</u>
Investments in affiliated registered investment companies:				
Closed-end funds – equity securities	48,391	-	-	48,391
Preferred securities issued by Closed-end funds ^(a)	-	-	64,150	64,150
Mutual funds	88,180	-	-	88,180
Total investments in affiliated registered investment companies	<u>136,571</u>	<u>-</u>	<u>64,150</u>	<u>200,721</u>
Total investments held at fair value	<u>428,474</u>	<u>3,031</u>	<u>64,558</u>	<u>496,063</u>
Total assets at fair value	<u>\$ 675,431</u>	<u>\$ 3,031</u>	<u>\$ 64,558</u>	<u>\$ 743,020</u>
Liabilities				
Common stocks	\$ 5,945	\$ -	\$ -	\$ 5,945
Other	7	77	-	84
Securities sold, not yet purchased	5,952	77	-	6,029
Total liabilities at fair value	<u>\$ 5,952</u>	<u>\$ 77</u>	<u>\$ -</u>	<u>\$ 6,029</u>

(a) These securities represent privately issued, puttable and callable preferred securities issued by affiliated closed-end funds. These securities are considered as trading securities at the time of purchase.

Assets	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Cash equivalents	\$ 298,208	\$ -	\$ -	\$ 298,208
Investments in securities (including GAMCO stock):				
Trading – U.S. Treasury Bills	68,299	-	-	68,299
Common stocks	193,668	854	2,035	196,557
Mutual funds	1,315	-	-	1,315
Other	43	1,010	115	1,168
Total investments in securities	263,325	1,864	2,150	267,339
Investments in affiliated registered investment companies:				
Closed-end funds – equity securities	42,849	-	-	42,849
Preferred securities issued by Closed-end funds ^(a)	-	-	40,856	40,856
Mutual funds	81,810	-	-	81,810
Total investments in affiliated registered investment companies	124,659	-	40,856	165,515
Total investments held at fair value	387,984	1,864	43,006	432,854
Total assets at fair value	\$ 686,192	\$ 1,864	\$ 43,006	\$ 731,062
Liabilities				
Common stocks	\$ 8,236	\$ -	\$ -	\$ 8,236
Other	11	189	-	200
Securities sold, not yet purchased	8,247	189	-	8,436
Total liabilities at fair value	\$ 8,247	\$ 189	\$ -	\$ 8,436

(a) These securities represent privately issued, puttable and callable preferred securities issued by affiliated closed-end funds. These securities are considered as trading securities at the time of purchase.

The following table presents additional information about assets and liabilities by major category measured at fair value on a recurring basis as of the dates specified (in thousands) and for which the Company has utilized Level 3 inputs to determine fair value:

Assets:	Year Ended December 31,	
	2025	2024
Beginning balance	\$ 43,006	\$ 10,610
Total gains/(losses)	(310)	90
Purchases	29,322	34,900
Sales/return of capital	(5,726)	(2,594)
Transfers	(1,734)	-
Ending balance	\$ 64,558	\$ 43,006
Changes in net unrealized gain/(loss) included in Net gain from investments related to level 3 assets still held as of the reporting date	\$ (310)	\$ 90

Total realized and unrealized gains and losses for level 3 assets are reported in net gain from investments in the consolidated statements of income.

During the year ended December 31, 2025, \$1,734 was transferred from Level 3 to Level 2 as market-corroborated inputs became available for these investments. During the year ended December 31, 2024, there were no transfers into or out of Level 3. Transfers between different levels of the fair value hierarchy are deemed to have occurred as of the end of the reporting period.

The Company uses a discounted cash flow analysis when determining the fair value of privately issued preferred securities of affiliated closed-end funds that are categorized as Level 3. Projected cash flows in the discounted cash flow analysis represent the relevant security's dividend rate plus the assumption of full principal repayment at the preferred security's earliest available redemption date.

The significant unobservable input used in the fair value measurement of each of the Company's investments in privately issued preferred securities of closed-end funds is the discount rate. The discount rate was determined using the interest rates of U.S. Treasury Bills that are held over a similar period as the preferred security. The discount rates used in the valuation of these investments as of December 31, 2025 ranged from 3.48% to 3.64% with a weighted average of 3.61% calculated based on the relative fair value. At December 31, 2024, the discount rates used ranged from 4.16% to 4.28% with a weighted average of 4.19%. Significant changes in the discount rate could result in a significantly higher or lower fair value measurement of these Level 3 investments.

At December 31, 2025 and 2024, the Company used the market approach as the valuation technique to value its investment in common stocks classified as Level 3, specifically considering recent transactions.

7. Income Taxes

The provision for income taxes for the years ended December 31, 2025 and 2024, consisted of the following (in thousands):

	<u>2025</u>	<u>2024</u>
Income before income taxes:		
Domestic	\$ 66,180	\$ 52,842
Foreign	1,779	(107)
Total Income before income taxes	<u>\$ 67,959</u>	<u>\$ 52,735</u>
Current income tax expense (benefit):		
U.S. federal	\$ 5,165	\$ 3,937
State and local	(70)	1,046
Foreign	69	73
Total Current income tax expense (benefit)	<u>5,164</u>	<u>5,056</u>
Deferred income tax expense (benefit):		
U.S. federal	8,129	3,297
State and local	743	145
Foreign	1,264	(191)
Total Deferred income tax expense (benefit)	<u>10,136</u>	<u>3,251</u>
Total income tax expense (benefit):		
U.S. federal	13,294	7,234
State and local	673	1,191
Foreign	1,333	(118)
Total income tax expense	<u>\$ 15,300</u>	<u>\$ 8,307</u>

The following table sets forth the reconciliation of the statutory U.S. federal corporate income tax rate to the Company's effective income tax rate (dollars in thousands):

	<u>December 31,</u>			
	<u>2025</u>		<u>2024</u>	
U.S. federal statutory tax	\$ 14,271	21.0%	\$ 11,074	21.0%
State and local income tax, net of federal benefit ⁽¹⁾	531	0.8	956	1.8
Foreign tax effects				
Statutory tax rate difference between UK and US	1,134	1.7	521	1.0
Effect of cross-border tax laws				
Foreign derived intangible income	(123)	(0.2)	-	0.0
Changes in valuation allowances	57	0.1	(33)	(0.1)
Nontaxable or nondeductible items				
Nondeductible compensation	-	0.0	557	1.1
Dividends received deduction	(460)	(0.7)	(4,267)	(8.1)
Other	(110)	(0.2)	(501)	(0.9)
Total	<u>\$ 15,300</u>	<u>22.5%</u>	<u>\$ 8,307</u>	<u>15.8%</u>

(1) State taxes in New York make up the majority (greater than 50 percent) of the tax effect in this category.

The following table presents the components of the Company's income taxes paid (net of refunds) for the years ended December 31, 2025 and 2024 (dollars in thousands):

	<u>2025</u>	<u>2024</u>
U.S. federal	\$ 7,094	\$ 5,138
State and local		
New York	395	399
Other	345	170
Total State and local	<u>740</u>	<u>569</u>
Foreign		
Other	67	104
Total Foreign	<u>67</u>	<u>104</u>
Total Cash Paid for Income Taxes	<u>\$ 7,902</u>	<u>\$ 5,811</u>

Significant components of our deferred tax assets and liabilities as of December 31, 2025 and 2024, are as follows (in thousands):

	<u>2025</u>	<u>2024</u>
Deferred tax assets:		
Stock-based compensation expense	\$ 905	\$ 1,136
Deferred compensation	1,650	843
Investments in securities and partnerships	-	717
Charitable giving contribution carryover	1,742	1,302
Federal & State net operating loss carryforward	681	1,432
Other	316	156
	<u>5,294</u>	<u>5,586</u>
Deferred tax liabilities:		
Investments in securities and partnerships	(9,833)	-
Other liabilities	(157)	(192)
	<u>(9,990)</u>	<u>(192)</u>
Gross deferred tax assets/(liabilities)	<u>(4,696)</u>	<u>5,394</u>
Valuation allowance	(121)	(63)
Net deferred tax assets/(liabilities)	<u>\$ (4,817)</u>	<u>\$ 5,331</u>

The Company remains subject to income tax examination by the IRS for the years 2022 through 2024 and state examinations for years after 2017.

8. Earnings per Share

Basic earnings per share is computed by dividing net income attributable to our shareholders by the weighted average number of shares outstanding during the period. Diluted earnings per share is computed by dividing net income attributable to our shareholders by the weighted average number of shares, plus any potentially dilutive securities (if any) outstanding during the period.

The computations of basic and diluted net income per share are as follows:

	<u>Year Ended December 31,</u>	
	<u>2025</u>	<u>2024</u>
(In thousands, except per share amounts)		
Income before noncontrolling interests	\$ 52,659	\$ 44,428
Less: Income attributable to noncontrolling interests	376	100
Net income attributable to Associated Capital Group, Inc.'s shareholders	<u>\$ 52,283</u>	<u>\$ 44,328</u>
Weighted average number of shares of Common Stock outstanding - basic and diluted	21,005	21,347
Basic and Diluted EPS	<u>\$ 2.49</u>	<u>\$ 2.08</u>

9. Related Party Transactions

The following is a summary of certain related party transactions.

GGCP, Inc., a private company controlled by the Executive Chair, indirectly owns a majority of our Class B stock, representing approximately 93% of the combined voting power and 86% of the outstanding shares of our common stock at December 31, 2025.

Investments in Securities

At December 31, 2025 and 2024, the value of the Company's investment in GAMCO common stock was \$8.6 million and \$16.9 million, respectively. As of December 31, 2025 and 2024, AC and its subsidiaries own approximately 0.4 million and 0.7 million shares of GAMCO Class A stock. The Company recorded investment income of \$0.2 million and \$5.5 million in 2025 and 2024, respectively, from GAMCO, which is included in interest and dividend income on the consolidated statements of income. Unrealized and realized gain on our holdings of GAMCO were \$32 thousand versus \$14.6 million in 2024. During 2024, the Company sold 1.15 million shares of GAMCO to GAMCO for proceeds of \$30.4 million and realized a loss of \$3.8 million.

At December 31, 2025 and 2024, the Company had \$237.5 million and \$290.3 million, respectively, invested in the Gabelli U.S. Treasury Money Market Fund, which is recorded in cash and cash equivalents on the consolidated statements of financial condition. The Company earned \$10.2 million and \$14.7 million from its investment in this fund for the years ended December 31, 2025 and 2024, respectively which is included in interest and dividend income on the consolidated statements of income.

Investments in equity mutual funds advised by our affiliates (primarily Gabelli Funds, an investment advisor under common control with the Company), totaled \$200.7 million and \$165.5 million at December 31, 2025 and 2024, respectively, and are included in investments in affiliated registered investment companies on the consolidated statements of financial condition. Included in other income in the consolidated statements of income are gains of \$23.5 million and \$10.4 million from investments and dividends related to these funds for the years ended December 31, 2025 and 2024, respectively.

Investments in Partnerships

The Company serves as an investment advisor and/or general partner for certain affiliated investment partnerships and receives management fees and performance-based incentive fees for providing such services. Investment advisory and incentive fees relating to such services were \$13.9 million and \$7.8 million for the years ended December 31, 2025 and 2024 respectively, and are included in investment advisory and incentive fees on the consolidated statements of income. Investment advisory fees receivable in the consolidated statements of financial condition consist of the investment advisory and incentive fees from these affiliated partnerships that were accrued but not yet paid by December 31, 2025 and 2024, respectively. We had an aggregate investment in these affiliated investment partnerships of approximately \$101.7 million and \$101.8 million at December 31, 2025 and 2024, respectively.

Investment Advisory Services

The Company serves as sub-advisor to GAMCO International SICAV – GAMCO Merger Arbitrage, an investment company incorporated under the laws of Luxembourg (the "SICAV").

GCIA, a wholly owned subsidiary of the Company, earned \$12.5 million and \$5.0 million during 2025 and 2024, respectively, pursuant to a funds transfer agreement between GCIA and Gabelli Funds. These payments are included in investment advisory and incentive fees on the consolidated statements of income. At December 31, 2025 and 2024, \$8.6 million and \$0.3 million, respectively, was receivable under this arrangement and included in receivable from affiliates in the consolidated statements of financial condition.

Gabelli Merchant Partners Plc (f/k/a Gabelli Merger Plus+ Trust Plc) ("GMP") is an investment company based in the United Kingdom. Our affiliate, Gabelli Funds, is the investment manager (the "AIFM") and the Company functions as the sub-advisor. Gabelli Funds receives the management fee of 85 basis points (0.85%) on the net assets of the fund and pays approximately 65 basis points for portfolio management and other services to the Company. Because the Company has a 93% controlling ownership interest as of December 31, 2025 and 2024, it consolidates GMP. The Company's receipt of management and/or incentive fees for services provided to GMP are eliminated in the consolidation of the entity.

Compensation

In accordance with an employment agreement, the Company pays the Executive Chair, or his designated assignees, a management fee equal to 10% of the Company's income before management fee and income taxes and excludes the impact of consolidating entities. In 2025, the Company recorded management fee expense of \$7.4 million compared to \$5.9 million in 2024. This fee is recorded as management fee on the consolidated statements of income.

Affiliated Receivables

At December 31, 2025 and 2024, the receivable from affiliates consisted primarily of sub-advisory fees due from Gabelli Funds.

Leases

Our offices are owned by a wholly owned subsidiary of AC and are located at 191 Mason Street, Greenwich, CT 06830. A portion of the space is leased to affiliates. AC received \$138.4 thousand and \$133.2 thousand from affiliates (primarily GAMCO) pursuant to lease agreements for this property for 2025 and 2024, respectively. These amounts are included in other revenues on the consolidated statements of income.

AC acquired a building at 3 St. James Place, London, UK on March 3, 2020 which was fully leased to GAMCO commencing 2021. For the years ending December 31, 2025 and 2024, the Company received \$305.1 thousand and \$285.9 thousand, respectively, under the lease agreement. These amounts are included in other revenues on the consolidated statements of income.

In June 2016, AC entered into a sublease agreement with GAMCO which is subject to annual renewal. Pursuant to the sublease, AC and its subsidiaries pay a monthly fixed lease amount based on the percentage of square footage occupied by its employees (including pro rata allocation of common space). For the years ended December 31, 2025 and 2024, the Company paid \$77.8 thousand and \$74.3 thousand under the sublease agreement. These amounts are included in other operating expenses on the consolidated statements of income.

Other

AC and GAMCO entered into a transitional administrative and management services agreement in connection with the spin-off of AC from GAMCO on November 30, 2015. The agreement calls for GAMCO to provide to AC certain administrative services, including but not limited to: human resources, compliance, legal, payroll, information technology, and operations. The agreement is terminable by either party on 30 days' prior written notice to the other party. All services provided under the agreement by GAMCO to AC or by AC to GAMCO are charged at cost. Amounts charged under this agreement are included in compensation expense, if related to fixed or variable compensation, or other operating expenses, on the consolidated statements of income. For the years ended December 31, 2025 and 2024, we recorded \$1.5 million and \$1.5 million, respectively, of fixed compensation expense related to employees shared with GAMCO. Furthermore, other compensation expenses related to employees shared with GAMCO totaled \$3.1 million and \$1.5 million for the years ended December 31, 2025 and 2024, respectively, including performance-based compensation, relationship manager compensation, and stock-based compensation. In addition, we recorded approximately \$0.5 million and \$0.1 million of other operating expense related to GAMCO's share of management and incentive fees in funds we consolidate for the years ended December 31, 2025 and 2024, respectively. Furthermore, we recorded \$0.8 million and \$0.9 million of other operating expense related to ancillary services provided by GAMCO as noted above, for the years ended December 31, 2025 and 2024, respectively. Certain officers and employees of the Company receive additional compensation from GAMCO.

On August 6, 2025, the Board of Directors approved the creation of a tax-exempt not-for-profit corporation, Associated Capital Foundation, Inc., and authorized charitable contributions of approximately \$4.0 million to this related party. During 2025, this authorized and paid contribution of approximately \$4.0 million was included in charitable giving contribution on the consolidated statements of income.

10. Equity

Voting Rights

The holders of Class A Common stock ("Class A Stock") and Class B Common stock ("Class B Stock") have identical rights except that holders of Class A Stock are entitled to one vote per share, while holders of Class B Stock are entitled to ten votes per share, on all matters to be voted on by shareholders in general. Holders of each share class, however, are not eligible to vote on matters relating exclusively to the other share class.

Stock Award and Incentive Plan

The Company maintains one stock award and incentive plan (the "Plan") approved by the shareholders on May 3, 2016, which is designed to provide incentives to attract and retain individuals key to the success of AC through direct or indirect ownership of our common stock. Benefits under the Plan may be granted in any one or a combination of stock options, stock appreciation rights, restricted stock, restricted stock units, stock awards, dividend equivalents and other stock or cash-based awards. A maximum of 2 million shares of Class A Stock have been reserved for issuance under the Plan by the Compensation Committee of the Board of Directors (the "Compensation Committee") which is responsible for administering the Plan. Under the Plan, the Compensation Committee may grant restricted stock awards ("RSAs") and either incentive or nonqualified stock options with a term not to exceed ten years from the grant date and at an exercise price that it may determine. There were no RSAs outstanding as of December 31, 2025 or 2024.

The Company's Board of Directors periodically grants shares of Phantom Restricted Stock awards ("Phantom RSAs"). Under the terms of the grants, the Phantom RSAs vest 30% and 70% after three and five years, respectively. The Phantom RSAs will be settled by a cash payment, net of applicable withholding tax, on the vesting dates. In addition, an amount equivalent to the cumulative dividends declared on shares of the Company's Class A Stock during the vesting period will be paid to participants on vesting. Through December 31, 2025, approximately 1.1 million shares have been awarded under the Plan leaving approximately 0.9 million shares available for future grants.

The Phantom RSAs are treated as a liability because cash settlement is required and compensation will be recognized over the vesting period. In determining the compensation expense to be recognized each period, the Company will re-measure the fair value of the liability at each reporting date taking into account the remaining vesting period attributable to each award, cumulative dividends and the current market value of the Company's Class A Stock. In making these determinations, the Company will consider the impact of Phantom RSAs that have been forfeited prior to vesting (e.g., due to an employee termination). The Company has elected to consider forfeitures as they occur.

Based on the closing price of the Company's Class A Common Stock and cumulative dividends on December 31, 2025 and 2024, the total liability recorded by the Company in compensation payable in our consolidated statements of financial condition with respect to the Phantom RSAs was \$4.0 million and \$4.8 million, respectively.

The following table summarizes our stock-based compensation, as well as unrecognized compensation, for the years ended December 31, 2025 and 2024 respectively. Stock-based compensation expense is included in compensation expense in the consolidated statements of income (in thousands, unless otherwise noted):

	Year Ended December 31,	
	2025	2024
Stock-based compensation expense	\$ 3,471	\$ 2,221
Remaining expense to be recognized, if all vesting conditions are met ⁽¹⁾	6,944	6,304
Weighted average remaining contractual term (in years)	2.1	2.1

(1) Does not include an estimate for projected future dividends.

The following table summarizes Phantom RSA ("PRSA") activity:

	PRSA's	Weighted Average Grant Date Fair Value
Balance at December 31, 2023	233,695	\$ 37.38
Granted	97,200	34.28
Forfeited	(2,000)	36.95
Vested	(27,300)	35.82
Balance at December 31, 2024	301,595	\$ 36.52
Granted	95,000	36.66
Forfeited	(10,700)	37.04
Vested	(106,245)	35.62
Balance at December 31, 2025	279,650	\$ 36.89

Stock Repurchase Program

In December 2015, the Board of Directors established a stock repurchase program authorizing the Company to repurchase up to 500,000 shares of Class A Stock. On February 7, 2017, the Board of Directors reset the available number of shares to be purchased under the stock repurchase program to 500,000 shares. On August 3, 2017 and May 8, 2018, the Board of Directors authorized the repurchase of an additional 1 million and 500,000 shares, respectively. On February 6, 2024, August 7, 2024, August 5, 2025 and November 7, 2025, the Board of Directors authorized the repurchase of an additional 350,000, 200,000, 150,000 and 500,000 shares, respectively. Our stock repurchase program is not subject to an expiration date.

The following table presents the Company's stock repurchase activity and remaining authorization:

	<u>Number of shares purchased</u>	<u>Average price per share</u>
Remaining repurchase authorization January 1, 2023	156,664	
Increase to the authorization on February 6, 2024	350,000	
Increase to the authorization on August 7, 2024	200,000	
Share repurchases under stock repurchase program ⁽¹⁾	<u>(353,116)</u>	\$ 33.53
Remaining repurchase authorization December 31, 2024	<u>353,548</u>	
Increase to the authorization on August 5, 2025	150,000	
Increase to the authorization on November 7, 2025	500,000	
Share repurchases under stock repurchase program ⁽¹⁾	<u>(484,866)</u>	\$ 33.76
Remaining repurchase authorization December 31, 2025	<u><u>518,682</u></u>	

(1) Repurchases totaled \$16.4 million and \$11.8 million in 2025 and 2024, respectively.

Dividends

During 2025 and 2024, the Company declared and paid dividends of \$0.20 and \$2.20 per share to class A and class B shareholders totaling \$4.2 million and \$46.8 million, respectively.

11. Segment Information

The Company operates in one business segment, the investment advisory and alternative asset management business. The Company conducts its business principally through Gabelli & Company Investment Advisers, Inc. and its wholly owned subsidiary Gabelli & Partners, LLC. The Company has identified the Executive Chair and the Interim Chief Executive Officer as the chief operating decision maker (“CODM”), who use net income in the consolidated statements of income to evaluate the results of the business to manage the Company. The CODM uses net income in deciding whether to reinvest profits or allocate profits to other uses of capital, such as for acquisitions or to pay dividends. All expense categories on the consolidated statements of income are significant and there are no other significant segment expenses that would require disclosure. Assets provided to the CODM are consistent with those reported on the consolidated statements of financial condition. The Company’s operations constitute a single operating segment and, therefore, a single reportable segment, because the CODM manages the business activities using information of the Company as a whole. The accounting policies used to measure the profit and loss of the segment are the same as those described in Note 2, Significant Accounting Policies.

12. Guarantees, Contingencies and Commitments

From time to time, the Company may be named in legal actions and proceedings. These actions may seek substantial or indeterminate compensatory, as well as punitive, damages or injunctive relief. We are also subject to governmental or regulatory examinations or investigations. The examinations or investigations could result in adverse judgments, settlements, fines, injunctions, restitutions or other relief. For any such matters, the consolidated financial statements include the necessary provisions for losses, if any, that the Company believes are probable and estimable. Furthermore, the Company evaluates whether losses exist which may be reasonably possible and will, if material, make the necessary disclosures. Management is not aware of any probable or reasonably possible losses at December 31, 2025 and 2024.

The Company has also entered into arrangements with various other third parties, many of which provide for indemnification of the third parties against losses, costs, claims and liabilities arising from the performance of obligations under the agreements. The Company has had no claims or payments pursuant to these or prior agreements and believes the likelihood of a claim being made is remote, and, therefore, no accrual has been made on the consolidated financial statements.

13. Charitable Giving Contribution

Since our inception as a public company in 2015, the shareholders of AC have donated approximately \$42 million to over 200 501(c)(3) organizations that address a broad range of local, national and international concerns through the shareholder designated charitable contribution program. In connection with this program, in 2024 the Company recorded an expense of \$3.5 million, which is included in charitable giving contribution in the consolidated statements of income, and reflected a liability in the amount of \$2.7 million, which is included in accrued expenses and other liabilities on the consolidated statements of financial condition.

Our charitable giving program continues today with the Associated Capital Foundation, a private foundation, established in October 2025. In November 2025, the Company contributed approximately \$4 million to the private foundation, as described in Note 9.

14. Subsequent Events

From January 1, 2026 to March 31, 2026, the Company repurchased 44,188 shares at an average price of \$40.18 per share.

On January 27, 2026, the Company purchased an office building in Zurich Switzerland for approximately \$14.8 million.

GGCP, Inc. (the “holding company”) owns 77,165 shares of Class A stock and 17,744,615 shares of Class B stock, representing 93% of the combined voting power and 86% of the outstanding shares of AC common stock. In January 2026, the Executive Chair exchanged certain voting shares of the holding company for non-voting shares held by the Vice Chair, resulting in the Vice Chair obtaining voting control of the holding company. There was no change in either party’s ownership interest in AC or in the holding company.

On February 3, 2026, the Board of Directors declared a dividend of \$0.10 per share, which is payable on March 19, 2026 to Class A and Class B shareholders of record on March 5, 2026.

MANAGEMENT’S DISCUSSION AND ANALYSIS (“MD&A”)

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the consolidated financial statements and the notes thereto included in “Financial Statements and Supplementary Data.” This discussion contains forward-looking statements and involves numerous risks and uncertainties. Our actual results could differ materially from those anticipated by such forward-looking statements due to factors discussed under “Cautionary Statement Regarding Forward-Looking Statements” appearing elsewhere in this Annual Report.

Overview

Associated Capital Group, Inc. (OTCQX: AC), a company incorporated under the laws of Delaware, provides alternative investment management services and operates a direct investment business. Our revenues are based primarily on the Company’s level of assets under management (“AUM”).

Financial Highlights

Financial Performance

The following is a summary of the Company’s financial performance for the quarters and years ended December 31, 2025 and 2024:

	Fourth Quarter		Full Year	
	2025	2024	2025	2024
AUM - end of period (in millions)	\$ 1,482	\$ 1,248	\$ 1,482	\$ 1,248
AUM - average (in millions)	1,430	1,291	1,341	1,410
Net income per share-diluted	\$ 0.50	\$ 0.20	\$ 2.49	\$ 2.08
Book value per share at December 31	\$ 44.66	\$ 42.14	\$ 44.66	\$ 42.14

Financial Condition Overview

The Company consolidates certain investment partnerships for which it has a controlling financial interest. The following table reflects the net impact of the consolidated investment partnerships (“Consolidated Entities”) on the consolidated statements of financial condition (in thousands):

	December 31, 2025		
	Prior to Consolidation	Consolidated Entities	As Reported
Assets			
Cash and cash equivalents	\$ 245,145	\$ 10,730	\$ 255,875
Investments	648,390	(8,787)	639,603
Other	75,473	8,295	83,768
Total assets	<u>\$ 969,008</u>	<u>\$ 10,238</u>	<u>\$ 979,246</u>
Liabilities, redeemable noncontrolling interests and equity			
Total liabilities	\$ 44,572	\$ 4,330	\$ 48,902
Redeemable noncontrolling interests	-	5,908	5,908
Total equity	924,436	-	924,436
Total liabilities, redeemable noncontrolling interests and equity	<u>\$ 969,008</u>	<u>\$ 10,238</u>	<u>\$ 979,246</u>

	December 31, 2024		
	Prior to Consolidation	Consolidated Entities	As Reported
Assets			
Cash and cash equivalents	\$ 289,991	\$ 9,560	\$ 299,551
Investments	584,582	(11,740)	572,842
Other	52,929	9,967	62,896
Total assets	<u>\$ 927,502</u>	<u>\$ 7,787</u>	<u>\$ 935,289</u>
Liabilities, redeemable noncontrolling interests and equity			
Total liabilities	\$ 34,796	\$ 2,195	\$ 36,991
Redeemable noncontrolling interests	-	5,592	5,592
Total equity	892,706	-	892,706
Total liabilities, redeemable noncontrolling interests and equity	<u>\$ 927,502</u>	<u>\$ 7,787</u>	<u>\$ 935,289</u>

Consolidated Statements of Income

Investment advisory and incentive fees, which are based on the amount and composition of AUM in our funds and accounts, represent our largest source of revenues. Growth in revenues depends on good investment performance, which influences the value of existing AUM as well as contributes to higher investment and lower redemption rates and attracts additional investors while maintaining current fee levels. Growth in AUM is also dependent on being able to access various distribution channels, which is usually based on several factors, including performance and service. In light of the various ongoing geo-political dynamics and their impact on the global economy and markets, we could experience higher volatility in short-term returns of our funds.

Incentive fees generally consist of an incentive allocation on the absolute gain in a portfolio generally equating to 20% of the economic profit, as defined in the agreements governing the investment vehicle or account. We recognize such revenue only when the measurement period has been completed or at the time of an investor redemption.

Compensation includes variable and fixed compensation and related expenses paid to officers, portfolio managers, sales, trading, research and all other professional staff. Variable compensation is paid to sales personnel and portfolio management and may represent up to approximately 55% of revenues.

Management fee expense is incentive-based equal to 10% of income before management fee and income taxes and excludes the impact of consolidating entities and is paid to the Executive Chair or his designees for his services pursuant to an employment agreement.

Other operating expenses include general and administrative operating costs.

Other income and expense includes net gains and losses from investments (which include both realized and unrealized gains and losses from securities and equity in earnings of investments in partnerships), interest and dividend income, and interest expense. Net gains and losses from investments are derived from our proprietary investment portfolio consisting of various public and private investments and from consolidated investment funds.

Net income attributable to noncontrolling interests represents the share of net income attributable to third-party limited partners of certain investment partnerships we consolidate. Please refer to Notes 1 and 5 in our consolidated financial statements included elsewhere in this report.

Consolidated Statements of Financial Condition

We ended 2025 with approximately \$889.5 million in cash and investments, net of securities sold, not yet purchased of \$6.0 million. This includes \$255.9 million of cash and cash equivalents; \$109.5 million of U.S. Treasury obligations; \$179.8 million of securities, net of securities sold, not yet purchased, including shares of GAMCO with a market value of \$8.6 million; and \$344.3 million invested in affiliated and third-party funds and partnerships, including investments in closed end funds managed by affiliates (primarily GAMCO) which have a value of \$112.5 million and more limited liquidity. Our financial resources provide flexibility to pursue strategic objectives that may include acquisitions, lift-outs, seeding new investment strategies, and co-investing, as well as shareholder compensation in the form of share repurchases and dividends.

Total equity attributable to shareholders of the Company was \$924.4 million or \$44.66 per share as of December 31, 2025, compared to \$892.7 million or \$42.14 per share as of the prior year-end. Shareholders' equity per share is calculated by dividing the total Associated Capital Group, Inc. equity by the number of common shares outstanding.

Assets Under Management Highlights

We reported assets under management as follows (dollars in millions):

	December 31, 2025	December 31, 2024	% Change
Merger Arbitrage ^(a)	\$ 1,156	\$ 1,003	15.3
Long/Short Value ^(b)	289	209	38.3
Other	37	36	2.8
Total AUM ^(c)	<u>\$ 1,482</u>	<u>\$ 1,248</u>	<u>18.8</u>

(a) Includes \$527 and \$408 of sub-advisory AUM related to GAMCO International SICAV - GAMCO Merger Arbitrage, \$73 and \$68 of sub-advisory AUM related to Gabelli Merchant Partners Plc (f/k/a Gabelli Merger Plus+ Trust Plc) at December 31, 2025 and 2024, respectively.

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

(c) Includes \$243 million and \$234 million of proprietary capital, respectively.

Changes in our AUM during 2025 were as follows (dollars in millions):

	December 31, 2024	Inflows	Outflows	Investment Return	Foreign Currency⁽¹⁾	December 31, 2025
Merger Arbitrage	\$ 1,003	\$ 189	\$ (184)	\$ 119	\$ 29	\$ 1,156
Long/Short Value	209	55	(7)	32	-	289
Other	36	-	(2)	3	-	37
Total AUM	\$ 1,248	\$ 244	\$ (193)	\$ 154	\$ 29	\$ 1,482

(1) Reflects the impact of currency fluctuations in non-US dollar denominated classes of investment funds.

The majority of our AUM have calendar year-end measurement periods, and our incentive fees are primarily recognized in the fourth quarter. Assets under management increased on a net basis by \$234 million for the year ended December 31, 2025 due to market performance of \$154 million, net investor inflows of \$51 million and the positive impact of currency fluctuations of \$29 million from non-US dollar classes of investment funds.

Operating Results for the Year Ended December 31, 2025 as Compared to the Year Ended December 31, 2024

Revenues

Total revenues were \$26.9 million for the year ended December 31, 2025, \$13.7 million higher than total revenues of \$13.2 million for the year ended December 31, 2024. Total revenues by type were as follows (dollars in thousands):

	Year Ended December 31,		Change	
	2025	2024	\$	%
Investment advisory and incentive fees	26,445	12,755	13,690	107.3
Other revenues	443	420	23	5.5
Total revenues	\$ 26,888	\$ 13,175	13,713	104.1

Investment advisory and incentive fees: We earn advisory fees based on our AUM. Investment advisory fees are directly influenced by the amount of average AUM and the fee rates applicable to various accounts.

Advisory and incentive fees were \$26.4 million for 2025 compared to \$12.8 million for 2024, an increase of \$13.7 million. Revenues generated by the GAMCO International SICAV – GAMCO Merger Arbitrage were \$12.5 million versus \$5.0 million in the prior year period, the increase driven by higher performance-based incentive fees in 2025.

All other revenues were \$13.9 million compared to \$7.8 million a year ago. This increase is the result of higher performance-based incentive fees in 2025.

Incentive fees are directly related to the gains generated for our clients' accounts. We earn a percentage, usually 20%, of such gains. Incentive fees were \$17.9 million in 2025 compared to \$3.0 million in 2024. An incentive fee of approximately \$1.0 million was earned on Gabelli Merchant Partners Plc (f/k/a Gabelli Merger Plus+ Trust Plc) during 2025, however due to the Company's controlling ownership interest in the entity, this revenue is eliminated in the consolidation of the entity for financial reporting purposes.

Other revenues: Other revenues were \$0.4 million in 2025 and 2024.

Expenses

Compensation: Compensation, which includes variable compensation, salaries, bonuses and benefits, was \$29.5 million for the year ended December 31, 2025 compared to \$18.3 million for the year ended December 31, 2024. Fixed compensation expense, which includes salaries, stock-based compensation, bonuses and benefits, was \$12.4 million in 2025 and 2024. The remainder of compensation expense represents variable compensation that fluctuates with management and incentive fee revenues as well as the investment results of certain proprietary accounts. Variable payouts are also impacted by the mix of products upon which performance fees are earned and the extent to which they may exceed their allocated costs.

Management fees: Management fee expense is incentive-based and entirely variable compensation equal to 10% of income before management fee and income taxes and excludes the impact of consolidating entities, and is paid to the Executive Chair or his designees pursuant to his employment agreement with AC. In 2025 AC recorded management fee expense of \$7.4 million compared to \$5.9 million in 2024.

Other operating expenses: Our other operating expenses were \$8.1 million in 2025 compared to \$7.8 million in 2024.

Investment and other non-operating income, net

Net gain from investments: Net gain from investments is directly related to the performance of our investments in our arbitrage funds and proprietary portfolio. For the year ended December 31, 2025, net gains from investments were \$66.0 million compared to \$42.8 million in 2024, the increase driven primarily by the performance of our merger arbitrage investments.

Interest and dividend income: Interest and dividend income increased to \$24.6 million in 2025 from \$32.5 million in 2024, the decrease is primarily due to the receipt of a special dividend from our holdings of GAMCO in 2024 of \$4.6 million.

Income Taxes

In 2025, we recorded income tax expense of \$15.3 million resulting in an effective tax rate (“ETR”) of 22.5%. In 2024, we recorded an income tax expense of \$8.3 million resulting in an ETR of 15.8%. The increase in rate from 2024 is primarily driven by the dividends received deduction from the special dividend from GAMI and deferred tax benefits from the sale of GAMCO shares which reduced the 2024 rate.

Noncontrolling Interests

Net income attributable to noncontrolling interests was \$0.4 million in 2025 compared to \$0.1 million in 2024.

Net Income

Net income for the year ended December 31, 2025 was \$52.3 million compared to \$44.3 million for the prior year. The change was primarily driven by the performance of our merger arbitrage investments in 2025, as described above.

Liquidity and Capital Resources

Our principal assets consist of cash and cash equivalents; short-term treasury securities; marketable securities, primarily equities, including 0.4 million shares of GAMCO; and interests in affiliated and third-party funds and partnerships. Although Investment Partnerships may be subject to restrictions as to the timing of distributions, the underlying investments of such Investment Partnerships are generally liquid, and the valuations of these products reflect that underlying liquidity.

Summary cash flow data is as follows (in thousands):

	Year Ended December 31,	
	2025	2024
Cash flows (used in) / provided by:		
Operating activities	\$ (6,905)	\$ 26,874
Investing activities	(21,664)	10,980
Financing activities	(20,613)	(59,208)
Net decrease in cash, cash equivalents and restricted cash	(49,182)	(21,354)
Cash, cash equivalents and restricted cash at beginning of period	325,703	347,057
Cash, cash equivalents and restricted cash at end of period	<u>\$ 276,521</u>	<u>\$ 325,703</u>

We require relatively low levels of capital expenditures and have a highly variable cost structure where costs increase and decrease based on the level of revenues we receive. Our revenues, in turn, are highly correlated to the level of AUM and to investment performance. We anticipate that our available liquid assets should be sufficient to meet our cash requirements as we build out our operating business. At December 31, 2025, we had cash and cash equivalents of \$255.9 million, investments in U.S. Treasury Bills of \$109.5 million and \$179.8 million of investments, net of securities sold, not yet purchased of \$6.0 million. Included in cash and cash equivalents is \$10.7 million as of December 31, 2025 which is held by consolidated investment funds and may not be readily available for the Company to access.

Net cash used in operating activities was \$6.9 million in 2025. Operating cash flows in 2025 are driven by \$50.9 million of adjustments for noncash items, primarily unrealized gains on investment securities, partnership investments and deferred taxes, \$15.0 million change in net receivables/payables and \$7.7 million of net decreases to investment securities. These uses of operating cash were partially offset by our net income before noncontrolling interests of \$52.7 million, net distributions from our partnerships of \$14.0 million.

Net cash used in investing activities was \$21.7 million in 2025 due to purchases of securities of \$30.2 million and the purchase of a building of \$7.6 million, partially offset by the proceeds from sales of securities of \$15.0 million and return of capital on securities of \$1.1 million.

Net cash used in financing activities was \$20.6 million in 2025 resulting from stock buyback payments of \$16.4 million and dividends paid of \$4.2 million.

Net cash provided by operating activities was \$26.9 million in 2024. Operating cash flows in 2024 are driven by our net income of \$44.4 million, \$11.4 million of net distributions from investment partnerships, \$6.4 million of net decreases to investment securities and \$4.7 million change in net receivables/payables. These increases were partially offset by \$40.0 million of adjustments for noncash items, primarily unrealized gains on investment securities, partnership investments and deferred taxes.

Net cash provided by investing activities was \$11.0 million in 2024 due to proceeds from sales of securities of \$50.6 million and return of capital on securities of \$1.2 million, partially offset by purchases of securities of \$40.8 million.

Net cash used in financing activities was \$59.2 million in 2024 resulting from dividends paid of \$46.8 million, stock buyback payments of \$11.8 million and redemptions of redeemable noncontrolling interests of \$0.6 million.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements.

OUTSIDE PROVIDERS

The name, address, telephone number, and email address of outside providers that advise the issuer on matters relating to operations, business development, and disclosure

- | | |
|------------------------|--|
| 1. Investment Banker: | None |
| 2. Promoter: | None |
| 3. Securities Counsel: | Olshan Frome Wolosky LLP
1325 Avenue of the Americas
New York, NY 10019
Tel: +1 (212) 451-2300
Fax: +1 (212) 451-2222
Email: info@olshanlaw.com
www.olshanlaw.com |
| 4. Auditor: | Deloitte & Touche LLP (“Deloitte”)
695 East Main Street
Stamford, CT 06901-2150
Tel: +1 (203) 708-4000
Fax: +1 (203) 705-5455
www.deloitte.com |

Preparation of AC’s consolidated financial statements is the responsibility of management. Deloitte is responsible for expressing an opinion on the consolidated financial statements as of December 31, 2025 and 2024 and for each of the two years in the period ended December 31, 2025 based on their audits. During 2025 and 2024, we incurred audit fees from Deloitte of \$0.7 million and \$0.7 million, respectively, related to the audits of the financial statements of AC. During 2025 and 2024, we did not incur any other audit-related or other fees from Deloitte.

Deloitte is registered with the PCAOB (ID: 34).

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|-----------------------------------|------|
| 5. Public Relations Consultant: | None |
| 6. Investor Relations Consultant: | None |
| 7. Any Other Advisor: | None |

PART E: ISSUANCE HISTORY

List of the Securities Offerings and Shares Issued for Services in the Past Two Years

There were no Class A Stock, Class B Stock, or options issued during the fiscal years 2025 and 2024.

PART F: EXHIBITS

(a) List of documents filed as part of this Report:

(1) Consolidated financial statements and the reports of the independent registered public accounting firm are included herein:

See Index on page 13.

(2) List of Exhibits:

The agreements included or incorporated by reference as exhibits to this Annual Report contain representations and warranties by each of the parties to the applicable agreement. These representations and warranties were made solely for the benefit of the other parties to the applicable agreement and (i) were not intended to be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate; (ii) may have been qualified in such agreement by disclosures that were made to the other party in connection with the negotiation of the applicable agreement; (iii) may apply contract standards of “materiality” that are different from “materiality” under the applicable securities laws; and (iv) were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement.

The Company acknowledges that, notwithstanding the inclusion of the foregoing cautionary statements, it is responsible for considering whether additional specific disclosures of material information regarding material contractual provisions are required to make the statements in this report not misleading.

Purchases of equity securities by the issuer and affiliated purchasers were included in Part B of this Annual Report.

Exhibit

Number	Description of Exhibit
2.1	Separation and Distribution Agreement, dated November 30, 2015, between GAMCO Investors, Inc., a Delaware corporation (“GAMCO”), and Associated Capital Group, Inc., a Delaware corporation (the “Company”). (Incorporated by reference to Exhibit 2.1 to the Company’s Form 8-K dated November 30, 2015 filed with the Securities and Exchange Commission on December 4, 2015).
3.1	Amended and Restated Certificate of Incorporation of the Company. (Incorporated by reference to Exhibit 3.1 to the Company’s Form 8-K dated November 19, 2015 filed with the Securities and Exchange Commission on November 25, 2015).
3.2	Amended and Restated Bylaws of the Company. (Incorporated by reference to Exhibit 3.2 to the Company’s Report on Form 8-K dated November 19, 2015 filed with the Securities and Exchange Commission on November 25, 2015).
4.1	Form of Common Stock Certificate. (Incorporated by reference to Exhibit 4.1 to Amendment No. 4 to the Company’s Registration Statement on Form 10 filed with the Securities and Exchange Commission on October 21, 2015).
4.2	Description of The Registrant’s Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934. (Incorporated by reference to Exhibit 4.2 of the Company’s Report on Form 10-K filed with the Commission on March 16, 2020).
10.1	Service Mark and Name License Agreement, dated November 30, 2015, by and between the Company and GAMCO. (Incorporated by reference to Exhibit 10.1 to the Company’s Form 8-K dated November 30, 2015 filed with the Commission on December 4, 2015).
10.2	Transitional Administrative and Management Services Agreement, dated November 30, 2015, by and between the Company and GAMCO. (Incorporated by reference to Exhibit 10.2 to the Company’s Form 8-K dated November 30, 2015 filed with the Commission on December 4, 2015).
10.3	Employment Agreement between the Company and Mario J. Gabelli dated November 30, 2015 (Incorporated by reference to Exhibit 10.3 to the Company’s Form 8-K dated November 30, 2015 filed with the Commission on December 4, 2015).
10.4	Promissory Note in aggregate principal amount of \$250,000,000, dated November 30, 2015, issued by GAMCO in favor of the Company (Incorporated by reference to Exhibit 10.4 to the Company’s Form 8-K dated November 30, 2015 filed with the Commission on December 4, 2015).
10.5	Tax Indemnity and Sharing Agreement, dated November 30, 2015, by and between the Company and GAMCO. (Incorporated by reference to Exhibit 10.5 to the Company’s Form 8-K dated November 30, 2015 filed with the Commission on December 4, 2015).
10.6	2015 Stock Award Incentive Plan (Incorporated by reference to Exhibit 10.11 to Amendment No. 4 to the Company’s Registration Statement on Form 10 filed with the Securities and Exchange Commission on October 21, 2015).
10.7	Form of Indemnification Agreement by and between the Company and the Indemnitee defined therein (Incorporated by reference to Exhibit 10.7 to Amendment No. 4 to the Company’s Registration Statement on Form 10 filed with the Securities and Exchange Commission on October 21, 2015).

- [10.8](#) Agreement and Plan of Merger, dated as of October 31, 2019, by and among Morgan Group Holding Co., G.R. acquisition, LLC, G.research, LLC, Institutional Services Holdings, LLC and Associated Capital Group, Inc. (Incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K of Morgan Group Holding Co. filed with the Securities and Exchange Commission on November 6, 2019).
- [19.1](#) Insider Trading Policy (Incorporated by reference to Exhibit 19.1 to the Company's Form 10-K dated December 31, 2024 filed with the Commission on March 19, 2025).
- [21.1](#) Subsidiaries of the Company.
- [97.1](#) Associated Capital Group, Inc. Clawback Policy (Incorporated by reference to Exhibit 97.1 to the Company's Form 10-K dated December 31, 2023 filed with the Commission on March 21, 2024).

Subsidiaries of Associated Capital Group, Inc.

The following table lists the direct and indirect subsidiaries of the Company.

<u>Name</u>	<u>Jurisdiction of Incorporation or Organization</u>
Gabelli & Company Investment Advisers, Inc. (100%-owned by the Company)	Delaware
Gabelli & Partners, LLC (100%-owned by Gabelli & Company Investment Advisers, Inc.)	Delaware

CERTIFICATIONS

Certification by the principal executive officer

I, Patrick B. Huvane, certify that:

1. I have reviewed this Annual Report of Associated Capital Group, Inc.;
2. Based on my knowledge, this Annual 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 Annual Report; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this Annual Report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this Annual Report.

Date: March 31, 2026

/s/ Patrick B. Huvane

Name: Patrick B. Huvane

Title: Interim Chief Executive Officer (Principal Executive Officer)

Certification by the principal financial officer

I, Ian J. McAdams, certify that:

1. I have reviewed this Annual Report of Associated Capital Group, Inc.;
2. Based on my knowledge, this Annual 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 Annual Report; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this Annual Report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this Annual Report.

Date: March 31, 2026

/s/ Ian J. McAdams

Name: Ian J. McAdams

Title: Chief Financial Officer (Principal Financial Officer)