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

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2024
Or
☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ______ to ______
Commission file number 001-37387

Associated Capital Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware	47-3965991
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
191 Mason Street, Greenwich, CT 06830	(203) 629-9595
(Address of principal executive offices)(Zip Code)	(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Class A Common Stock, par value $0.001 per share	AC	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act Yes ☐ No ☒.

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act Yes ☐ No ☒.

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

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

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

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

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Exchange Act Rule 12b-2) Yes ☐ No ☒.

The aggregate market value of the class A common stock held by non-affiliates of the registrant as of June 30, 2024 (the last business day of the registrant's most recently completed second fiscal quarter) was $88.3 million.

As of March 11, 2025, 2,201,859 shares of class A common stock and 18,950,571 shares of class B common stock were outstanding. GGCP, Inc., a private company controlled by the Company's Executive Chair, held 77,165 shares of class A common stock and indirectly held 18,423,741 shares of class B common stock. Other executive officers and directors of GGCP, Inc. held 29,866 and 176,758 shares of class A and class B common stock, respectively. In addition, there are 301,595 Phantom Restricted Stock Awards outstanding as of December 31, 2024.

DOCUMENTS INCORPORATED BY REFERENCE: Portions of the registrant's definitive proxy statement relating to the 2025 Annual Meeting of Shareholders are incorporated by reference in Items 10, 11, 12, 13 and 14 of Part III of this report.

Associated Capital Group, Inc.

Annual Report on Form 10-K for the Fiscal Year Ended December 31, 2024

Forward-Looking Statements

Our disclosure and analysis in this report and in documents that are incorporated by reference contain some forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). 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. You should not place undue reliance on these statements. They use words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," and other words and terms of similar meaning. They also appear in any discussion of future operating or financial performance. In particular, these include statements relating to future actions, future performance of our products, expenses, the outcome of any legal proceedings, and financial results.

Although we believe that we are basing our expectations and beliefs on reasonable assumptions within the bounds of what we currently know about our business and operations, 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; 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; and unforeseen costs and other effects related to legal proceedings or investigations of governmental and self-regulatory organizations. We also direct your attention to any more specific discussions of risk contained in our other public filings or in documents incorporated by reference here or in prior filings or reports.

We are providing these statements as permitted by the Private Litigation Reform Act of 1995. 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.

Definitions

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. "GAMCO", "GAMI", or similar terms refer to our former parent GAMCO Investors, Inc.

The information provided in response to Item 7. Management's Discussion and Analysis ("MD&A") of Financial Condition and Results of Operations is provided as a supplement to, and should be read in conjunction with, the Consolidated Financial Statements and the notes thereto included in Item 8 to this report.

PART 1: OVERVIEW

Giving Back to Society

We are committed to allow our shareholders to choose the recipients of our charitable contributions. Based on the program created by Warren Buffett at Berkshire Hathaway, our corporate charitable giving is unique in that the recipients of AC's charitable contributions are chosen directly by our shareholders, rather than by (y)our corporate entity.

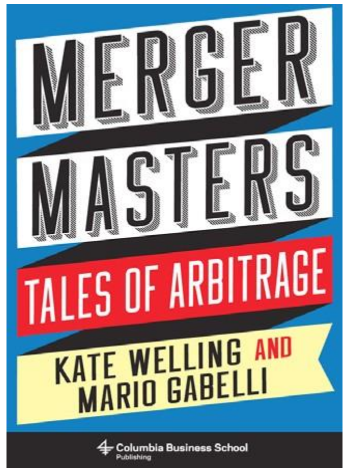
On August 7, 2024, the Board of Directors approved a $0.20 per share shareholder designated charitable contribution ("SDCC") for registered shareholders. In the first quarter of 2025, we completed the distribution of approximately $4.0 million to various organizations selected by our shareholders for our 2024 program. Since our 2015 spin off as a public company, the shareholders of AC have donated approximately $42 million, including the most recent SDCC, to over 200 501(c)(3) organizations that address a broad range of local, national and international concerns.

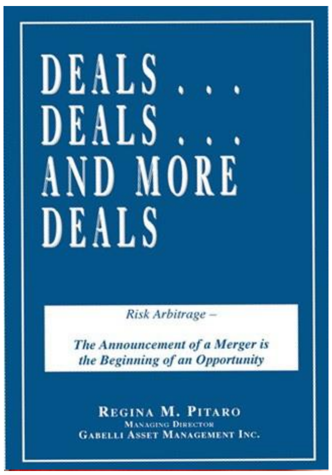
ITEM 1: BUSINESS

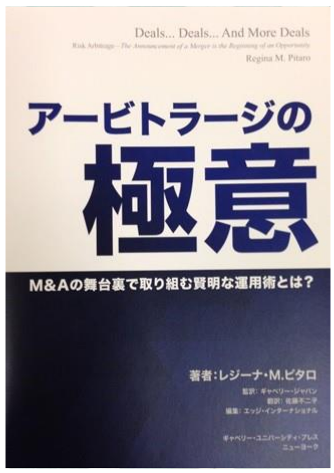
(Y)our Business

We are a Delaware corporation, incorporated in 2015, that provides alternative investment management services and operates a direct investment business to invest 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 7.1% with 38 of 40 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 $140 million as of December 31, 2024. 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, 2024, we managed approximately $1.25 billion in assets vs. $1.59 billion at December 31, 2023. The following table sets forth total AUM, including investment funds and separately managed accounts, for the dates shown:

	December 31,			
($ in millions)	**2024**	**2023**	**2020**	**2015**
Merger Arbitrage	$ 1,003	$ 1,312	$ 1,126	$ 869
Long/Short Value[(a)]	209	244	180	145
Other[(b)]	36	35	45	66
Total AUM	$ 1,248	$ 1,591	$ 1,351	$ 1,080
Composition of AUM (% of Total AUM):				
Domestic Clients	35%	32%	34%	65%
International Clients	65%	68%	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, non-investment grade credit and capital structure arbitrage.

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, 2024, by virtue of being a member of the group, AC was deemed to hold five percent or more beneficial ownership with respect to approximately 56 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 March 11, 2025, we had a full-time staff of 24 teammates, of whom 9 served in the portfolio management, research and trading areas, 7 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.

Status as a Smaller Reporting Company

We are a "smaller reporting company" as defined by Rule 12b-2 of the Exchange Act and in Item 10(f)(1) of Regulation S-K. As a result, we are eligible to take advantage of certain exemptions from various reporting requirements that are not available to other public companies that are not "smaller reporting companies".

Our website address is www.associated-capital-group.com. Information on our website is not incorporated by reference herein and is not part of this report. We provide a link on our website to the following filings as soon as reasonably practicable after they are electronically filed with or furnished to the SEC: our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All such filings on our website are available free of charge. In addition, these reports and the other documents we file with the SEC are available at www.sec.gov.

ITEM 1A: RISK FACTORS

Smaller reporting companies are not required to provide the information required by this item.

ITEM 1B: UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. 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 Chief Executive Officer and President, 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.

ITEM 2: 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 $133.2 thousand and $133.8 thousand from affiliates (primarily GAMCO) pursuant to lease agreements for this property for 2024 and 2023, 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, 2024 and 2023, the Company received $285.9 thousand and $227.1 thousand, respectively, under the lease agreement. These amounts are included in other revenues in the consolidated statements of income.

During 2024 and 2023, AC paid $74.3 thousand and $74.0 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.

ITEM 3: 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, 2024. See also Note 12, *Guarantees, Contingencies and Commitments*, to the consolidated financial statements in Part II, Item 8 of this Form 10-K.

ITEM 4: MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5: MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market for our Stock, Dividends and Stock Repurchase Program

Shares of our Class A common stock ("shares") are traded on the New York Stock Exchange ("NYSE") under the symbol AC.

As of March 11, 2025, there were 114 and 18 holders of record of the Company's Class A and Class B common stock, respectively. These figures do not include beneficial holders of Class A shares held in "street" name at various brokerage firms.

In December 2015, the Board of Directors established a stock repurchase program authorizing the Company to repurchase up to 500,000 shares. 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 and August 7, 2024, the Board of Directors authorized the repurchase of an additional 350,000 and 200,000 shares, respectively. Our stock repurchase program is not subject to an expiration date. Shares may be purchased from time to time in the future, however share repurchase amounts and prices may vary after considering a variety of factors, including the Company's financial position, earnings, other alternative uses of cash, macroeconomic issues, and market conditions.

The following table provides information for our repurchase of our Class A common stock during the quarter ended December 31, 2024:

Period	Total Number of Shares Repurchased	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
10/01/24 - 10/31/24	9,599	$ 36.24	9,599	407,024
11/01/24 - 11/30/24	17,119	36.56	17,119	389,905
12/01/24 - 12/31/24	36,357	35.45	36,357	353,548
Totals	63,075	$ 35.87	63,075	

We have adopted the 2015 Stock Award and Incentive Plan (the "Equity Compensation Plan"). A maximum of 2.0 million shares of Class A Stock have been reserved for issuance as approved by the Company's stockholders at the annual meeting of stockholders held on May 3, 2016. The Company withdrew the registration statement covering the issuance of those shares as of December 29, 2017.

The number of shares remaining available for future issuance under equity compensation plans is 1.0 million.

ITEM 6: SELECTED FINANCIAL DATA

Smaller reporting companies are not required to provide the information required by this item.

ITEM 7: MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A") OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

Associated Capital Group, Inc. (NYSE: 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, 2024 and 2023:

	Fourth Quarter		Full Year	
	2024	2023	2024	2023
AUM - end of period (in millions)	$ 1,248	$ 1,591	$ 1,248	$ 1,591
AUM - average (in millions)	1,291	1,581	1,410	1,659
Net income per share-diluted	$ 0.20	$ 0.76	$ 2.08	$ 1.72
Book value per share at December 31[a]	$ 42.14	$ 42.11	$ 42.14	$ 42.11

(a) Book value per share at December 31, 2024 reflects $2.20 per share of dividends paid in 2024.

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, 2024		
Assets	**Prior to Consolidation**	**Consolidated Entities**	**As Reported**
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	$ 927,502	$ 7,787	$ 935,289
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	$ 927,502	$ 7,787	$ 935,289

	December 31, 2023		
Assets	**Prior to Consolidation**	**Consolidated Entities**	**As Reported**
Cash and cash equivalents	$ 299,508	$ 17,979	$ 317,487
Investments	573,735	(18,272)	555,463
Other	63,184	7,663	70,847
Total assets	$ 936,427	$ 7,370	$ 943,797
Liabilities, redeemable noncontrolling interests and equity			
Total liabilities	$ 29,452	$ 1,267	$ 30,719
Redeemable noncontrolling interests	-	6,103	6,103
Total equity	906,975	-	906,975
Total liabilities, redeemable noncontrolling interests and equity	$ 936,427	$ 7,370	$ 943,797

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 2024 with approximately $864.1 million in cash and investments, net of securities sold, not yet purchased of $8.4 million. This includes $299.6 million of cash and cash equivalents; $68.3 million of short-term U.S. Treasury obligations; $190.6 million of securities, net of securities sold, not yet purchased, including shares of GAMCO with a market value of $16.9 million; and $305.5 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 $83.7 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 $892.7 million or $42.14 per share as of December 31, 2024, compared to $907.0 million or $42.11 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, 2024	December 31, 2023	% Change
Merger Arbitrage[(a)]	$ 1,003	$ 1,312	(23.6)
Long/Short Value[(b)]	209	244	(14.3)
Other	36	35	2.9
Total AUM[(c)]	$ 1,248	$ 1,591	(21.6)

(a) Includes $408 and $621 of sub-advisory AUM related to GAMCO International SICAV - GAMCO Merger Arbitrage, $68 and $69 of sub-advisory AUM related to Gabelli Merger Plus+ Trust Plc at December 31, 2024 and 2023, respectively.
(b) Assets under management represent the assets invested in this strategy that are attributable to Associated Capital Group, Inc.
(c) Includes $234 million and $236 million of proprietary capital, respectively.

Changes in our AUM during 2024 were as follows (dollars in millions):

	December 31, 2023	Inflows	Outflows	Investment Return	Foreign Currency[(1)]	December 31, 2024
Merger Arbitrage	$ 1,312	$ 137	$ (453)	$ 36	$ (29)	$ 1,003
Long/Short Value	244	-	(46)	11	-	209
Other	35	-	(1)	2	-	36
Total AUM	$ 1,591	$ 137	$ (500)	$ 49	$ (29)	$ 1,248

(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 decreased on a net basis by $343 million for the year ended December 31, 2024 due to net investor outflows of $363 million and the impact of currency fluctuations of $29 million from non-US dollar classes of investment funds, this was offset partially by market appreciation of $49 million. In the merger arbitrage strategy, most of the outflows ($198 million) were tied to GAMCO Merger Arbitrage UCITS (a Luxembourg entity organized as an Undertaking for Collective Investment in Transferrable Securities).

Operating Results for the Year Ended December 31, 2024 as Compared to the Year Ended December 31, 2023

Revenues

Total revenues were $13.2 million for the year ended December 31, 2024, $0.5 million higher than total revenues of $12.7 million for the year ended December 31, 2023. Total revenues by type were as follows (dollars in thousands):

	Year Ended December 31,		Change	
	2024	2023	$	%
Investment advisory and incentive fees	12,755	12,324	431	3.5
Other revenues	420	359	61	17.0
Total revenues	$ 13,175	$ 12,683	492	3.9

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 $12.8 million for 2024 compared to $12.3 million for 2023, an increase of $0.4 million. Revenues generated by the GAMCO International SICAV – GAMCO Merger Arbitrage were $5.0 million versus $3.7 million in the prior year period. Starting in December 2023, the Company began recognizing 100% of the merger arbitrage SICAV revenues received by Gabelli Funds, LLC ("Gabelli Funds"). In turn, AC pays the marketing expenses of the SICAV previously paid by Gabelli Funds and remits an administrative fee to Gabelli Funds for administrative services provided. This change better aligns the financial arrangements with the services rendered by each party. The net effect of this change had no material impact on our net operating results.

All other revenues were $8.2 million compared to $9.0 million in the year ago quarter. This decrease is the result of lower performance-based incentive fees and lower average AUM in 2024.

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 $3.0 million in 2024 compared to $3.5 million in 2023.

Other revenues: Other revenues were $0.4 million in 2024 and $0.4 million in 2023.

Expenses

Compensation: Compensation, which includes variable compensation, salaries, bonuses and benefits, was $18.3 million for the year ended December 31, 2024 compared to $17.2 million for the year ended December 31, 2023. Fixed compensation expense, which includes salaries, stock-based compensation, bonuses and benefits, increased to $12.4 million in 2024 from $10.9 million in 2023. 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 2024 AC recorded management fee expense of $5.9 million compared to $5.4 million in 2023.

Other operating expenses: Our other operating expenses were $7.8 million in 2024 compared to $6.9 million in 2023. The increase was primarily driven by marketing expenses of the SICAV.

Investment and other non-operating income, net

Net gain from investments: Net gain from investments is directly related to the performance of our proprietary portfolio. For the year ended December 31, 2024, net gains from investments were $42.8 million compared to $43.0 million in 2023.

Interest and dividend income: Interest and dividend income increased to $32.5 million in 2024 from $25.3 million in 2023, primarily due to higher dividend income from our holdings of GAMCO in 2024.

Income Taxes

In 2024, we recorded income tax expense of $8.3 million resulting in an effective tax rate ("ETR") of 15.8%. In 2023, we recorded an income tax expense of $9.1 million resulting in an ETR of 19.5%. The decrease in rate from 2023 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 $0.1 million in 2024 compared to $0.3 million in 2023. The decrease was driven primarily by the Gabelli Merger Plus+ Trust tender offers in Q1 2023, which resulted in redemptions of redeemable noncontrolling interests.

Net Income

Net income for the year ended December 31, 2024 was $44.3 million compared to $37.5 million for the prior year. The change was primarily driven by higher dividend income in 2024, 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 0.7 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,	
	2024	**2023**
Cash flows provided by/(used in):		
Operating activities	$ 26,874	$ 145,075
Investing activities	10,980	5,752
Financing activities	(59,208)	(25,039)
Net (decrease)/increase in cash, cash equivalents and restricted cash	(21,354)	125,788
Cash, cash equivalents and restricted cash at beginning of period	347,057	221,269
Cash, cash equivalents and restricted cash at end of period	$ 325,703	$ 347,057

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, 2024, we had cash and cash equivalents of $299.6 million, investments in U.S. Treasury Bills of $68.3 million and $190.6 million of investments, net of securities sold, not yet purchased of $8.4 million. Included in cash and cash equivalents is $9.6 million as of December 31, 2024 which is held by consolidated investment funds and may not be readily available for the Company to access.

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 operating activities was $145.1 million in 2023. Operating cash flows in 2023 are driven by $125.9 million of net decreases in securities primarily the result of rolling investments into less than 90-day treasury bills, our net income of $37.7 million, $13.0 million of net distributions from investment partnerships and $7.8 million change in net receivables/payables. These increases were partially offset by $39.3 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 provided by investing activities was $5.8 million in 2023 due to proceeds from sales of securities of $6.0 million and return of capital on securities of $1.3 million, partially offset by purchases of securities of $1.5 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.

Net cash used in financing activities was $25.0 million in 2023 resulting from stock buyback payments of $16.3 million, redemptions of redeemable noncontrolling interests of $4.4 million and dividends paid of $4.3 million.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements.

Critical Accounting Policies

In the ordinary course of business, we make a number of estimates and assumptions relating to the reporting of results of operations and financial condition in the preparation of our consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP"). We base our estimates on historical experience, when available, and on other various assumptions that are believed to be reasonable under the circumstances. Actual results could differ significantly from those estimates under different assumptions and conditions.

We believe that the following critical accounting policies require management to exercise significant judgment:

Major Revenue-Generating Services and Revenue Recognition

The Company's revenues are derived primarily from investment advisory and incentive fees.

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.

See Note 2, *Significant Accounting Policies*, in the consolidated financial statements for additional information.

Investments in Securities

Investments in securities are recorded at fair value in the consolidated statements of financial condition in accordance with U.S. GAAP. 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 securities at the time of purchase. Government debt 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.

Securities sold, but 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.

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 to be 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 other economic interests in the entity 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 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 consolidation on a case by case basis for those VIEs in which substantive kick-out 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 (a) the power to direct the activities of the VIE that most significantly impact the VIE's economic performance, and (b) 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. If 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 to be 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 a 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 of the Company 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 Investment Partnerships for which the Company's ownership is less than 100%.

See Note 5, *Investment Partnerships and Other Entities* in the consolidated financial statements for additional information.

Investments in Partnerships and Affiliates

The Company is general partner or co-general partner of various managed funds. We also have investments in unaffiliated partnerships, offshore funds and other entities (collectively, "investments in partnerships and affiliates"). The Company accounts for its investments in partnerships and affiliates under the equity method. Substantially all of the Company's equity method investees are entities that record their underlying investments at fair value and are included in investments in partnerships in the consolidated statements of financial condition. 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. Depending on the terms of the investment, the Company may be restricted as to the timing and amounts of withdrawals.

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 recorded for temporary differences between the tax basis of assets and liabilities and the reported amounts on the consolidated financial statements using the statutory tax rates in effect for the year when the reported amount of the asset or liability is expected to be recovered or settled, respectively. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the results of operations in the period that includes the enactment date. A valuation allowance is recorded to reduce the carrying values of deferred tax assets to the amount that is more likely than not to be realized. For each tax position taken or expected to be taken in a tax return, the Company determines whether it is more likely than not that the position will be sustained upon examination based on the technical merits of the position, including resolution of any related appeals or litigation. A tax position that meets the more likely than not recognition threshold is measured to determine the amount of benefit to recognize. The tax position is measured at the largest amount of benefit that is greater than 50% likely of being realized upon settlement. To the extent uncertain tax positions exist, the Company recognizes the accrual of interest on uncertain tax positions and penalties in the income tax provision on the consolidated statements of income.

Recent Accounting Developments

See Note 2, *Significant Accounting Policies* – Recent Accounting Developments, in the consolidated financial statements.

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.

ITEM 7A: QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Smaller reporting companies are not required to provide the information required by this item.

ITEM 8: FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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

All schedules for which provision is made in the applicable accounting regulations of the Securities and Exchange Commission that are not required under the related instructions or are inapplicable have been omitted.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

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

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial condition of Associated Capital Group, Inc. and subsidiaries (the "Company") as of December 31, 2024 and 2023, the related consolidated statements of income, equity and redeemable noncontrolling interests, and cash flows for each of the two years in the period ended December 31, 2024, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

Critical audit matters are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

/s/ Deloitte & Touche LLP

Stamford, Connecticut

March 19, 2025
We have served as the Company’s auditor since 2015.

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

	Year Ended December 31,	
	2024	**2023**
Revenues		
Investment advisory and incentive fees	$ 12,755	$ 12,324
Other revenues	420	359
Total revenues	13,175	12,683
Expenses		
Compensation	18,293	17,246
Management fee	5,870	5,446
Other operating expenses	7,765	6,938
Total expenses	31,928	29,630
Operating loss	(18,753)	(16,947)
Other income		
Net gain from investments	42,767	43,033
Interest and dividend income	32,500	25,258
Interest expense	(267)	(462)
Shareholder-designated contribution	(3,512)	(4,017)
Total other income, net	71,488	63,812
Income before income taxes	52,735	46,865
Income tax expense	8,307	9,137
Income before noncontrolling interests	44,428	37,728
Income attributable to noncontrolling interests	100	277
Net income attributable to Associated Capital Group, Inc.'s shareholders	$ 44,328	$ 37,451
Net income per share attributable to Associated Capital Group, Inc.'s shareholders:		
Basic	$ 2.08	$ 1.72
Diluted	$ 2.08	$ 1.72
Weighted average shares outstanding:		
Basic	21,347	21,771
Diluted	21,347	21,771

See accompanying notes.

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

ASSETS		December 31, 2024		December 31, 2023
Cash and cash equivalents (includes U.S. Treasury Bills with maturities of 3 months or less)	$	299,551	$	317,487
Investments in U.S. Treasury Bills with maturities greater than 3 months		68,299		89,155
Investments in equity securities (includes GAMCO stock with a value of $16,920 and $45,602, respectively)		199,040		196,583
Investments in affiliated registered investment companies		165,515		126,751
Investments in partnerships		139,988		142,974
Receivable from brokers		27,634		16,005
Receivable from brokers (cash held for real estate purchase)		-		14,263
Investment advisory fees receivable		4,142		4,711
Receivable from affiliates		636		876
Income taxes receivable, including deferred tax assets, net		6,021		8,474
Goodwill		3,519		3,519
Other assets		20,944		22,999
Total assets	$	935,289	$	943,797
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY				
Payable to brokers	$	5,491	$	4,459
Compensation payable		17,747		15,169
Securities sold, not yet purchased		8,436		5,918
Accrued expenses and other liabilities		5,317		5,173
Total liabilities		36,991		30,719
Redeemable noncontrolling interests		5,592		6,103
Commitments and contingencies (Note 13)				
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; 6,641,601 shares issued; 2,233,920 and 2,587,036 shares outstanding, respectively		6		6
Class B Common Stock, $0.001 par value; 100,000,000 shares authorized; 19,196,792 shares issued; 18,950,571 outstanding		19		19
Additional paid-in capital		999,047		999,047
Retained earnings		45,809		48,231
Treasury stock, at cost (4,407,681 and 4,054,565 shares, respectively)		(152,175)		(140,328)
Total equity		892,706		906,975
Total liabilities, redeemable noncontrolling interests and equity	$	935,289	$	943,797

As of December 31, 2024 and 2023, 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, 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	$ 25	$ 45,809	$ 999,047	$ (152,175)	$ 892,706	$ 5,592

For the year ended December 31, 2023

	Common Stock	Retained Earnings	Additional Paid-in Capital	Treasury Stock	Total Equity	Redeemable Noncontrolling Interests
Balance at December 31, 2022	$ 25	$ 15,126	$ 999,047	$ (124,002)	$ 890,196	$ 10,193
Redemptions of noncontrolling interests	-	-	-	-	-	(4,367)
Net income	-	37,451	-	-	37,451	277
Dividends declared ($0.20 per share)	-	(4,346)	-	-	(4,346)	-
Purchases of treasury stock	-	-	-	(16,326)	(16,326)	-
Balance at December 31, 2023	$ 25	$ 48,231	$ 999,047	$ (140,328)	$ 906,975	$ 6,103

See accompanying notes.

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

	Year Ended December 31,	
	2024	2023
Operating activities		
Net income	$ 44,428	$ 37,728
Adjustments to reconcile net income to net cash provided by operating activities:		
Equity in net gains from partnerships	(8,441)	(5,502)
Depreciation and amortization	361	360
Deferred income taxes	3,251	(914)
Donated securities	1,431	1,158
Net unrealized gains on securities	(38,088)	(30,494)
Net realized losses/(gains) on sales of securities	1,423	(3,964)
(Increase)/decrease in assets:		
Investments in trading securities	6,407	125,899
Investments in partnerships:		
Contributions to partnerships	(16,210)	(3,590)
Distributions from partnerships	27,637	16,616
Receivable from affiliates	240	1,641
Receivable from brokers	(784)	8,567
Investment advisory fees receivable	569	(904)
Income taxes receivable	(798)	2,760
Other assets	1,694	(4,660)
Increase/(decrease) in liabilities:		
Payable to brokers	1,032	(3,325)
Compensation payable	2,578	1,233
Accrued expenses and other liabilities	144	2,466
Total adjustments	(17,554)	107,347
Net cash provided by operating activities	26,874	145,075
Investing activities		
Purchases of securities	(40,839)	(1,486)
Proceeds from sales of securities	50,634	5,975
Return of capital on securities	1,185	1,263
Net cash provided by investing activities	$ 10,980	$ 5,752

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

	Year Ended December 31,	
	2024	**2023**
Financing activities		
Dividends paid	$ (46,750)	$ (4,346)
Purchases of treasury stock	(11,847)	(16,326)
Redemptions of redeemable noncontrolling interests	(611)	(4,367)
Net cash used in financing activities	(59,208)	(25,039)
Net (decrease)/increase in cash, cash equivalents and restricted cash	(21,354)	125,788
Cash, cash equivalents and restricted cash at beginning of period	347,057	221,269
Cash, cash equivalents and restricted cash at end of period	$ 325,703	$ 347,057
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 267	$ 462
Cash paid for taxes	$ 5,811	$ 7,200
Reconciliation of Cash, cash equivalents and restricted cash at end of period:		
Cash and cash equivalents	$ 299,551	$ 317,487
Cash held for real estate purchase included in receivable from brokers	-	14,263
Restricted cash included in receivable from brokers	11,621	7,866
Cash included in receivable from brokers	14,531	7,441
Cash, cash equivalents and restricted cash	$ 325,703	$ 347,057

See accompanying notes.

1. Organization

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., and its subsidiaries.

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").

On November 30, 2015, GAMCO Investors, Inc. ("GAMCO" or "GAMI") distributed all the outstanding shares of each class of AC common stock on a pro rata one-for-one basis to the holders of each class of GAMCO's common stock (the "Spin-off"). As part of the Spin-off, AC received 4,393,055 shares of GAMCO Class A common stock for $150 million. The Company held 699,749 and 2,386,295 shares as of December 31, 2024 and 2023, respectively.

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.

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 ("AFS"), 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.

<u>Cash equivalents</u>—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.

<u>Investments in securities</u>—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 entered into in connection with the AC Spin-off.

Receivables from and Payables to Brokers

Receivables from and payables to brokers consist of amounts related to purchases and sales of securities, restricted cash held on deposit, and cash amounts held in anticipation of investment. At December 31, 2023, a cash balance of $14.3 million was held at a broker for a real estate purchase. In 2024 the Company withdrew its intention to purchase the property, as such there is no balance at December 31, 2024.

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 financial statement caption investments in partnerships, in the consolidated statements of financial condition, includes investments in both affiliated and unaffiliated entities.

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.

Derivative Financial Instruments

The Company recognizes all derivatives as either assets or liabilities measured at fair value and includes such derivatives in either investments in equity securities or securities sold, not yet purchased on the consolidated statements of financial condition. From time to time, the Company will enter into hedging transactions to manage its exposure to foreign currencies or equity prices related to its proprietary investments. These transactions are not designated as hedges for accounting purposes, and changes in fair values of these derivatives are included in net gain from investments on the consolidated statements of income.

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.

<u>*Investment advisory and incentive fees.*</u> 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.

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.

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 other assets on the consolidated statements of financial condition.

Fixed assets as of December 31, 2024 and 2023 consisted of the following (in thousands):

	December 31,	
	2024	**2023**
Buildings	$ 17,748	$ 17,748
Equipment	233	217
Total	17,981	17,965
Less: accumulated depreciation	(1,823)	(1,462)
Net book value	$ 16,158	$ 16,503

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 finance and accounting, legal, compliance, treasury, tax, 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, 2024 and 2023, 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. As such, no impairment was recorded during 2024 or 2023.

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, 2024 and 2023, 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, 2024 and 2023, there were no credit losses.

Recent Accounting Developments

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280)*, which improves reportable segment disclosure requirements. The new standard will require enhanced disclosures about a public company's significant segment expenses and more timely and detailed segment information reporting throughout the fiscal period, including for companies with a single reportable segment. The standard became effective for the Company for the fiscal year ended December 31, 2024, refer to Note 11 for more information.

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 ASU is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. We are currently evaluating the impact that the adoption of this new standard will have on our consolidated financial statements and related disclosures.

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.

3. Revenue

Total revenues by type were as follows for the years ended December 31, 2024 and 2023 (in thousands):

	Year Ended December 31,	
	2024	**2023**
Investment advisory and incentive fees		
Asset-based advisory fees	$ 4,754	$ 5,120
Performance-based advisory fees	2,999	3,462
Sub-advisory fees	5,002	3,742
Sub-total	12,755	12,324
Other		
Miscellaneous	420	359
Total	$ 13,175	$ 12,683

4. Investments in Securities

Investments in securities at December 31, 2024 and 2023, consisted of the following (in thousands):

	December 31, 2024		December 31, 2023	
	Cost	**Fair Value**	**Cost**	**Fair Value**
Debt - Trading Securities:				
U.S. Treasury Bills	$ 66,721	$ 68,299	$ 88,300	$ 89,155
Equity Securities:				
Common stocks	173,436	196,557	198,269	191,346
Mutual funds	686	1,315	566	1,186
Other investments	1,483	1,168	5,166	4,051
Total investments in equity securities	175,605	199,040	204,001	196,583
Total investments in securities	$ 242,326	$ 267,339	$ 292,301	$ 285,738

Securities sold, not yet purchased at December 31, 2024 and 2023, consisted of the following (in thousands):

	December 31, 2024		December 31, 2023	
	Cost	Fair Value	Cost	Fair Value
Common stocks	$ 8,116	$ 8,236	$ 5,227	$ 5,035
Other investments	41	200	631	883
Total securities sold, not yet purchased	$ 8,157	$ 8,436	$ 5,858	$ 5,918

Investments in affiliated registered investment companies at December 31, 2024 and 2023 consisted of the following (in thousands):

	December 31, 2024		December 31, 2023	
	Cost	Fair Value	Cost	Fair Value
Closed-end funds	$ 67,215	$ 83,705	$ 39,680	$ 53,048
Mutual funds	54,698	81,810	50,136	73,703
Total investments in affiliated registered investment companies	$ 121,913	$ 165,515	$ 89,816	$ 126,751

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 $101.8 million and $107.4 million at December 31, 2024 and 2023, respectively. We also had investments in unaffiliated partnerships, offshore funds and other entities of $38.1 and $35.6 million at December 31, 2024 and 2023, 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, 2024		
Assets	Prior to Consolidation	Consolidated Entities	As Reported
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(1)	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	$ 927,502	$ 7,787	$ 935,289
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	$ 927,502	$ 7,787	$ 935,289

	December 31, 2023		
	Prior to Consolidation	Consolidated Entities	As Reported
Assets			
Cash and cash equivalents	$ 299,508	$ 17,979	$ 317,487
Investments in U.S. Treasury Bills	79,714	9,441	89,155
Investments in equity securities	149,154	47,429	196,583
Investments in affiliated registered investment companies	181,641	(54,890)	126,751
Investments in partnerships	163,226	(20,252)	142,974
Receivable from brokers	25,026	5,242	30,268
Investment advisory fees receivable	4,714	(3)	4,711
Other assets[(1)]	33,444	2,424	35,868
Total assets	$ 936,427	$ 7,370	$ 943,797
Liabilities, redeemable noncontrolling interests and equity			
Securities sold, not yet purchased	$ 5,639	$ 279	$ 5,918
Payable to brokers and other liabilities[(1)]	23,813	988	24,801
Redeemable noncontrolling interests	-	6,103	6,103
Total equity	906,975	-	906,975
Total liabilities, redeemable noncontrolling interests and equity	$ 936,427	$ 7,370	$ 943,797

(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, 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	$ 44,328	$ -	$ 44,328

	Year Ended December 31, 2023		
	Prior to Consolidation	Consolidated Entities	As Reported
Total revenues	$ 13,125	$ (442)	$ 12,683
Total expenses	28,566	1,064	29,630
Operating loss	(15,441)	(1,506)	(16,947)
Total other income/(expense), net	64,452	(640)	63,812
Income before income taxes	49,011	(2,146)	46,865
Income tax expense	11,560	(2,423)	9,137
Income before noncontrolling interests	37,451	277	37,728
Income attributable to noncontrolling interests, net of taxes	-	277	277
Net income	$ 37,451	$ -	$ 37,451

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,	
	2024	2023
Cash and cash equivalents	$ 118	$ 302
Investments in equity securities	10,473	9,695
Receivable from brokers	-	166
Accrued expenses and other liabilities[1]	(127)	(46)
Redeemable noncontrolling interests	(307)	(451)
AC Group's net interests in the consolidated VIE	$ 10,157	$ 9,666

(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 2024 and 2023 because AC has a controlling interest in the entity. This resulted in the consolidation of $72.4 million of assets, $1.9 million of liabilities, and $5.3 million of redeemable noncontrolling interests for 2024 and $72.4 million of assets, $1.4 million of liabilities, and $5.6 million of redeemable noncontrolling interests for 2023. AC's net interest in the consolidated VOE for 2024 and 2023 was $65.2 million and $65.4 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, 2024 and 2023, no individual equity method investment held by the Company met the significance criteria. As such, the Company is not required to present summarized income statement information for any of its equity method investments.

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, 2024 and 2023, and indicate the fair value hierarchy of the valuation techniques utilized by the Company to determine such fair value (in thousands):

	December 31, 2024			
Assets	**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.

Assets	December 31, 2023 Level 1	Level 2	Level 3	Total
Cash equivalents	$ 315,017	$ -	$ -	$ 315,017
Investments in securities (including GAMCO stock):				
Trading - U.S. Treasury Bills	89,155	-	-	89,155
Common stocks	187,963	1,348	2,035	191,346
Mutual funds	1,186	-	-	1,186
Other	3,347	485	219	4,051
Total investments in securities	281,651	1,833	2,254	285,738
Investments in affiliated registered investment companies:				
Closed-end funds - equity securities	44,692	-	-	44,692
Preferred securities issued by Closed-end funds [(a)]	-	-	8,356	8,356
Mutual funds	73,703	-	-	73,703
Total investments in affiliated registered investment companies	118,395	-	8,356	126,751
Total investments held at fair value	400,046	1,833	10,610	412,489
Total assets at fair value	$ 715,063	$ 1,833	$ 10,610	$ 727,506
Liabilities				
Common stocks	$ 5,035	$ -	$ -	$ 5,035
Other	579	304	-	883
Securities sold, not yet purchased	5,614	304	-	5,918
Total liabilities at fair value	$ 5,614	$ 304	$ -	$ 5,918

(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:

	Year Ended December 31, 2024	2023
Assets:		
Beginning balance	$ 10,610	$ 13,774
Total gains/(losses)	90	(34)
Purchases	34,900	1,000
Sales/return of capital	(2,594)	(4,130)
Ending balance	$ 43,006	$ 10,610
Changes in net unrealized gain/(loss) included in Net gain from investments related to level 3 assets still held as of the reporting date	$ 90	$ (34)

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 years ended December 31, 2024 and 2023, the Company transferred no investments from Level 1 to Level 3 or from Level 3 to Level 1.

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, 2024 ranged from 4.16% to 4.28% with a weighted average of 4.19% calculated based on the relative fair value. Significant changes in the discount rate could result in a significantly higher or lower fair value measurement of these Level 3 investments.

The Company uses 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, 2024 and 2023, consisted of the following (in thousands):

	2024	2023
Federal:		
Current	$ 3,937	$ 9,528
Deferred	3,297	1,566
State and local:		
Current	1,046	471
Deferred	145	(57)
Foreign:		
Current	73	52
Deferred	(191)	(2,423)
Total	$ 8,307	$ 9,137

A reconciliation of the federal statutory rate to the effective tax rate for the years ended December 31, 2024 and 2023, is set forth below:

	2024	2023
Statutory Federal income tax rate	21.0%	21.0%
State income tax, net of Federal benefit	1.8	0.8
Dividends received deduction	(8.1)	(0.9)
Deferred tax asset valuation allowance	(0.1)	-
Foreign investments	(1.3)	(6.2)
Foreign tax rate differential	1.0	2.1
Foreign-derived intangible income	-	0.1
Noncontrolling interests	-	1.6
Nondeductible compensation	1.1	2.1
Other	0.4	(1.1)
Effective income tax rate	15.8%	19.5%

Significant components of our deferred tax assets and liabilities as of December 31, 2024 and 2023, are as follows (in thousands):

	2024	2023
Deferred tax assets:		
Stock-based compensation expense	$ 1,136	$ 794
Deferred compensation	843	409
Investments in securities and partnerships	717	5,085
Shareholder-designated contribution carryover	1,302	1,842
Federal & State net operating loss carryforward	1,432	951
Other	156	64
	5,586	9,145
Deferred tax liabilities:		
Other liabilities	(192)	(227)
	(192)	(227)
Gross deferred tax assets/(liabilities)	5,394	8,918
Valuation allowance	(63)	(350)
Net deferred tax assets/(liabilities)	$ 5,331	$ 8,568

The Company believes that it is more-likely-than-not that the benefit from a portion of the shareholder-designated charitable contribution carryforwards will not be realized. In recognition of this risk, the Company has provided a valuation allowance of $63 and $350 as of December 31, 2024 and 2023, respectively, on the deferred tax assets related to these charitable contribution carryforwards.

The Company records penalties and interest related to tax uncertainties in income taxes. These amounts, if any, are included in accrued expenses and other liabilities on the consolidated statements of financial condition. As of and for the years ended December 31, 2024 and 2023, the Company had not established a liability for uncertain tax positions as no such positions existed.

The Company remains subject to income tax examination by the IRS for the years 2021 through 2023 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:

	Year Ended December 31,	
(In thousands, except per share amounts)	2024	2023
Income before noncontrolling interests	$ 44,428	$ 37,728
Less: Income attributable to noncontrolling interests	100	277
Net income attributable to Associated Capital Group, Inc.'s shareholders	$ 44,328	$ 37,451
Weighted average number of shares of Common Stock outstanding - basic and diluted	21,347	21,771
Basic and Diluted EPS	$ 2.08	$ 1.72

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 96% of the combined voting power and 86% of the outstanding shares of our common stock at December 31, 2024.

Investments in Securities

At December 31, 2024 and 2023, the value of the Company's investment in GAMCO common stock was $16.9 million and $45.6 million, respectively. As of December 31, 2024 and 2023, AC and its subsidiaries own approximately 0.7 million and 2.4 million shares of GAMCO Class A stock. The Company recorded investment income of $5.5 million and $0.4 million in 2024 and 2023, 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 $14.6 million versus $9.3 million in 2023. During 2024, the Company sold 1.15 million shares of GAMCO to GAMCO for proceeds of $30.4 million during 2024 and realized a loss of $3.8 million.

At December 31, 2024 and 2023, the Company invested $290.3 million and $298.6 million, respectively, 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 $14.7 million and $17.0 million from the investment in this fund for the years ended December 31, 2024 and 2023, 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 $165.5 million and $126.8 million at December 31, 2024 and 2023, 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 $10.4 million and $8.9 million from investments and dividends related to these funds for the years ended December 31, 2024 and 2023, 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 $7.8 million and $8.6 million for the years ended December 31, 2024 and 2023 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, 2024 and 2023, respectively. We had an aggregate investment in these affiliated investment partnerships of approximately $101.8 million and $107.4 million at December 31, 2024 and 2023, 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, received $5.0 million and $3.7 million during 2024 and 2023, 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. Starting in December 2023, the Company began recognizing 100% of the merger arbitrage SICAV revenues received by Gabelli Funds, LLC ("Gabelli Funds"). In turn, AC pays the marketing expenses of the SICAV previously paid by Gabelli Funds and remits an administrative fee to Gabelli Funds for administrative services provided. This change better aligns the financial arrangements with the services rendered by each party. The net effect of this change had no material impact on our net operating results.

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 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, 2024 (92% as of December 2023), 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 2024, the Company recorded management fee expense of $5.9 million compared to $5.4 million in 2023. This fee is recorded as management fee on the consolidated statements of income.

Affiliated Receivables

At December 31, 2024 and 2023, 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 $133.2 thousand and $133.8 thousand from affiliates (primarily GAMCO) pursuant to lease agreements for this property for 2024 and 2023, 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, 2024 and 2023, the Company received $285.9 thousand and $227.1 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, 2024 and 2023, the Company paid $74.3 thousand and $74.0 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, 2024 and 2023, we recorded $3.0 million and $3.0 million, respectively, of compensation expense related to employees shared with GAMCO. In addition, we recorded approximately $1.0 million and $1.1 million of other operating expense, primarily related to GAMCO's share of management and incentive fees in funds we consolidate and the ancillary services provided by GAMCO as noted above, for the years ended December 31, 2024 and 2023, respectively. Certain officers and employees of the Company receive additional compensation from GAMCO.

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. Through December 31, 2024, approximately 1.0 million shares have been awarded under the Plan leaving approximately 1.0 million shares available for future grants.

There were no RSAs outstanding as of December 31, 2024 or 2023.

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.

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, 2024 and 2023, the total liability recorded by the Company in compensation payable in our consolidated statements of financial condition with respect to the Phantom RSAs was \$4.8 million and \$3.5 million, respectively.

The following table summarizes our stock-based compensation, as well as unrecognized compensation, for the years ended December 31, 2024 and 2023 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,	
	2024	2023
Stock-based compensation expense	$ 2,221	$ 1,434
Remaining expense to be recognized, if all vesting conditions are met[(1)]	6,304	4,956
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, 2022	210,910	$ 36.17
Granted	97,000	39.61
Vested	(74,215)	36.86
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

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. 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 and August 7, 2024, the Board of Directors authorized the repurchase of an additional 350,000 and 200,000 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:

	Number of shares purchased	Average price per share
Remaining repurchase authorization January 1, 2023	609,352	
Share repurchases under stock repurchase program (1)	(452,688)	$ 36.06
Remaining repurchase authorization December 31, 2023	156,664	
Share repurchases under stock repurchase program (1)	(353,116)	$ 33.53
Remaining repurchase authorization December 31, 2024 (2)	353,548	

(1) Repurchases totaled $11.8 million and $16.3 million in 2024 and 2023, respectively.
(2) On February 6, 2024, the Board of Directors authorized the repurchase of an additional 350,000 shares. On August 7, 2024, the Board of Directors authorized the repurchase of an additional 200,000 shares.

Dividends

During 2024 and 2023, the Company declared and paid dividends of $2.20 and $0.20 per share to class A and class B shareholders totaling $46.8 million and $4.3 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 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. Retirement Plan

The Company participates in an incentive savings plan (the "Savings Plan") covering substantially all employees. Company contributions to the Savings Plan are determined annually by management of the Company but may not exceed the amount permitted as a deductible expense under the Internal Revenue Code of 1986, as amended. The expense for contributions to the Savings Plan was approximately $9 thousand and $8 thousand in 2024 and 2023, respectively, and is included in compensation on the consolidated statements of income.

13. 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, 2024 and 2023.

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.

14. Shareholder Designated Contribution Plan

The Company has established a Shareholder Designated Charitable Contribution program. Under the program, from time to time each shareholder is eligible to designate a charity to which the Company would make a donation at a rate per share, approved by the Board of Directors, based upon the actual number of shares registered in the shareholder's name. The Company recorded an expense of $3.5 million and $4.0 million related to this program for the years ended December 31, 2024 and 2023, respectively, which is included in shareholder-designated contribution in the consolidated statements of income. As of December 31, 2024 and 2023, the Company has reflected a liability in the amount of $2.7 million and $2.8 million, respectively, in connection with this program, which is included in accrued expenses and other liabilities on the consolidated statements of financial condition.

15. Subsequent Events

From January 1, 2025 to March 19, 2025, the Company repurchased 35,582 shares at $36.35 per share.

On February 28, 2025, after reviewing other candidates the Company announced that the Board of Directors had selected Patrick B. Huvane, Vice President of Corporate Development, to serve as Interim Chief Executive Officer effective March 17, 2025 upon Douglas R. Jamieson's retirement as Chief Executive Officer. Mr. Jamieson will continue to serve as a Director of the Company.

ITEM 9: CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Company maintains a system of disclosure controls and procedures that is designed to provide reasonable assurance that information, which is required to be timely disclosed, is recorded, processed, summarized, and reported to management within the time periods specified in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Company's Chief Executive Officer and Chief Financial Officer, after evaluating the effectiveness of the Company's disclosure controls and procedures (as defined in the Exchange Act) as of the end of the period covered by this report, have concluded that the Company's disclosure controls and procedures are effective to provide reasonable assurance that information required to be disclosed by the Company in the reports that it files or reasonable assurance that such information is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms. Our current management, including our CEO and CFO, have evaluated the effectiveness of our disclosure controls and procedures as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), as of December 31, 2024.

Management’s Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act and based upon the criteria established in Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (the “COSO framework”)). Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of our financial statements for external purposes in accordance with GAAP. An effective internal control system, no matter how well designed, has inherent limitations, including the possibility of human error or overriding of controls, and therefore can provide only reasonable assurance with respect to reliable financial reporting. Because of its inherent limitations, our internal control over financial reporting may not prevent or detect all misstatements, including the possibility of human error, the circumvention or overriding of controls, or fraud. Effective internal controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements.

Based on its evaluation, management concluded that, as of December 31, 2024, the Company maintained effective internal control over financial reporting.

Changes in Internal Control Over Financial Reporting

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

ITEM 9B: OTHER INFORMATION

During the year ended December 31, 2024, none of our directors or executive officers adopted, modified or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any “non-Rule 10b5-1 trading arrangement.

ITEM 9C: DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10: DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information regarding the Directors and Executive Officers of AC and compliance with Section 16(a) of the Securities Exchange Act of 1934 is incorporated herein by reference to the Company’s Proxy Statement for the 2025 Annual Meeting of Stockholders (the “Proxy Statement”).

AC has adopted a Code of Business Conduct that applies to all of our officers, directors, full-time and part-time employees and a Code of Conduct that sets forth additional requirements for our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions (together, the "Codes of Conduct"). The Codes of Conduct are posted on our website (www.associated-capital-group.com) and are available in print free of charge to anyone who requests a copy. Interested parties may address a written request for a printed copy of the Codes of Conduct to: Secretary, Associated Capital Group, Inc., 191 Mason Street, Greenwich, Connecticut 06830. We intend to satisfy the disclosure requirement regarding any amendment to, or a waiver of, a provision of the Codes of Conduct by posting such information on our website.

The Company has policies and procedures governing the purchase, sale and/or other dispositions of our securities by directors, officers and employees and by the Company that are reasonably designed to promote compliance with insider trading laws, rules and regulations, and the listing standards of the New York Stock Exchange, which were adopted at the time of the spin-off in 2015. A copy of the policies and procedures is filed as Exhibit 19.1 to this Annual Report on Form 10-K.

ITEM 11: EXECUTIVE COMPENSATION

Information required by Item 11 is included in our Proxy Statement and is incorporated herein by reference.

ITEM 12: SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information required by Item 12 is included in our Proxy Statement and is incorporated herein by reference.

ITEM 13: CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information required by Item 13 is included in our Proxy Statement and is incorporated herein by reference.

ITEM 14: PRINCIPAL ACCOUNTANT FEES AND SERVICES

Information required by Item 14 is included in our Proxy Statement and is incorporated herein by reference.

PART IV

ITEM 15: EXHIBITS, FINANCIAL STATEMENT SCHEDULES

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

(1) Consolidated Financial Statements and Independent Registered Public Accounting Firm's Report included herein:

See Index on page 18.

(2) Financial Statement Schedules

Financial statement schedules are omitted as not required or not applicable or because the information is included in the Financial Statements or notes thereto.

(3) List of Exhibits:

The agreements included or incorporated by reference as exhibits to this Annual Report on Form 10-K 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.

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
21.1	Subsidiaries of the Company.
24.1	Powers of Attorney (included on page 47 of this Report).
31.1	Certification of CEO pursuant to Rule 13a-14(a).
31.2	Certification of CFO pursuant to Rule 13a-14(a).
32.1	Certification of CEO pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of CFO pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes- Oxley Act of 2002.

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).
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

ITEM 16: FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Greenwich, State of Connecticut, on March 19, 2025.

ASSOCIATED CAPITAL GROUP, INC.

By: /s/ Ian J. McAdams
Name: Ian J. McAdams
Title: Chief Financial Officer

Date: March 19, 2025

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Peter D. Goldstein, and Ian J. McAdams and each of them, their true and lawful attorney-in-fact and agent with full power of substitution and resubstitution, for them in their name, place and stead, in any and all capacities, to sign any and all amendments to this report and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and hereby grants to such attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent or his substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Patrick B. Huvane Patrick B. Huvane	Interim Chief Executive Officer (Principal Executive Officer)	March 19, 2025
/s/ Ian J. McAdams Ian J. McAdams	Chief Financial Officer (Principal Financial Officer)	March 19, 2025
/s/ Mario J. Gabelli Mario J. Gabelli	Executive Chair of the Board and Director	March 19, 2025
/s/ Marc Gabelli Marc Gabelli	Vice Chair of the Board and Director	March 19, 2025
/s/ Douglas R. Jamieson Douglas R. Jamieson	Director	March 19, 2025
/s/ Daniel R. Lee Daniel R. Lee	Director	March 19, 2025
/s/ Bruce M. Lisman Bruce M. Lisman	Director	March 19, 2025
/s/ Richard T. Prins Richard T. Prins	Director	March 19, 2025
/s/ Frederic V. Salerno Frederic V. Salerno	Director	March 19, 2025
/s/ Salvatore F. Sodano Salvatore F. Sodano	Director	March 19, 2025
/s/ Elisa M. Wilson Elisa M. Wilson	Director	March 19, 2025

Exhibit 21.1

Subsidiaries of Associated Capital Group, Inc.

The following table lists the direct and indirect subsidiaries of Associated Capital Group, Inc. (the "Company"), except those subsidiaries when considered in the aggregate would not constitute a "significant subsidiary" as defined in the rules promulgated under the Securities Act. In accordance with Item 601 (21) of Regulation S-K, the omitted subsidiaries considered in the aggregate as a single subsidiary would not constitute a "significant subsidiary" as defined under Rule 1-02(w) of Regulation S-X.

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

Exhibit 31.1

Certifications

I, Patrick B. Huvane, certify that:

1. I have reviewed this annual report on Form 10-K of Associated Capital Group, Inc.;

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

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

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

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

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

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures as of the end of the period covered by this report; and

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

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

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

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

By: /s/ Patrick B. Huvane
Name: Patrick B. Huvane
Title: Interim Chief Executive Officer

Date: March 19, 2025

Exhibit 31.2

Certifications

I, Ian J. McAdams, certify that:

1. I have reviewed this annual report on Form 10-K of Associated Capital Group, Inc.;

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

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

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

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

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

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures as of the end of the period covered by this report; and

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

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

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

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

By: /s/ Ian J. McAdams
Name: Ian J. McAdams
Title: Chief Financial Officer

Date: March 19, 2025

Exhibit 32.1

Certification of CEO Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report on Form 10-K of Associated Capital Group, Inc. (the “Company”) for the year ended December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Patrick B. Huvane, as Interim Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

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

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

By: /s/ Patrick B. Huvane
Name: Patrick B. Huvane
Title: Interim Chief Executive Officer

Date: March 19, 2025

This certification accompanies the Report pursuant to § 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of §18 of the Securities Exchange Act of 1934, as amended.

Exhibit 32.2

Certification of CFO Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report on Form 10-K of Associated Capital Group, Inc. (the "Company") for the year ended December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Ian J. McAdams, as Chief Financial Officer of the Company, hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

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

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

By: /s/ Ian J. McAdams
Name: Ian J. McAdams
Title: Chief Financial Officer

Date: March 19, 2025

This certification accompanies the Report pursuant to § 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of §18 of the Securities Exchange Act of 1934, as amended.