GAMCO INVESTORS, INC.

A Delaware Corporation

249 Royal Palm Way, Palm Beach, FL 33480

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Federal EIN: 13-4007862
SIC code: 6211

Issuer's Quarterly Report

For the quarterly period ended September 30, 2026

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

Class	Outstanding at June 30, 2026	Outstanding at October 31, 2026
Class A Common Stock, $0.001 par value (OTCQX: GAMI)	2,513,295	2,459,129
Class B Common Stock, $0.001 par value	18,975,698	18,975,698

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

Yes ☐ No ☒

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

Yes ☐ No ☒

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

Yes ☐ No ☒

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

GAMCO INVESTORS, INC. AND SUBSIDIARIES

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ITEM 1: EXACT NAME OF THE ISSUER AND THE ADDRESS OF ITS PRINCIPAL EXECUTIVE OFFICES

The name of the issuer is GAMCO Investors, Inc.

Unless indicated otherwise, or the context otherwise requires, references in this report to "GAMCO Investors, Inc.," "Gabelli," "the Company," "the Firm," and "GAMI" or similar terms are to GAMCO Investors, Inc., its predecessors, and its subsidiaries.

Company Description

Gabelli (OTCQX: GAMI), established in 1977 and incorporated under the laws of Delaware, is a widely-recognized provider of investment advisory services to 25 open-end funds, 13 United States ("U.S.") closed-end funds and one United Kingdom investment company (collectively, "closed-end funds"), 8 actively managed exchange traded funds ("ETFs"), one société d'investissement à capital variable ("SICAV"), and approximately 1,600 institutional and private wealth management ("Institutional and PWM") investors principally in the U.S. The Company's revenues are based primarily on the levels of assets under management ("AUM") and fees associated with the various investment products.

In 1977, Gabelli launched its well-known All Cap Value equity strategy, Gabelli Value, in a separate account format and in 1986 entered the mutual fund business. Today, Gabelli offers a diverse set of client solutions across asset classes (e.g. Equities, Debt Instruments, Convertibles, non-market correlated Merger Arbitrage), regions, market capitalizations, sectors (e.g. Gold, Utilities) and investment styles (e.g. Value, Growth). Gabelli serves a broad client base, including institutions, intermediaries, offshore investors, private wealth, and direct retail investors.

The investment advisory business is conducted principally through the following subsidiaries: Gabelli Funds, LLC (open-end funds, closed-end funds, actively managed ETFs, and SICAV, collectively, the "Funds") ("Gabelli Funds") and GAMCO Asset Management Inc. (Institutional and PWM) ("GAMCO Asset"). The distribution of open-end funds and actively managed ETFs is conducted through G.distributors, LLC ("G.distributors"), the Company's broker-dealer subsidiary.

On May 1, 2025, Gabelli completed the acquisition of the management contracts of 4 open-end funds (the "Gabelli-Keeley Funds") and approximately 500 separately managed accounts ("Gabelli-Keeley SMAs") from Keeley-Teton Advisors, LLC ("Keeley"), a wholly-owned subsidiary of Teton Advisors, Inc. ("Teton"). The Chicago-based Keeley research, portfolio management, and client service teammates have joined Gabelli and continue to manage and service these assets totaling approximately $1.0 billion.

As previously disclosed in the Company's quarterly report for the period ended March 31, 2026, on March 19, 2026, the Company's Chairman, Mario J. Gabelli ("Mr. Gabelli") was admitted to the hospital after suffering a medical incident. His condition is improving and he remains on the road to recovery, but the timeline for his full return is not yet known. The day-to-day operations of the Company continue to be led by co-CEO, Douglas Jamieson, and President and Co-CIO-Value, Christopher J. Marangi, and the value portfolios continue to be managed by the team.

The principal executive office and principal place of business is located at 249 Royal Palm Way, Palm Beach, FL 33480.

Telephone: (561) 671-2100

Website: https://www.gabelli.com/

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ITEM 2: SHARES OUTSTANDING

There are two classes of Gabelli's common stock: class A ("Class A Stock") and class B ("Class B Stock"). Class A Stock trades on the OTCQX market under the symbol GAMI and Class B Stock does not trade publicly. The following table shows summary information on each class of securities outstanding as of September 30, 2026 and December 31, 2025 and 2024.

Class A Stock	September 30, 2026	December 31, 2025	December 31, 2024
Number of shares authorized	5,600,000	5,600,000	5,600,000
Number of shares outstanding	2,460,584	3,033,942	3,918,362
Number of shares freely tradable (public float)	2,207,115	2,356,429	2,911,443
Total number of holders	124	122	128

Class B Stock	September 30, 2026	December 31, 2025	December 31, 2024
Number of shares authorized	20,000,000	20,000,000	20,000,000
Number of shares outstanding	18,975,698	18,982,463	19,011,934
Number of shares freely tradable (public float)	-	-	-
Total number of holders	15	16	17

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

The initial public offering ("IPO") on the New York Stock Exchange ("NYSE") under the symbol GBL was in February 1999. Gabelli voluntarily delisted from the NYSE and began trading on the OTCQX under the new symbol GAMI as of October 7, 2022. Gabelli voluntarily deregistered with the U.S. Securities and Exchange Commission ("SEC") as of December 27, 2022.

Voting Rights

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

Stock Award and Incentive Plan

The Company maintains a stock award and incentive plan approved by the shareholders (the "Plan"), which is designed to provide incentives which will attract and retain individuals key to the success of Gabelli through direct or indirect ownership of our common stock. A maximum of 7.5 million shares of Class A Stock have been reserved for issuance under the Plan by a committee of the Board of Directors responsible for administering the Plan ("Compensation Committee"). 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, phantom stock awards, dividend equivalents, and other stock or cash based awards. Under the Plan, the Compensation Committee may grant restricted stock awards ("RSAs"), each of which entitles the grantee to one share of Class A Stock subject to restrictions and is treated as an equity award under U.S. generally accepted accounting principles ("GAAP"), phantom RSAs, each of which entitles the grantee to the cash value of one share of Class A Stock subject to restrictions and is treated as a liability award under GAAP, 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 the Compensation Committee may determine, which were recommended by the Company's Executive Chairman who did not receive any awards.

As of September 30, 2026 and December 31, 2025, there were 1,555,400 and 1,305,400 phantom RSAs, respectively, outstanding with weighted average grant prices per phantom RSA of $23.68 and $22.69, respectively. As of September 30, 2026 and December 31, 2025, there were 10,000 stock options outstanding with an exercise price of $25.55.

Stock Repurchase Program

In March 1999, the Board of Directors established a stock repurchase program (the "Stock Repurchase Program") to grant management the authority to repurchase shares of Class A Stock. On February 4, 2025 and November 7, 2025, the Board of Directors increased the buyback authorization under the Stock Repurchase Program by 477,877 and 500,000 shares, respectively, of Class A Stock. At September 30, 2026, the total shares available under the Stock Repurchase Program to be repurchased in the future were 518,957. The Stock Repurchase Program is not subject to an expiration date. Shares of common stock may be purchased from time to time in the future, however share repurchase amounts and prices may vary after considering a variety of factors, including the company's financial position, earnings, other alternative uses of cash, macroeconomic issues, and market conditions.

The following table provides information regarding purchases of Class A Stock made by or on behalf of the Company or any affiliated purchaser during the nine months ended September 30, 2026:

Period	Total Number of Shares Purchased (1)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1)	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs
1/01/26 - 1/31/26	155,990	$ 24.95	155,990	943,090
2/01/26 - 2/28/26	284,259	24.99	284,259	658,831
3/01/26 - 3/31/26	9,286	24.07	9,286	649,545
4/01/26 - 4/30/26	30,962	23.47	30,962	618,583
5/01/26 - 5/31/26	27,511	22.99	27,511	591,072
6/01/26 - 6/30/26	19,404	22.79	19,404	571,668
7/01/26 - 7/31/26	11,435	24.25	11,435	560,233
8/01/26 - 8/31/26	9,600	25.21	9,600	550,633
9/01/26 - 9/30/26	31,676	25.02	31,676	518,957
Totals	580,123	24.71	580,123	

(1) On trade date basis.

Dividends

The declaration of dividends by Gabelli is subject to the discretion of our Board of Directors. Our Board of Directors will consider such matters as general business conditions, our financial results, capital requirements, contractual, legal and regulatory restrictions on the payment of dividends, and such other factors as our Board of Directors may deem relevant.

As of September 30, 2026, since the IPO, we have returned to shareholders $2.3 billion in total, of which $1.0 billion was in the form of the spin-offs of Associated Capital Group, Inc. and Teton Advisors, Inc., $640 million was through our stock buyback program, and $659 million was from dividends, in addition to $82 million to charities.

During the three months ended September 30, 2026, the Company declared cash dividends of $0.10 per share to shareholders of Class A Stock and Class B Stock totaling $2.1 million. During the nine months ended September 30, 2026, the Company declared cash dividends of $0.30 per share to shareholders of Class A Stock and Class B Stock totaling $6.5 million. On November 5, 2026, the Board of Directors declared its regular quarterly dividend of $0.10 per share to all of the Company’s shareholders, payable on December 29, 2026 to shareholders of record on December 15, 2026.

ITEM 3: INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

GAMCO INVESTORS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
UNAUDITED
(in thousands, except share and per share data)

	September 30, 2026	December 31, 2025
ASSETS		
Cash and cash equivalents	$ 80,314	$ 16,457
Short-term investments in U.S. Treasury Bills	49,925	49,463
Investments in fixed maturity securities	6,101	8,072
Investments in securities, at fair value	120,327	121,488
Investment advisory and incentive fees receivable	19,355	28,199
Net deferred tax assets and income taxes receivable	14,130	8,744
Receivable from brokers	5,096	5,877
Finance lease	2,086	2,299
Identifiable intangible assets	6,180	6,441
Receivable from affiliates	2,056	1,808
Other assets	6,192	5,937
Total assets	$ 311,762	$ 254,785
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Compensation payable	$ 61,788	$ 32,339
Income taxes payable	9,496	-
Lease liability obligations	3,580	4,153
Payable to affiliates	515	8,839
Accrued expenses and other liabilities	36,641	37,986
Total liabilities	112,020	83,317
Commitments and contingencies (Note 10)		
Stockholders' Equity:		
Class A Common Stock, $0.001 par value; 5,600,000 shares authorized and issued; 2,460,584 and 3,033,942 shares outstanding, respectively	6	6
Class B Common Stock, $0.001 par value; 20,000,000 authorized; 19,011,934 shares issued; 18,975,698 and 18,982,463 outstanding, respectively	19	19
Additional paid-in capital	25,009	25,435
Retained earnings	255,032	211,810
Accumulated comprehensive loss	(165)	(142)
Treasury stock, at cost (3,175,652 and 2,595,529 shares, respectively)	(80,159)	(65,660)
Total stockholders' equity	199,742	171,468
Total liabilities and stockholders' equity	$ 311,762	$ 254,785

See notes to interim condensed consolidated financial statements

GAMCO INVESTORS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
UNAUDITED
(in thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenues:				
Investment advisory and incentive fees	$ 64,551	$ 59,334	$ 189,030	$ 168,565
Distribution fees and other income	3,926	3,883	12,210	11,004
Total revenues	68,477	63,217	201,240	179,569
Expenses:				
Compensation	32,700	32,762	96,750	84,413
Management fee	2,040	2,338	7,456	7,325
Distribution costs	7,155	5,920	19,910	16,377
Other operating expenses	7,113	5,575	17,660	17,069
Total expenses	49,008	46,595	141,776	125,184
Operating income	19,469	16,622	59,464	54,385
Non-operating income/ (loss)				
Gain/(loss) from investments, net	(2,801)	2,835	2,916	7,292
Interest and dividend income	2,010	1,868	5,692	5,105
Interest expense	(312)	(363)	(966)	(965)
Total non-operating income/ (loss)	(1,103)	4,340	7,642	11,432
Income before income taxes	18,366	20,962	67,106	65,817
Provision for income taxes	6,155	5,755	17,431	11,508
Net income	$ 12,211	$ 15,207	$ 49,675	$ 54,309
Earnings per share:				
Basic	$ 0.57	$ 0.68	$ 2.30	$ 2.42
Diluted	$ 0.57	$ 0.68	$ 2.30	$ 2.42
Weighted average shares outstanding:				
Basic	21,473	22,268	21,578	22,432
Diluted	21,473	22,268	21,578	22,432

See notes to interim condensed consolidated financial statements.

GAMCO INVESTORS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
UNAUDITED
(in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
Net income	$ 12,211	$ 15,207	$ 49,675	$ 54,309
Other comprehensive income / (loss):				
Foreign currency translation gain / (loss)	2	(31)	(23)	103
Total comprehensive income	$ 12,213	$ 15,176	$ 49,652	$ 54,412

See notes to interim condensed consolidated financial statements.

GAMCO INVESTORS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
UNAUDITED
(in thousands, except per share data)

	Three Months Ended September 30, 2026					
	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total
Balance at June 30, 2026	$ 25	$ 25,123	$ 244,968	$ (167)	$ (78,833)	191,116
Net income	-	-	12,211	-	-	12,211
Acquisition of Gabelli-Keeley Funds/SMAs	-	(114)	-	-	-	(114)
Foreign currency translation	-	-	-	2	-	2
Dividends declared ($0.10 per share)	-	-	(2,147)	-	-	(2,147)
Purchases of treasury stock	-	-	-	-	(1,326)	(1,326)
Balance at September 30, 2026	$ 25	$ 25,009	$ 255,032	$ (165)	$ (80,159)	$ 199,742

	Three Months Ended September 30, 2025					
	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total
Balance at June 30, 2025	$ 25	$ 25,739	$ 184,143	$ (111)	$ (57,421)	$ 152,375
Net income	-	-	15,207	-	-	15,207
Acquisition of Gabelli-Keeley Funds/SMAs	-	(190)	-	-	-	(190)
Foreign currency translation	-	-	-	(31)	-	(31)
Dividends declared ($0.08 per share)	-	-	(1,777)	-	-	(1,777)
Purchases of treasury stock	-	-	-	-	(5,686)	(5,686)
Balance at September 30, 2025	$ 25	$ 25,549	$ 197,573	$ (142)	$ (63,107)	$ 159,898

GAMCO INVESTORS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
UNAUDITED (continued)
(in thousands, except per share data)

	Nine Months Ended September 30, 2026					
	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total
Balance at December 31, 2025	$ 25	$ 25,435	$ 211,810	$ (142)	$ (65,660)	171,468
Net income	-	-	49,675	-	-	49,675
Acquisition of Gabelli-Keeley Funds/SMAs	-	(426)	-	-	-	(426)
Foreign currency translation	-	-	-	(23)	-	(23)
Dividends declared ($0.30 per share)	-	-	(6,453)	-	-	(6,453)
Purchases of treasury stock	-	-	-	-	(14,499)	(14,499)
Balance at September 30, 2026	$ 25	$ 25,009	$ 255,032	$ (165)	$ (80,159)	$ 199,742

	Nine Months Ended September 30, 2025					
	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total
Balance at December 31, 2024	$ 25	$ 32,351	$ 148,627	$ (245)	$ (43,453)	$ 137,305
Net income	-	-	54,309	-	-	54,309
Acquisition of Gabelli-Keeley Funds/SMAs	-	(6,802)	-	-	-	(6,802)
Foreign currency translation	-	-	-	103	-	103
Dividends declared ($0.24 per share)	-	-	(5,363)	-	-	(5,363)
Purchases of treasury stock	-	-	-	-	(19,654)	(19,654)
Balance at September 30, 2025	$ 25	$ 25,549	$ 197,573	$ (142)	$ (63,107)	$ 159,898

See notes to interim condensed consolidated financial statements.

GAMCO INVESTORS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
UNAUDITED
(in thousands)

	Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities:		
Net income	$ 49,675	$ 54,309
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	644	895
Accretion of discounts and amortization of premiums	(1,374)	(1,722)
Deferred income taxes	8,442	3,938
Amortization of intangible assets	261	251
Write down of goodwill	-	213
Net realized gains on securities	(1,962)	(4,750)
Net unrealized gains on securities	(1,484)	(2,677)
(Increase) decrease in assets:		
Investments in securities	(105)	(4,064)
Investment advisory fees receivable	8,844	(1,453)
Income taxes receivable	(13,828)	(7,352)
Receivable from brokers	781	(2,579)
Receivable from affiliates	(248)	11
Other assets	(686)	(1,237)
Increase (decrease) in liabilities:		
Compensation payable	29,449	5,368
Income taxes payable	9,496	3,371
Lease liability obligation	(67)	(149)
Payable to affiliates	(8,324)	200
Accrued expenses and other liabilities	(1,771)	(7,800)
Total adjustments	28,068	(19,536)
Net cash provided by operating activities	77,743	34,773
Cash flows from investing activities:		
Purchases of securities	(54,659)	(57,338)
Proceeds from sales and maturities of securities	62,254	107,484
Acquisition of intangible assets	-	(4,675)
Net cash provided by investing activities	7,595	45,471
Cash flows from financing activities:		
Purchases of treasury stock	(14,499)	(19,654)
Dividends paid	(6,453)	(5,363)
Repayment of principal portion of lease liability	(506)	(411)
Net cash used in financing activities	(21,458)	(25,428)
Effect of exchange rates on cash and cash equivalents	(23)	111
Net increase in cash and cash equivalents	63,857	54,927
Cash and cash equivalents, beginning of period	16,457	17,254
Cash and cash equivalents, end of period	$ 80,314	$ 72,181
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 824	$ 853
Cash paid for taxes	$ 13,164	$ 16,831

Supplemental disclosure of non-cash activity:

For the nine months ended September 30, 2026 and 2025, the Company accrued excise tax payable on purchases of treasury stock of $155 and $183, respectively.

For the nine months ended September 30, 2025, in connection with the acquisition of the Gabelli-Keeley Funds/SMAs, the purchase price included $3,913 in seller financing payable in cash over a five-year period.

See notes to interim condensed consolidated financial statements.

1. Organization and Description of Business

GAMCO Investors, Inc. ("Gabelli" or the "Company") (OTCQX: GAMI), established in 1977 and incorporated under the laws of Delaware, is a widely-recognized provider of investment advisory services to 25 open-end funds, 13 United States ("U.S.") closed-end funds and one United Kingdom investment company (collectively, "closed-end funds"), 8 actively managed exchange traded funds ("ETFs"), one société d'investissement à capital variable ("SICAV"), and approximately 1,600 institutional and private wealth management ("Institutional and PWM") investors principally in the U.S. The Company's revenues are based primarily on the levels of assets under management ("AUM") and fees associated with the various investment products.

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The investment advisory business is conducted principally through the following subsidiaries: Gabelli Funds, LLC (open-end funds, closed-end funds, actively managed ETFs, and SICAV, collectively, the "Funds") ("Gabelli Funds") and GAMCO Asset Management Inc. (Institutional and PWM) ("GAMCO Asset"), which are both registered investment advisors under the Investment Advisers Act of 1940, as amended. The distribution of open-end funds and actively managed ETFs are conducted through G.distributors, LLC ("G.distributors"), the Company's broker-dealer subsidiary, which is registered with the Securities and Exchange Commission ("SEC") and regulated by the Financial Industry Regulatory Authority.

2. Significant Accounting Policies

Basis of Presentation

The unaudited interim condensed consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles ("GAAP") for interim financial information. Accordingly, they do not include all the information and footnotes required by U.S. GAAP for complete financial statements. The unaudited interim condensed consolidated financial statements reflect all adjustments, which are of a normal recurring nature, necessary for the fair presentation of financial position, results of operations, and cash flows of Gabelli for the interim periods presented and are not necessarily indicative of results for a full year.

The interim condensed consolidated financial statements include the accounts of the Company and its subsidiaries including: wholly-owned Gabelli Funds, GAMCO Asset, G.distributors, and GAMCO Asset Management (UK) Limited and majority-owned Gabelli-Keeley, LLC ("Gabelli-Keeley"). Intercompany accounts and transactions have been eliminated. Subsidiaries are fully consolidated from the date of acquisition, being the date on which Gabelli obtains control, and continue to be consolidated until the date that such control ceases.

These interim condensed consolidated financial statements should be read in conjunction with our audited consolidated financial statements included in our annual report for the year ended December 31, 2025.

Use of Estimates

The preparation of the interim condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and those differences could be material.

Business Segment

The Company operates in one business segment, the investment advisory and asset management business. The Company conducts its business principally through Gabelli Funds (Funds) and GAMCO Asset (Institutional and PWM). The distribution of the open-end Funds and underwriting of those Funds is conducted through G.distributors. The Company has identified the Office of the CEO,

comprised of the Co-CEOs of GAMI, as the chief operating decision maker ("CODM"), who uses segment expenses, the most significant of which include compensation expense, and net income in the interim condensed consolidated statements of income to evaluate the results of the business to manage the Company. 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.

Recent Accounting Developments

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* ("ASU 2024-03"), which requires greater disaggregation of expense disclosures related to a reporting entity's employee compensation, depreciation, amortization, and selling expenses. ASU 2024-03 is effective on a prospective basis for annual periods beginning after December 15, 2026 and interim periods beginning after December 15, 2027. Early adoption is also permitted for annual financial statements that have not yet been issued or made available for issuance. The Company is currently assessing the impact of adopting this guidance, however it is not expected to have a material impact on the Company's interim condensed consolidated financial statements or related disclosures.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow Scope Improvements*, which clarifies interim disclosure requirements and the applicability of Topic 270. The guidance is effective for fiscal years beginning after December 15, 2027. The Company is currently evaluating the impact of the adoption of this ASU but does not expect it would have a material impact on its interim condensed consolidated financial statements.

Recently Enacted Tax Legislation

On July 4, 2025, the One Big Beautiful Bill Act (the "OBBBA") was signed into law, with certain provisions effective in 2025 and others implemented through 2027. The Company evaluated the impact of the OBBBA, and it has no material impact on its interim condensed consolidated financial statements and disclosures.

3. Revenue Recognition

In all cases for all revenue streams discussed below, the revenue generated is from a single transaction price and there is no need to allocate the amounts across more than a single revenue stream. The customer for all revenues derived from open-end funds, closed-end funds, and actively managed ETFs described in detail below has been determined to be each Fund itself and not the ultimate underlying investor in each Fund.

Significant judgments that affect the amounts and timing of revenue recognition:

The Company's analysis of the timing of revenue recognition for each revenue stream is based upon an analysis of the current terms of each contract. Performance obligations could, however, change from time to time if and when existing contracts are modified or new contracts are entered into. These changes could potentially affect the timing of satisfaction of performance obligations, the determination of the transaction price, and the allocation of the price to performance obligations. In the case of the revenue streams discussed below, the performance obligation is satisfied either at a point in time or over time. For incentive fee revenues, the performance obligation (advising a client portfolio) is satisfied over time, while the recognition of revenues effectively occurs at the end of the measurement period as defined within the contract, as such amounts are subject to reduction to zero on the date where the measurement period ends even if the performance benchmarks were exceeded during the intervening period. The judgments outlined below, where the determination as to these factors is discussed in detail, are continually reviewed and monitored by the Company when new contracts or contract modifications occur. Transaction price is in all instances formulaic and not subject to significant (or any) judgment at the current time.

Advisory Fee Revenues

Advisory fees for Funds, sub-advisory accounts, and the SICAV are earned based on predetermined percentages of the average net assets of the individual Funds and are recognized as revenues as the related services are performed. Fees for open-end Funds, one non-U.S. closed-end Fund, sub-advisory accounts, and the SICAV are computed on a daily basis based on average daily net AUM. Fees for U.S. closed-end Funds are computed on average weekly net AUM. These fees are received in cash after the end of each monthly period within 30 days. The revenue recognition occurs ratably as the performance obligation (advising the Fund) is met continuously over time. There is a risk of non-payment and, therefore, a credit loss on these receivables is possible at each reporting date. There were no such credit losses for the periods presented.

Advisory fees for Institutional and PWM accounts are earned based on predetermined percentages of the AUM and are generally computed quarterly based on account values at the end of the preceding quarter. The revenue recognition occurs daily as the performance obligation (advising the client portfolio) is met continuously. These fees are received in cash, typically within 60 days of the client being billed. There is a risk of non-payment and, therefore, a credit loss on these receivables is possible at each reporting date. There were no such credit losses for the periods presented.

Performance Correlated and Conditional Revenues

Investment advisory fees are earned on a portion of some closed-end Funds' preferred shares at year-end if the total return to common shareholders of the respective closed-end Fund for the year exceeds the dividend rate of the preferred shares. These fees are recognized at the end of the measurement period, which coincides with the calendar year. These fees would also be earned and the contract period ended at any interim point in time that the respective preferred shares are redeemed. These fees are received in cash after the end of each annual measurement period, within 30 days.

The Company earns an incentive fee from two closed-end Funds. For The GDL Fund (GDL), there is an incentive fee, which is earned and recognized as of the end of each calendar year and varies to the extent the total return of the Fund is in excess of the ICE Bank of America Merrill Lynch 3-month U.S. Treasury Bill Index total return. For Gabelli Merchant Partners Plc (GMP), there is an incentive fee which is earned and recognized as of the end of each measurement period, June 30th, and varies to the extent the total return of the Fund is in excess of twice the rate of return of the 13-week Treasury Bill over the performance period.

In all cases of the incentive fees, because of the variable nature of the consideration, revenue recognition is delayed until it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur, which is generally when the uncertainty associated with the variable consideration is subsequently resolved (for example, the measurement period has concluded and the hurdle rate has been exceeded). There is a risk of non-payment and, therefore, a credit loss on these receivables is possible at each reporting date. There were no such credit losses for the periods presented.

Distribution Fees and Other Income

Distribution fees and other income primarily includes distribution fee revenue earned in accordance with Rule 12b-1 of the Investment Company Act of 1940, as amended ("Company Act") along with sales charges and underwriting fees associated with the sale of the class A shares of open-end Funds. Distribution fees are computed based on average daily net assets of certain classes of each Fund and are recognized during the period in which they are earned. These fees are received in cash after the end of each monthly period within 30 days. In evaluating the appropriate timing of the recognition of these fees, the Company applied the guidance on up-front fees to determine whether such fees are related to the transfer of a promised service (a distinct performance obligation). The Company's conclusion is that the service being provided by G.distributors to the customer in exchange for the fee is for the initial distribution of certain classes of the open-end Funds and is completed at the time of each respective sale. Any fixed amounts are recognized on the trade date and variable amounts are recognized to the extent it is probable that a significant revenue reversal will not occur once the uncertainty is resolved. For variable amounts, as the uncertainty is dependent on the value of the shares at future points in time as well as the length of time the investor remains in the Fund, both of which are highly susceptible to factors outside the Company's influence, the Company does not believe that it can overcome this constraint until the market value of the Fund and the investor activities are known, which are generally monthly. Sales charges and underwriting fees associated with the sale of certain classes of the open-end Funds are recognized on the trade date of the sale of the respective shares. There is a risk of non-payment and, therefore, a credit loss on these receivables is possible at each reporting date. There were no such credit losses for the periods presented.

Effective January 1, 2024, as a result of the amended agreement with GCIA in relation to the GAMCO Merger Arbitrage SICAV (the "Sub-Fund"), the Company earns an annual administrative and accounting services fee equal to the sum of the following: (a) a fixed amount of $45,000; (b) a variable amount equal to 0.05% (5 basis points) of the first $500 million of average daily net assets of the Sub-Fund; and (c) a variable amount equal to 0.025% (2.5 basis points) of the balance of average daily net assets of the Sub-Fund in excess of $500 million. The revenues associated with these fees are included in distribution fees and other income on the interim condensed consolidated statements of income.

Revenue Disaggregated

The following table presents the Company's revenue disaggregated by account type (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Investment advisory and incentive fees:				
Open-end Funds	$ 25,683	$ 23,520	$ 75,381	$ 65,193
Closed-end Funds	21,354	19,120	62,194	54,797
Institutional & Private Wealth Management	17,333	16,531	50,735	46,771
Sub-advisory accounts	176	163	682	483
SICAV	5	13	38	21
Performance-based	-	(13)	-	1,300
Total investment advisory and incentive fees	64,551	59,334	189,030	168,565
Distribution fees and other income	3,926	3,883	12,210	11,004
Total revenues	$ 68,477	$ 63,217	$ 201,240	$ 179,569

4. Investments

Investments in securities at September 30, 2026 and December 31, 2025 consisted of the following (in thousands):

	September 30, 2026		December 31, 2025	
	Cost	Fair Value	Cost	Fair Value
Investments in securities:				
Closed-end funds[(a)]	$ 50,784	$ 50,777	$ 53,284	$ 53,304
Actively managed ETFs	41,373	43,247	35,871	35,988
Common stocks	21,340	17,305	20,807	16,061
Open-end funds	7,876	8,823	15,268	15,960
Other	160	175	160	175
Total investments in securities	$ 121,533	$ 120,327	$ 125,390	$ 121,488

(a) Includes $50,000 and $52,500 of privately issued, puttable, and callable preferred securities, of which $50,000 are subject to mandatory redemption, issued by the closed-end Funds at September 30, 2026 and December 31, 2025, respectively.

Management determines the appropriate classification of debt securities at the time of purchase. These debt securities include investments in preferred securities subject to mandatory redemption which are classified as trading, with any unrealized gains or losses reported in current period earnings in gain/(loss) from investments, net on the interim condensed consolidated statements of income. Investments in fixed maturity securities include government debt with maturities exceeding three months at the time of purchase and are classified as either trading, available for sale ("AFS"), or held-to-maturity ("HTM"). The Company does not hold any investments in debt securities accounted for as AFS.

Short-term investments in U.S. Treasury Bills and investments in fixed maturity securities, which are HTM, at September 30, 2026 and December 31, 2025 consisted of the following (in thousands):

	September 30, 2026			
	Amortized Cost	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value
Short-term investments in U.S. Treasury Bills:				
U.S. Treasury Bills	$ 49,925	$ 1	$ -	$ 49,926
Total short-term investments in U.S. Treasury Bills	$ 49,925	$ 1	$ -	$ 49,926
Investments in fixed maturity securities:				
U.K. gilts	$ 6,101	$ -	$ (312)	$ 5,789
Total investments in fixed maturity securities	$ 6,101	$ -	$ (312)	$ 5,789

	December 31, 2025			
	Amortized Cost	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Estimated Fair Value
Short-term investments in U.S. Treasury Bills:				
U.S. Treasury Bills	$ 49,463	$ 28	$ -	$ 49,491
Total short-term investments in U.S. Treasury Bills	$ 49,463	$ 28	$ -	$ 49,491
Investments in fixed maturity securities:				
U.K. gilts	$ 8,072	$ -	$ (137)	$ 7,935
Total investments in fixed maturity securities	$ 8,072	$ -	$ (137)	$ 7,935

The maturity dates of the U.S. Treasury Bills were all less than a year. As of September 30, 2026, the maturity dates of $1,750 of the U.K gilts were less than a year and $4,351 were between one and five years. As of December 31, 2025, the maturity dates of $2,021 of the U.K gilts were less than a year and $6,051 were between one and five years.

5. Fair Value

All of the instruments within cash equivalents and investments in securities and certain instruments within accrued expense and other liabilities are measured at fair value. The Company's assets and liabilities recorded at fair value have been categorized based upon a fair value hierarchy in accordance with the FASB Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurement* ("ASC 820"), guidance on fair value measurement. The levels of the fair value hierarchy and their applicability to the Company are described below:

- Level 1 - the valuation methodology utilizes quoted prices (unadjusted) in active markets for identical assets or liabilities at the reporting date. Level 1 assets include cash equivalents, government obligations, open-end funds, closed-end funds, and listed equities.
- Level 2 - the valuation methodology utilizes 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. Level 2 liabilities include the seller financing payable included within accrued expenses and other liabilities on the interim condensed consolidated statements of financial condition, for which the Company has elected the fair value option under ASC 825-10, as management believes fair value measurement best represents the economic substance of the payable. The fair value is determined using a discounted cash flow model with observable market inputs applied to estimated future earnout payments. See Note 11.
- Level 3 - the valuation methodology utilizes unobservable inputs for the asset or liability, and includes situations where there is little, if any, market activity for the asset or liability. Level 3 assets and liabilities include privately issued preferred securities of closed-end funds and contingent consideration.

The following tables summarize the Company's assets and liabilities measured at fair value on a recurring basis by the above fair value hierarchy levels as of September 30, 2026 and December 31, 2025 (in thousands):

Assets and liabilities measured at fair value on a recurring basis as of September 30, 2026

Assets	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of September 30, 2026
Cash equivalents	$ 79,612	$ -	$ -	$ 79,612
Investments in securities:				
Actively managed ETFs	43,247	-	-	43,247
Closed-end funds	777	-	50,000	50,777
Common stocks	17,305	-	-	17,305
Open-end funds	8,823	-	-	8,823
Other	20	-	155	175
Total investments in securities	70,172	-	50,155	120,327
Total assets at fair value	$ 149,784	$ -	$ 50,155	$ 199,939
Liabilities				
Accrued expenses and other liabilities:				
Seller financing payable	$ -	$ 3,080	$ -	$ 3,080
Contingent consideration	-	-	1,647	1,647
Accrued expenses and other liabilities	$ -	$ 3,080	$ 1,647	$ 4,727

Assets and liabilities measured at fair value on a recurring basis as of December 31, 2025

Assets	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2025
Cash equivalents	$ 15,726	$ -	$ -	$ 15,726
Investments in securities:				
Actively managed ETFs	35,988	-	-	35,988
Closed-end Funds	804	-	52,500	53,304
Common stocks	16,061	-	-	16,061
Open-end funds	15,960	-	-	15,960
Other	20	-	155	175
Total investments in securities	68,833	-	52,655	121,488
Total assets at fair value	$ 84,559	$ -	$ 52,655	$ 137,214
Liabilities				
Accrued expenses and other liabilities:				
Seller financing payable	$ -	$ 4,027	$ -	$ 4,027
Contingent consideration	-	-	1,629	1,629
Accrued expenses and other liabilities	$ -	$ 4,027	$ 1,629	$ 5,656

The following tables present additional information about assets and liabilities by major categories measured at fair value on a recurring basis and for which the Company has utilized Level 3 inputs to determine fair value for the three and nine months ended September 30, 2026 and 2025:

Changes in Level 3 Assets and Liabilities Measured at Fair Value on a Recurring Basis for the Three Months Ended September 30, 2026 (in thousands)

Assets	June 30, 2026 Ending Balance	Purchases	Net transfers in and/or out of level 3	Sales	September 30, 2026 Ending Balance
Closed-end Funds	$ 50,000	$ -	$ -	$ -	$ 50,000
Other	155	-	-	-	155
Total	$ 50,155	$ -	$ -	$ -	$ 50,155

Liabilities	June 30, 2026 Ending Balance	Realized and unrealized (gains) losses	Net transfers in and/or out of level 3	Settlements	September 30, 2026 Ending Balance
Contingent Consideration	$ 1,695	$ 60	$ -	$ (108)	$ 1,647
Total	$ 1,695	$ 60	$ -	$ (108)	$ 1,647

Changes in Level 3 Assets and Liabilities Measured at Fair Value on a Recurring Basis for the Three Months Ended September 30, 2025 (in thousands)

Asset	June 30, 2025 Ending Balance	Purchases	Net transfers in and/or out of level 3	Sales	September 30, 2025 Ending Balance
Closed-end Funds	$ 21,500	$ -	$ -	$ -	$ 21,500
Other	155	-	-	-	155
Total	$ 21,655	$ -	$ -	$ -	$ 21,655

Liabilities	June 30, 2025 Ending Balance	Realized and unrealized (gains) losses	Net transfers in and/or out of level 3	Settlements	September 30, 2025 Ending Balance
Contingent Consideration	$ 1,811	$ 3	$ -	$ (185)	$ 1,629
Total	$ 1,811	$ 3	$ -	$ (185)	$ 1,629

Changes in Level 3 Assets and Liabilities Measured at Fair Value on a Recurring Basis for the Nine Months Ended September 30, 2026 (in thousands)

Assets	December 31, 2025 Ending Balance	Purchases	Net transfers in and/or out of level 3	Sales	September 30, 2026 Ending Balance
Closed-end Funds	$ 52,500	$ -	$ -	$ (2,500)	$ 50,000
Other	155	-	-	-	155
Total	$ 52,655	$ -	$ -	$ (2,500)	$ 50,155

Liabilities	December 31, 2025 Ending Balance	Realized and unrealized (gains) losses	Net transfers in and/or out of level 3	Settlements	September 30, 2026 Ending Balance
Contingent Consideration	$ 1,629	$ 310	$ -	$ (292)	$ 1,647
Total	$ 1,629	$ 310	$ -	$ (292)	$ 1,647

Changes in Level 3 Assets and Liabilities Measured at Fair Value on a Recurring Basis for the Nine Months Ended September 30, 2025 (in thousands)

Asset	December 31, 2024 Beginning Balance	Purchases	Net transfers in and/or out of level 3	Sales	September 30, 2025 Ending Balance
Closed-end Funds	$ 21,500	$ -	$ -	$ -	$ 21,500
Other	50	105	-	-	155
Total	$ 21,550	$ 105	$ -	$ -	$ 21,655

Liabilities	December 31, 2024 Ending Balance	Realized and unrealized (gains) losses	Net transfers in and/or out of level 3	Settlements	September 30, 2025 Ending Balance
Contingent Consideration	$ -	$ 1,814	$ -	$ (185)	$ 1,629
Total	$ -	$ 1,814	$ -	$ (185)	$ 1,629

There were no transfers between any levels during the three and nine months ended September 30, 2026 and 2025.

The Company uses a discounted cash flow analysis when determining the fair value of privately issued preferred securities of 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, plus a 1% risk premium at September 30, 2026. The discount rates used in the valuation of these investments as of September 30, 2026 ranged from 5.14% to 5.34% with a weighted average of 5.17%. The discount rates used in the valuation of these investments as of December 31, 2025 ranged from 3.48% to 3.64% with a weighted average of 3.50%. Significant changes in the discount rate could result in a significantly lower or higher fair value measurement of these Level 3 investments.

The significant unobservable input used in the fair value measurement of the Company's contingent consideration related to Wilen Investment Management Corp. ("Wilen") (see Note 11) is the discount rate. The fair value was estimated using the discounted cash flow method. The fair value of the contingent consideration as of May 1, 2025 when acquired was approximately $1.8 million incorporating a discount rate of 15.65%. Based on a discounted cash flow, the remeasured fair value of the liability incorporating a discount rate of 16.18% at September 30, 2026 and 15.52% at December 31, 2025 was determined to be approximately $1.6 million and $1.6 million, respectively. For the three and nine months ended September 30, 2026, payments of $0.1 million and $0.3 million were made to Wilen and the Company recognized changes in the fair value of the contingent consideration, which accounted for the change in the liability, of $0.1 million and $0.3 million for the three and nine months ended September 30, 2026, respectively. For the three and nine months ended September 30, 2025, a payment of $0.1 million was made to Wilen.

Fair Value Option — Seller Financing Payable

The Company has elected the fair value option under ASC Topic 825, *Financial Instruments*, for the seller financing payable associated with the acquisition of the management contracts of the 4 Gabelli-Keeley Funds and approximately 500 Gabelli-Keeley SMAs from Keeley (see Note 11). The Company elected the fair value option for this liability because the underlying earnout payments are directly linked to future operating income attributable to the Gabelli-Keeley Funds and SMAs before deduction of management fees ("Net Earnings") of the acquired business, making fair value measurement more representative of the economic substance of the obligation than amortized cost.

The seller financing payable was classified as Level 2 and had a fair value of $3.1 million at September 30, 2026 and $4.0 million at December 31, 2025. The aggregate unpaid contractual obligation of the seller financing payable, representing the estimated total future earnout payments (annually through May 1, 2030) undiscounted, was $4.6 million at September 30, 2026, of which $3.9 million relates to Gabelli's 85% interest and $0.7 million relates to Keeley Partners' 15% interest. The difference between the fair value and the aggregate undiscounted obligation reflects the discount to present value utilizing a discount rate of 11.5%. Changes in the fair value of the seller financing payable are recognized in additional paid-in capital on the consolidated statements of financial condition. For the

three and nine months ended September 30, 2026, the Company recognized $0.1 million and $0.4 million, respectively, related to changes in the fair value of the seller financing payable, included within additional paid-in capital on the interim condensed consolidated statements of financial condition. For the three and nine months ended September 30, 2026, a payment of $0 and $1.4 million, respectively, was made to Teton Advisors, Inc. ("Teton"). There were no payments or changes in the fair value of the seller financing payable for the three and nine months ended September 30, 2025.

Financial assets and liabilities not carried at fair value

The following table presents the carrying value and fair value of the Company's short-term investments in U.S. Treasury Bills and investments in fixed maturity securities, including the U.K. gilts investments, which are carried at amortized cost remeasured in U.S. dollars, as of September 30, 2026 and December 31, 2025 (in thousands):

	September 30, 2026		December 31, 2025	
	Carrying Value	Fair Value Level 1	Carrying Value	Fair Value Level 1
U.S. Treasury Bills	$ 49,925	$ 49,926	$ 49,463	$ 49,491
U.K. Gilts	6,101 (1)	5,789	8,072 (1)	7,935
Total	$ 56,026	$ 55,715	$ 57,535	$ 57,426

(1) Amortized cost at September 30, 2026 and December 31, 2025 prior to remeasurement in U.S. dollars was $5,847 and $7,683, respectively.

The carrying value of other financial assets and liabilities approximates their fair value based on the short-term nature of these items.

6. Income Taxes

The following table sets forth the reconciliation of the statutory U.S. federal corporate income tax rate to the Company's effective income tax rate ("ETR") for the periods ended September 30, 2026 and 2025 (dollars in thousands):

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2026		2025		2026		2025	
U.S. federal statutory tax	3,857	21.0%	4,402	21.0%	14,092	21.0%	13,822	21.0%
State and local income tax, net of federal benefit	1,845	10.0	612	2.9	2,909	4.3	5,801	8.8
Change in unrecognized tax benefits	490	2.7	701	3.4	517	0.8	(8,213)	(12.5)
Other	(37)	(0.2)	40	0.2	(87)	(0.1)	98	0.2
Effective income tax rate	6,155	33.5%	5,755	27.5%	17,431	26.0%	11,508	17.5%

The ETR for the three and nine months ended September 30, 2026 differed from the statutory Federal tax rate of 21% primarily due to state income taxes. The ETR for the three months ended September 30, 2025 consisted of the statutory Federal tax rate of 21% primarily due to state income taxes. The ETR for the nine months ended September 30, 2025 consisted of the statutory Federal tax rate of 21% offset by a net state income credit rate of 3.5% relating to the release of an uncertain tax position accrual as a result of a settlement with New York State whereby the Company paid a fee and gave up the right to a refund in exchange for the closing of the audit years 2007-2014.

7. Earnings Per Share

Basic earnings per share is calculated by dividing net income by the weighted average shares outstanding. Diluted earnings per share is calculated using the treasury stock method by dividing net income by the total weighted average shares of common stock outstanding and stock options, if impacts are dilutive. During the periods presented, the 10,000 stock options were not dilutive. The computations of basic and diluted earnings per share were as follows (in thousands, except per share amounts):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Basic:				
Net income	$ 12,211	$ 15,207	$ 49,675	$ 54,309
Weighted average shares outstanding	21,473	22,268	21,578	22,432
Basic earnings per share	$ 0.57	$ 0.68	$ 2.30	$ 2.42
Diluted:				
Net income	$ 12,211	$ 15,207	$ 49,675	$ 54,309
Weighted average shares outstanding	21,473	22,268	21,578	22,432
Dilutive impact of restricted stock awards and stock options	-	-	-	-
Total	21,473	22,268	21,578	22,432
Diluted earnings per share	$ 0.57	$ 0.68	$ 2.30	$ 2.42

8. Stockholders' Equity

There were 2.5 million shares of Class A Stock and 19.0 million shares of Class B Stock outstanding at September 30, 2026, and 3.0 million shares of Class A Stock and 19.0 million shares of Class B Stock outstanding at December 31, 2025.

Voting Rights

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

Stock Award and Incentive Plan

The Company maintains a stock award and incentive plan (the "Plan") approved by the shareholders, which is designed to provide incentives that will attract and retain individuals key to the success of Gabelli through direct or indirect ownership of our common stock. A maximum of 7.5 million shares of Class A Stock have been reserved for issuance under the Plan by the Compensation Committee of Gabelli's Board of Directors. 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, phantom stock awards, dividend equivalents, and other stock or cash based awards. Under the Plan, the Compensation Committee may grant restricted stock awards ("RSAs"), each of which entitles the grantee to one share of Class A Stock subject to restrictions, phantom RSAs, each of which entitles the grantee to the cash value of one share of Class A Stock subject to restrictions, 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 the Compensation Committee may determine, which were recommended by the Company's Executive Chairman who did not receive any awards.

On August 1, 2026, 403,200 phantom RSAs were issued at a grant date price of $25.50 per phantom RSA. On August 5, 2025, 497,950 phantom RSAs were issued at a grant date price of $23.90 per phantom RSA. Phantom RSAs have similar vesting terms to RSAs, except that the phantom RSAs will be settled in cash based on the fair value of the shares on the vesting date. Thus, the phantom RSAs were determined to be liability awards and are adjusted for changes in the Company's stock price at each reporting date, with mark to market adjustments recognized in compensation on the interim condensed consolidated statements of income.

As of September 30, 2026 and December 31, 2025, there were 1,555,400 and 1,305,400 phantom RSAs, respectively, outstanding with weighted average grant price per phantom RSA of $23.68 and $22.69, respectively, and a liability balance, based on the closing price of the Company's Class A Stock and cumulative dividends, of $15.4 million and $12.2 million, respectively, included within

compensation payable on the interim condensed consolidated statements of financial condition. As of September 30, 2026 and December 31, 2025, there were 10,000 stock options outstanding with an exercise price of $25.55.

On August 5, 2025, the Board of Directors accelerated the vesting relating to 239,400 of outstanding phantom RSAs effective August 15, 2025. As a result, the Company recorded an incremental $0.8 million of stock-based compensation phantom RSA expense for 2025 that would have been recognized in future periods. On June 2, 2026, 112,200 stock-based phantom RSAs vested. For the three months ended September 30, 2026 and 2025, the Company recognized stock-based phantom RSA compensation expense of $2.8 million and $2.4 million, respectively, including such incremental expense from the accelerated vesting. For the nine months ended September 30, 2026 and 2025, the Company recognized stock-based phantom RSA compensation expense of $6.0 million and $5.3 million, respectively, including such incremental expense from the accelerated vesting.

The total compensation costs related to non-vested phantom RSA awards to employees ("teammates"), excluding the Executive Chairman who received none, not yet recognized was approximately $22.9 million as of September 30, 2026.

Stock Repurchase Program

In March 1999, the Board of Directors established the Stock Repurchase Program to grant management the authority to repurchase shares of Class A Stock. Since establishing the program, the Board of Directors has authorized additional share repurchases, including increases of 477,877 and 500,000 shares on February 4, 2025 and November 7, 2025, respectively. Purchases may be made from time to time, at management's discretion, in the open market or in private transactions, including the use of trading plans, as well as pursuant to accelerated share repurchase programs or other share repurchase strategies. 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.

For the three months ended September 30, 2026 and 2025, the Company repurchased 52,711 and 236,529 shares, respectively, at an average price per share of $24.89 and $23.83, respectively. For the nine months ended September 30, 2026 and 2025, the Company repurchased 580,123 and 810,020 shares, respectively, at an average price per share of $24.71 and $24.02, respectively. At September 30, 2026, the total shares available under the Stock Repurchase Program to be repurchased in the future were 518,957. The Stock Repurchase Program has no expiry.

Dividends

During the three months ended September 30, 2026 and 2025, the Company declared cash dividends of $0.10 and $0.08 per share, respectively, to shareholders of Class A Stock and Class B Stock totaling $2.1 million and $1.8 million, respectively. During the nine months ended September 30, 2026 and 2025, the Company declared cash dividends of $0.30 and $0.24 per share, respectively, to shareholders of Class A Stock and Class B Stock totaling $6.5 million and $5.4 million, respectively.

Keeley Transaction

As a result of becoming the advisor on May 1, 2025 to the 4 open-end funds ("the "Gabelli-Keeley Funds") and approximately 500 separate accounts (the "Gabelli-Keeley SMAs") from Keeley-Teton Advisors, LLC ("Keeley"), a wholly-owned subsidiary of Teton and the associated consideration paid ("Keeley Transaction"), the Company recognized the difference of $6.6 million between the proceeds transferred and the carrying amounts of the net assets received in additional paid-in capital in Gabelli's interim condensed consolidated statements of financial condition. Refer to Note 11, Related Party Transactions, for further information on the Keeley Transaction.

9. Identifiable Intangible Assets

The following is a summary of intangible assets on September 30, 2026 (in thousands):

	Weighted Average Amortization Period (years)	Gross Carrying Amount	Accumulated Amortization	Impairment	Net Carrying Amount
Customer Relationships	9-10	$ 2,822	$ (663)	$ -	$ 2,159
Fund Management Contracts - Enterprise	-	3,370	-	(2,610)	760
Fund Management Contracts - Dinsmore	-	1,661	-	-	1,661
Fund Management Contracts - Keeley	-	1,600	-	-	1,600
Total		$ 9,453	$ (663)	$ (2,610)	$ 6,180

The following is a summary of intangible assets on December 31, 2025 (in thousands):

	Weighted Average Amortization Period (years)	Gross Carrying Amount	Accumulated Amortization	Impairment	Net Carrying Amount
Customer Relationships	9-10	$ 2,822	$ (402)	$ -	$ 2,420
Fund Management Contracts - Enterprise	-	3,370	-	(2,610)	760
Fund Management Contracts - Dinsmore	-	1,661	-	-	1,661
Fund Management Contracts - Keeley	-	1,600	-	-	1,600
Total		$ 9,453	$ (402)	$ (2,610)	$ 6,441

As a result of becoming the advisor to the Gabelli Enterprise Mergers and Acquisitions Fund ("Enterprise Fund") and the Bancroft Fund Ltd. and Ellsworth Growth and Income Fund Ltd. (collectively, the "Dinsmore Funds") and the associated consideration paid, the Company maintains identifiable intangible assets. The Enterprise Fund investment advisory agreement is next up for renewal in February 2027. The investment advisory agreements for the Dinsmore Funds are next up for renewal in August 2027. Each of these investment advisory agreements are subject to annual renewal by the respective fund's board of directors, which the Company expects to be renewed, and the Company does not expect to incur additional expense as a result, which is consistent with other investment advisory agreements entered into by the Company.

For the three and nine months ended September 30, 2026 and 2025, there were no indicators of impairment for the identifiable intangible assets and, as such, there was no impairment analysis performed or charge recorded for such periods.

As a result of the Keeley Transaction, the Company maintains identifiable intangible assets of $3.8 million and $4.0 million, including approximately $2.2 million and $2.4 million of customer relationships, at September 30, 2026 and December 31, 2025, respectively. The investment advisory agreements for the Gabelli-Keeley Funds are next up for renewal in August 2027. For the three months ended September 30, 2026 and 2025, the Company recorded $0.1 million and $0.2 million, respectively, amortization expense of customer relationships, which is included in other operating expenses on the interim condensed consolidated statements of operations. For the nine months ended September 30, 2026 and 2025, the Company recorded $0.2 million and $0.3 million, respectively, amortization expense of customer relationships, which is included in other operating expenses on the interim condensed consolidated statements of operations. Refer to Note 11, Related Party Transactions, for further information on the Keeley Transaction. There was no impairment of definite-lived intangibles recognized for the three and nine months ended September 30, 2026 and 2025. Estimated amortization expense for customer relationships over its remaining 9 year estimated life is approximately $0.3 million for each of 2026, 2027, and 2028, and $1.6 million thereafter.

10. Commitments and Contingencies

From time to time, the Company may be named in legal actions and proceedings in the normal course of business. These actions may seek substantial or indeterminate compensatory, as well as punitive damages or injunctive relief. The Company is also subject to governmental or regulatory examinations or investigations. Liabilities for loss contingencies arising from claims, assessments, litigation, fines, and penalties, and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably

estimated. There are currently no such matters pending that the Company believes could have a material adverse effect on its interim condensed consolidated financial condition, operations, or cash flows at September 30, 2026.

Leases

On December 5, 1997, the Company entered into a fifteen-year lease, expiring on April 30, 2013, of an approximately 60,000 square foot building located at One Corporate Center, Rye, New York (the "Building") from M4E, LLC ("M4E"), an entity controlled by members of the Chairman's family. On June 11, 2013, the Company modified and extended its lease of the Building with M4E. The lease term was extended to December 31, 2028, and the base rental remained at $18 per square foot, or $1.1 million, for 2014. For each subsequent year through December 31, 2028, the base rental is determined by the change in the consumer price index for the New York Metropolitan Area for November of the immediate prior year with the base period as November 2008 for the New York Metropolitan Area.

This lease has been accounted for as a finance lease under FASB ASC Topic 842 as it transfers substantially all the benefits and risks of ownership to the Company. The Company has recorded the leased property as an asset and a lease obligation for the present value of the obligation of the leased property. The leased property is amortized on a straight-line basis from the date of the most recent extension to the end of the lease. The lease obligation is amortized over the same term using the interest method of accounting. Finance lease improvements are amortized from the date of expenditure through the end of the lease term or the useful life, whichever is shorter, on a straight-line basis. The lease provides that all operating expenses relating to the property (such as property taxes, utilities, and maintenance) are to be paid by the lessee, Gabelli. These are recognized as expenses in the periods in which they are incurred. Accumulated amortization on the leased property at September 30, 2026 and December 31, 2025, was approximately $6.7 million and $6.5 million, respectively.

The Company also rents office space under operating leases, which expire at various dates through December 31, 2030.

The following table summarizes the Company's leases for the periods presented (in thousands, except lease term and discount rate):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Finance lease cost - interest expense	$ 228	$ 246	$ 707	$ 756
Finance lease cost - amortization of right-of-use asset	12	12	36	36
Operating lease cost	117	107	346	325
Sublease income	(39)	(36)	(123)	(110)
Total lease cost	$ 318	$ 329	$ 966	$ 1,007
Other information:				
Cash paid for amounts included in the measurement of lease liabilities				
Operating cash flows from operating leases	$ 95	$ 112	$ 285	149
Financing cash flows from finance lease	174	143	506	411
Total cash paid for amounts included in the measurement of lease liabilities	$ 269	$ 255	$ 791	$ 560
Right-of-use assets obtained in exchange for new operating lease liabilities	$ -	$ -	$ 217	$ -
Weighted average remaining lease term—finance lease (years)	2.3	3.3	2.3	3.3
Weighted average remaining lease term—operating leases (years)	3.1	3.5	3.1	3.5
Weighted average discount rate—finance lease	19.1%	19.1%	19.1%	19.1%
Weighted average discount rate—operating leases	6.7%	6.7%	6.7%	6.7%

The finance lease right-of-use asset, net of amortization, at September 30, 2026 and December 31, 2025 was $0.5 million and $0.6 million, respectively, and the operating right-of-use assets, net of amortization, were $1.6 million and $1.7 million, respectively, and these operating right-of-use assets were included within other assets in the interim condensed consolidated statements of financial condition.

The following table summarizes the maturities of lease liabilities at September 30, 2026 (in thousands):

Year ending December 31,	Finance Leases	Operating Leases	Total Leases
2026 (excluding the nine months ended September 30, 2026)	$ 399	$ 236	$ 635
2027	1,080	741	1,821
2028	1,080	626	1,706
2029	-	500	500
2030	-	377	377
Total lease payments	$ 2,559	$ 2,480	$ 5,039
Less imputed interest	(655)	(631)	(1,286)
Total lease liabilities	$ 1,904	$ 1,849	$ 3,753

The finance lease contains an escalation clause tied to the change in the New York Metropolitan Area Consumer Price Index, which may cause the future minimum payments to exceed the amounts shown above. Future minimum lease payments have not been reduced by related minimum future sublease rentals of approximately $0.5 million due over the next three years, which are due from affiliated entities.

11. Related Party Transactions

On February 5, 2025, the Company announced that its Chairman and Co-CEO, Mario J. Gabelli ("Mr. Gabelli"), elected to waive all of his portfolio and relationship compensation that he would otherwise have been entitled to for the period from March 1, 2025 to May 31, 2025. For the three and nine months ended September 30, 2025, the waiver reduced compensation expense by $0 million and $8.2 million, respectively. There was no such waiver for the three and nine months ended September 30, 2026.

On May 1, 2025, Gabelli completed the acquisition of the management contracts of the 4 Gabelli-Keeley Funds and approximately 500 Gabelli-Keeley SMAs from Keeley, a related party. The Chicago-based Keeley research, portfolio management, and client service teammates have joined Gabelli and continue to manage and service these assets. Payment for the Keeley Transaction was made 85% by Gabelli and 15% by Keeley Partners LLC, an unaffiliated entity ("Keeley Partners"). This payment was effected through a new subsidiary, Gabelli-Keeley, with Keeley Partners' interest determined to be a liability as a decrease in ownership without an accompanying change of control. As a result of common control of both Gabelli and Teton by GGCP Holdings, LLC ("GGCP Holdings"), a wholly-owned subsidiary of GGCP, Inc. ("GGCP"), Gabelli recognized the assets and liabilities transferred at their carrying amounts in the accounts of Teton at the date of transfer. The difference between the proceeds transferred and the carrying amounts of the net assets received was recognized in additional paid-in capital in Gabelli's interim condensed consolidated statements of financial condition. There was no step-up in asset values, creation of new goodwill, nor any gain or loss recognized. The payment structure included $5.5 million total upfront (split 85% Gabelli and 15% Keeley Partners), plus earn-out payments comprised of 90% of net future earnings, defined as operating income attributable to the Gabelli-Keeley Funds and SMAs before deduction of management fees ("Net Earnings"), from the acquired Funds/SMAs at the end of years 1 and 2, 60% of Net Earnings from the acquired Gabelli-Keeley Funds/SMAs at the end of years 3 and 4, and 50% of Net Earnings from the acquired Gabelli-Keeley Funds/SMAs at the end of year 5, with a true-up payment at the end of year 5, if required, to ensure at least $11.5 million total payment ("Floor"). The earnout is currently estimated at the Floor net of the year 1 payment, discounted to present value, but could potentially be considerably higher due to uncertain market conditions related to the acquired assets. Keeley Partners has a put option available at the end of years 3 and 5 at Keeley Partners' cost, which is not mandatorily redeemable. In the current estimation of Gabelli's management, there is not a high likelihood of the put occurring. The carrying amount of the intangible assets transferred from Teton to Gabelli as of the Closing Date was approximately $4.4 million, based on Teton's historical book values. Revenue and expenses from the transferred assets will be reported entirely by Gabelli, with a 15% allocation to Keeley Partners classified as interest expense in the interim condensed consolidated statements of income. The assets and results of Keeley prior to the acquisition have not been recast due to immateriality.

Additionally, on August 5, 2024, Teton completed an asset acquisition of Wilen, a company providing investment management services. These Wilen accounts were included in the Gabelli-Keeley SMAs acquired. Teton's purchase price was based on a 10-year earnout of the advisory fees related to the acquired assets. No payment was required at the initial closing of the transaction. Teton was required to make quarterly payments to the seller, 45 days after each quarter-end, based on an agreed-upon payout framework. At May 1, 2025, Gabelli recorded a liability for the remaining Wilen earnout acquired, which was approximately $1.8 million. This liability was estimated at $1.6 million at September 30, 2026 and was included in accrued expenses and other liabilities on the interim condensed consolidated statements of financial condition. For the three and nine months ended September 30, 2026, payments of $0.1 million and $0.3 million

were made to Wilen. The earnout could potentially be considerably higher or lower due to uncertain market conditions related to the acquired assets.

12. Regulatory Requirements

The Company's broker-dealer subsidiary, G.distributors, is subject to certain net capital requirements. G.distributors computes its net capital under the alternative method permitted under SEC Rule 15c3-1 under the Securities Exchange Act of 1934, as amended, which requires minimum net capital of the greater of $250,000 or 2% of the aggregate debit items. The minimum net capital requirement was $250,000 for the broker-dealer at September 30, 2026 and December 31, 2025. On February 25, 2025 and December 29, 2025, GAMCO Asset made a contribution to G.distributors of $2.5 million. At September 30, 2026 and December 31, 2025, G.distributors had net capital, as defined, of approximately $2.7 million and $2.5 million, respectively, exceeding the regulatory requirement by approximately $2.4 million and $2.2 million, respectively.

13. Subsequent Events

From October 1, 2026 to November 5, 2026, the Company repurchased 14,437 shares at $25.05 per share.

On November 5, 2026, the Board of Directors declared its regular quarterly dividend of $0.10 per share to the Company's shareholders of Class A Stock and Class B Stock, payable on December 29, 2026 to shareholders of record on December 15, 2026.

ITEM 4: MANAGEMENT'S DISCUSSION AND ANALYSIS

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Our disclosure and analysis in this Quarterly Report (the "Quarterly Report") contains some forward-looking statements. Forward-looking statements give our current expectations or forecasts of future events. You can identify these statements because they do not relate strictly to historical or current facts. They use words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "will," "should," "may," and other words and terms of similar meaning. They also appear in any discussion of future operating or financial performance. In particular, these include statements relating to future actions, future performance of our products, expenses, the outcome of any legal proceedings, and financial results. Although we believe that we are basing our expectations and beliefs on reasonable assumptions within the bounds of what we currently know about our business and operations, there can be no assurance that our actual results will not differ materially from what we expect or believe. Some of the factors that may cause our actual results to differ from our expectations include risks associated with a decline in the securities markets that adversely affect our assets under management, negative performance of our products, the failure to perform as required under our investment management agreements, and a general downturn in the economy that negatively impacts our operations. We are providing these statements as permitted by the Private Litigation Reform Act of 1995. We also direct your attention to any more specific discussions of risk contained in our annual reports, quarterly reports, current reports, and other public filings available on OTC Markets (OTCQX: GAMI). 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.

OVERVIEW

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the unaudited interim condensed consolidated financial statements and the notes thereto included in Item 3 of this Quarterly Report. This discussion contains forward-looking statements and involves numerous risks and uncertainties, including, but not limited to those described in Part C of our annual report for the year ended December 31, 2025, posted on the OTC Markets website. Our actual results could differ materially from those anticipated by such forward-looking statements due to factors discussed under "Cautionary Statement Regarding Forward-Looking Statements" above.

Gabelli (OTCQX: GAMI), established in 1977 and incorporated under the laws of Delaware, is a widely-recognized provider of investment advisory services to 25 open-end funds, 13 United States ("U.S.") closed-end funds and one United Kingdom investment company (collectively, "closed-end funds"), 8 actively managed exchange traded funds ("ETFs"), one société d'investissement à capital variable ("SICAV"), and approximately 1,600 institutional and private wealth management ("Institutional and PWM") investors principally in the U.S. The Company's revenues are based primarily on the levels of assets under management ("AUM") and fees associated with the various investment products.

In 1977, Gabelli launched its well-known All Cap Value equity strategy, Gabelli Value, in a separate account format and in 1986 entered the mutual fund business. Today, Gabelli offers a diverse set of client solutions across asset classes (e.g. Equities, Debt Instruments, Convertibles, non-market correlated Merger Arbitrage), regions, market capitalizations, sectors (e.g. Gold, Utilities) and investment styles (e.g. Value, Growth). Gabelli serves a broad client base, including institutions, intermediaries, offshore investors, private wealth, and direct retail investors.

The investment advisory business is conducted principally through the following subsidiaries: Gabelli Funds, LLC (open-end funds, closed-end funds, actively managed ETFs, and SICAV, collectively, the "Funds") ("Gabelli Funds") and GAMCO Asset Management Inc. (Institutional and PWM) ("GAMCO Asset"). The distribution of open-end funds and actively managed ETFs is conducted through G.distributors, LLC ("G.distributors"), the Company's broker-dealer subsidiary.

On May 1, 2025, Gabelli completed the acquisition of the management contracts of the 4 Gabelli-Keeley Funds and approximately 500 Gabelli-Keeley SMAs from Keeley. The Chicago-based Keeley research, portfolio management, and client service teammates have joined Gabelli and continue to manage and service these assets totaling approximately $1.0 billion. Gabelli Funds will manage the Gabelli-Keeley Funds, including Keeley Small Cap Dividend Value Fund, Keeley Small-Mid Cap Value Fund, Keeley Mid Cap Dividend Value Fund, and Keeley Small Cap Fund (the "Funds"), and GAMCO Asset will manage the Gabelli-Keeley SMAs.

As of September 30, 2026, we had $35.2 billion of AUM and $0.8 billion of assets under administration ("AUA").

Giving Back to Society – $82 Million Since IPO

On August 6, 2024, the Board of Directors authorized the creation of a private foundation, the Gabelli Funds Foundation, Inc, headquartered in Reno, Nevada, to continue our charitable giving program with an initial contribution of $5 million. On November 7, 2025, Gabelli contributed $2.5 million to its charitable foundation.

Since our IPO in February 1999, our firm's combined charitable donations total approximately $82 million, including $48 million through the shareholder designated charitable contribution program and the $7.5 million to the newly created private foundation. Since its inception in 2013, Gabelli shareholders have designated charitable gifts to approximately 350 charitable organizations.

Actively managed ETFs

We received approval in 2019 for the Gabelli ETFs Trust to launch actively managed ETFs. This innovative product combines the characteristics of an actively managed mutual fund with the intra-day pricing and tax benefits of an ETF, including the benefits from §852(b)(6), which allows a fund to deliver appreciated securities to redeeming shareholders without recognizing any gains and enables shareholders to defer capital gains until they sell their shares. The 8 ETFs launched thus far, all on the NYSE and fully transparent, include:

- LOPP, the Gabelli Love Our Planet & People ETF, which began trading on February 1, 2021, underscores our belief that an investment focus on the environment is essential to the future of the Planet.
- GGRW, the Gabelli Growth Innovators ETF, which began trading on February 16, 2021, provides an investment opportunity in businesses both enabling and benefitting from digital acceleration.
- GGTL, the Gabelli Global Technology Leaders (formerly the Gabelli Automation ETF), which began trading on January 5, 2022, focuses on companies that use automation equipment, related technology, software, or processes, and firms that use those services to automate their productivity.
- GABF, the Gabelli Financial Services Opportunity ETF, which began trading on May 10, 2022, focuses on companies in the financial services sector.
- GCAD, the Gabelli Commercial Aerospace & Defense ETF, which began trading on January 4, 2023, focuses on the aerospace and defense sectors.
- GBHI, the Gabelli High Income ETF, which began trading on November 17, 2025, emphasizes companies and securities with the potential for both attractive yields and capital gains, focusing on issuers with strong fundamentals, improving balance sheets, and identifiable catalysts that can unlock value over time.
- KDVD, the Keeley Dividend ETF, which began trading on December 8, 2025, seeks long-term capital appreciation and current income by investing primarily in small- and mid-cap dividend-paying U.S. equities.
- GOLS, the Gabelli Opportunities in Live and Sports ETF, which began trading on January 2, 2026, seeks long-term capital appreciation by investing in companies that power the global sports and live entertainment economy.

In July 2025, we filed a regulatory application to allow an existing open-end mutual fund to add an ETF share class, or "Class E," which was approved by the SEC in February 2026. We continue to expand our ETF lineup as we see attractive opportunities.

Assets Under Management

AUM was $35.2 billion as of September 30, 2026 and $36.6 billion as of June 30, 2026. Equity AUM was $29.6 billion at September 30, 2026, a decrease of $1.4 billion, or 4.5%, from the June 30, 2026 equity AUM of $31.0 billion. The third quarter 2026 AUM activity consisted of $0.8 billion of market depreciation, net cash outflows of $0.4 billion, and recurring distributions, net of reinvestments, from the Funds of $0.2 billion. Average total AUM was $36.3 billion in the third quarter of 2026 versus $34.5 billion in the third quarter of 2025, an increase of 5.2%.

We earn incentive fees for assets attributable to certain preferred issues for our closed-end Funds, our GDL Fund (GDL), and Gabelli Merchant Partners Plc (GMP). Assets with incentive-based fees remained unchanged at $0.2 billion as of September 30, 2026 and June 30, 2026. The majority of these assets have calendar year-end measurement periods, therefore, our incentive fees are primarily recognized in the fourth quarter when the uncertainty is removed at the end of the annual measurement period.

Roll-forward of AUM (in millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Equities:				
Mutual Funds and ETFs				
Beginning of period assets	$ 9,915	$ 8,817	$ 9,484	$ 8,078
Inflows	303	285	1,031	1,143
Outflows	(434)	(349)	(1,495)	(1,168)
Net inflows (outflows)	(131)	(64)	(464)	(25)
Market appreciation (depreciation)	(173)	737	601	1,446
Fund distributions, net of reinvestment	(6)	(6)	(16)	(15)
Total increase (decrease)	(310)	667	121	1,406
End of period assets	$ 9,605	$ 9,484	$ 9,605	$ 9,484
Percentage of total assets under management	27.3%	27.1%	27.3%	27.1%
Average assets under management	$ 9,966	$ 9,144	$ 9,910	$ 8,730
Closed-end Funds				
Beginning of period assets	$ 8,671	$ 7,627	$ 8,174	$ 7,344
Inflows	35	49	242	76
Outflows	(18)	(22)	(123)	(128)
Net inflows (outflows)	17	27	119	(52)
Market appreciation (depreciation)	(75)	515	628	1,159
Fund distributions, net of reinvestment	(157)	(138)	(465)	(420)
Total increase (decrease)	(215)	404	282	687
End of period assets	$ 8,456	$ 8,031	$ 8,456	$ 8,031
Percentage of total assets under management	24.0%	22.9%	24.0%	22.9%
Average assets under management	$ 8,760	$ 7,821	$ 8,605	$ 7,565
Institutional & PWM				
Beginning of period assets	$ 12,406	$ 11,374	$ 11,799	$ 10,700
Inflows	87	327	325	1,113
Outflows	(413)	(380)	(1,846)	(1,293)
Net inflows (outflows)	(326)	(53)	(1,521)	(180)
Market appreciation (depreciation)	(595)	654	1,207	1,455
Total increase (decrease)	(921)	601	(314)	1,275
End of period assets [(a)]	$ 11,485	$ 11,975	$ 11,485	$ 11,975
Percentage of total assets under management	32.6%	34.2%	32.6%	34.2%
Average assets under management	$ 11,916	$ 11,827	$ 12,112	$ 10,984
SICAV				
Beginning of period assets	$ 11	$ 9	$ 10	$ 9
Inflows	-	-	-	-
Outflows	-	-	-	-
Net inflows (outflows)	-	-	-	-
Market appreciation (depreciation)	-	1	1	1
Total increase (decrease)	-	1	1	1
End of period assets	$ 11	$ 10	$ 11	$ 10
Percentage of total assets under management	0.0%	0.0%	0.0%	0.0%
Average assets under management	$ 11	$ 10	$ 10	$ 9
Total Equities				
Beginning of period assets	$ 31,003	$ 27,827	$ 29,467	$ 26,131
Inflows	425	661	1,598	2,332
Outflows	(865)	(751)	(3,464)	(2,589)
Net inflows (outflows)	(440)	(90)	(1,866)	(257)
Market appreciation (depreciation)	(843)	1,907	2,437	4,061
Fund distributions, net of reinvestment	(163)	(144)	(481)	(435)
Total increase (decrease)	(1,446)	1,673	90	3,369
End of period assets	$ 29,557	$ 29,500	$ 29,557	$ 29,500
Percentage of total assets under management	84.0%	84.2%	84.0%	84.2%
Average assets under management	$ 30,653	$ 28,802	$ 30,637	$ 27,288

(a) Includes $264 million and $258 million of 100% U.S. Treasury Fund AUM at September 30, 2026 and 2025, respectively.

Roll-forward of AUM (in millions) (continued)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Fixed Income:				
100% U.S. Treasury fund				
Beginning of period assets	$ 5,587	$ 5,498	$ 5,371	$ 5,552
Inflows	971	1,535	3,520	4,150
Outflows	(1,000)	(1,577)	(3,434)	(4,360)
Net inflows (outflows)	(29)	(42)	86	(210)
Market appreciation (depreciation)	51	61	152	175
Total increase (decrease)	22	19	238	(35)
End of period assets	$ 5,609	$ 5,517	$ 5,609	$ 5,517
Percentage of total assets under management	15.9%	15.7%	15.9%	15.7%
Average assets under management	$ 5,626	$ 5,681	$ 5,665	$ 5,598
Institutional & PWM				
Beginning of period assets	$ 32	$ 32	$ 32	$ 32
Inflows	-	-	-	-
Outflows	-	-	-	-
Net inflows (outflows)	-	-	-	-
Market appreciation (depreciation)	-	-	-	-
Total increase (decrease)	-	-	-	-
End of period assets	$ 32	$ 32	$ 32	$ 32
Percentage of total assets under management	0.1%	0.1%	0.1%	0.1%
Average assets under management	$ 32	$ 32	$ 32	$ 32
Total Treasuries & Fixed Income				
Beginning of period assets	$ 5,619	$ 5,530	$ 5,403	$ 5,584
Inflows	971	1,535	3,520	4,150
Outflows	(1,000)	(1,577)	(3,434)	(4,360)
Net inflows (outflows)	(29)	(42)	86	(210)
Market appreciation (depreciation)	51	61	152	175
Total increase (decrease)	22	19	238	(35)
End of period assets	$ 5,641	$ 5,549	$ 5,641	$ 5,549
Percentage of total assets under management	16.0%	15.8%	16.0%	15.8%
Average assets under management	$ 5,658	$ 5,713	$ 5,697	$ 5,630
Total AUM				
Beginning of period assets	$ 36,622	$ 33,357	$ 34,870	$ 31,715
Inflows	1,396	2,196	5,118	6,482
Outflows	(1,865)	(2,328)	(6,898)	(6,949)
Net inflows (outflows)	(469)	(132)	(1,780)	(467)
Market appreciation (depreciation)	(792)	1,968	2,589	4,236
Fund distributions, net of reinvestment	(163)	(144)	(481)	(435)
Total increase (decrease)	(1,424)	1,692	328	3,334
End of period assets	$ 35,198	$ 35,049	$ 35,198	$ 35,049
Average assets under management	$ 36,311	$ 34,515	$ 36,334	$ 32,918

Our AUM by style at September 30, 2026 (in millions) was comprised of the following:

	Funds	Institutional & PWM	SICAV	Total
Value	$ 10,526	$ 10,592	$ 5	$ 21,123
100% U.S. Treasury	5,609	-	-	5,609
Sector-focused	2,875	-	-	2,875
Growth	1,577	509	-	2,086
Gold and Natural Resources	1,913	228	-	2,141
Event-driven	688	164	6	858
Convertibles	482	24	-	506
Total	$ 23,670	$ 11,517	$ 11	$ 35,198

Assets Under Administration

(in millions)	As of			% Change	
	September 30, 2026	December 31, 2025	September 30, 2025	December 31, 2025	September 30, 2025
Mutual Funds	$ 278	$ 264	$ 292	5.3%	-4.8%
SICAV	520	527	494	(1.3)	5.3
Total assets under administration	$ 798	$ 791	$ 786	0.9%	1.5%

AUA was $0.8 billion as of September 30, 2026, December 31, 2025, and September 30, 2025. In May 2025, $440 million of Mutual Funds was reclassified from AUA to AUM as a result of the partnership with Keeley for the management contracts of 4 open-end funds.

RESULTS OF OPERATIONS

Investment advisory and incentive fees, which are based on the amount and composition of AUM in our Funds and Institutional and PWM accounts, and distribution fees represent our largest source of revenues. In addition to the general level and trends of the stock market, 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 facilitates the ability to attract 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. A majority of our cash inflows to mutual Fund products have come through third party distribution programs, including no-transaction fee programs. We have also been engaged to act as a sub-advisor for other much larger financial services companies with much larger sales distribution organizations. These sub-advisory clients are subject to business combinations that may result in the termination of the relationship. The loss of a sub-advisory relationship could have a significant impact on our financial results in the future.

Advisory fees from the Funds and sub-advisory accounts are computed daily or weekly based on average net assets. Advisory fees from Institutional and PWM clients are generally computed quarterly based on account values as of the end of the preceding quarter. These revenues are based on AUM, which is highly correlated to the stock market and can vary in direct proportion to movements in the stock market and the level of sales compared with redemptions, financial market conditions, and the fee structure for AUM. Revenues derived from the equity-oriented portfolios generally have higher advisory fee rates than debt instruments portfolios.

We also receive incentive fees from certain Institutional and PWM clients, which are based upon meeting or exceeding a specific benchmark index or indices. These fees are recognized at the end of the stipulated contract period, which may be quarterly or annually, for the respective account. Advisory fees on assets attributable to certain of the closed-end preferred shares are earned at year-end if the total return to common shareholders of the closed-end Fund for the calendar year exceeds the dividend rate of the preferred shares. These fees are recognized at the end of the measurement period.

Distribution fees and other income primarily include distribution fee revenue earned in accordance with Rule 12b-1 of the Investment Company Act of 1940, as amended, along with sales charges and underwriting fees associated with the sale of the mutual funds plus other revenues. Distribution fees fluctuate based on the level of AUM and the amount and type of mutual funds sold directly by G.distributors or through various distribution channels.

Compensation costs include variable and fixed compensation and related expenses paid to officers, portfolio managers, sales, trading, research, and all other teammates. Variable compensation paid to sales teammates and portfolio management generally represents 40% of revenues and is the largest component of total compensation costs. Distribution costs include marketing, product distribution, and promotion costs. The management fee is incentive-based and entirely variable compensation in the amount of 10% of the aggregate pre-tax profits, which is paid to Mr. Gabelli or his designee for acting as CEO pursuant to his 2008 Employment Agreement so long as he is an executive of Gabelli and devotes the substantial majority of his working time to the business. Other operating expenses include general and administrative operating costs.

Non-operating income includes gains from investments, net (which includes both net realized and unrealized gains and losses from securities), interest and dividend income, and interest expense. The gain from investments, net is derived from our proprietary investment portfolio consisting of various public investments.

The following table (in thousands, except per share data) and discussion of our results of operations are based upon data derived from the interim condensed consolidated statements of income contained in our interim condensed consolidated financial statements and should be read in conjunction with those statements included in Item 3 of this Quarterly Report.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenues				
Investment advisory and incentive fees	$ 64,551	$ 59,334	$ 189,030	$ 168,565
Distribution fees and other income	3,926	3,883	12,210	11,004
Total revenues	68,477	63,217	201,240	179,569
Expenses				
Compensation	32,700	32,762	96,750	84,413
Management fee	2,040	2,338	7,456	7,325
Distribution costs	7,155	5,920	19,910	16,377
Other operating expenses	7,113	5,575	17,660	17,069
Total expenses	49,008	46,595	141,776	125,184
Operating income	19,469	16,622	59,464	54,385
Non-operating income/ (loss)				
Gain/(loss) from investments, net	(2,801)	2,835	2,916	7,292
Interest and dividend income	2,010	1,868	5,692	5,105
Interest expense	(312)	(363)	(966)	(965)
Total non-operating income/ (loss)	(1,103)	4,340	7,642	11,432
Income before income taxes	18,366	20,962	67,106	65,817
Provision for income taxes	6,155	5,755	17,431	11,508
Net income	$ 12,211	$ 15,207	$ 49,675	$ 54,309
Earnings per share:				
Basic	$ 0.57	$ 0.68	$ 2.30	$ 2.42
Diluted	$ 0.57	$ 0.68	$ 2.30	$ 2.42

Three Months Ended September 30, 2026 Compared To Three Months Ended September 30, 2025

Overview

Net income for the third quarter of 2026 was $12.2 million, or $0.57 per fully diluted share, versus $15.2 million, or $0.68 per fully diluted share, in the third quarter of 2025. The quarter-to-quarter comparison was primarily impacted by higher net loss from investments, higher distribution costs, higher other operating expenses, and higher income tax expense partially offset by higher revenues and lower management fee.

Revenues

Investment advisory and incentive fees for the third quarter of 2026 were $64.6 million, 8.9% higher than the 2025 comparative figure of $59.3 million. Open-end Fund revenues increased 9.3% to $25.9 million in the third quarter of 2026 from $23.7 million in the third quarter of 2025. Closed-end Fund revenues increased 12.0% to $21.4 million in the third quarter of 2026 from $19.1 million in the third quarter of 2025. Institutional and PWM account revenues, which are generally based on beginning of quarter AUM, increased by 4.8% to $17.3 million in the third quarter of 2026 from $16.5 million in the third quarter of 2025.

Distribution fees and other income were $3.9 million for the third quarter of 2026 and 2025.

Expenses

Compensation costs, which are largely variable, were $32.7 million in the third quarter of 2026, or 0.3% lower than prior year comparative compensation costs of $32.8 million. The quarter over quarter decrease was comprised of a $0.7 million decrease in variable compensation and a $0.6 million increase in fixed compensation.

Management fee expense, which is wholly variable and based on pretax income, was $2.0 million in the third quarter of 2026, or 13.0% lower than the $2.3 million from the third quarter of 2025.

Distribution costs were $7.2 million in the third quarter of 2026, an increase of $1.3 million, or 22.0%, from $5.9 million in the third quarter of 2025.

Other operating expenses were $7.1 million in the third quarter of 2026, an increase of $1.5 million, or 26.8%, from $5.6 million in the third quarter of 2025. In the third quarter of 2026, the Company elected to reimburse $1.4 million to one closed-end fund.

Operating income for the third quarter of 2026 was $19.5 million, an increase of $2.9 million, or 17.5%, from the $16.6 million in the third quarter of 2025. Operating income, as a percentage of revenues, was 28.4% in the third quarter of 2026 as compared to 26.3% in the third quarter of 2025.

Non-operating income/ (loss)

Total non-operating loss was $1.1 million for the third quarter of 2026 versus income of $4.3 million in the third quarter of 2025. Net investment losses were $2.8 million in the third quarter of 2026 versus net gains of $2.8 million in the third quarter of 2025. Interest and dividend income was $2.0 million in the third quarter of 2026 and $1.9 million in the third quarter of 2025. Interest expense was $0.3 million and $0.4 million in the third quarter of 2026 and 2025, respectively.

The effective tax rates ("ETR") for the three months ended September 30, 2026 and 2025 were 33.5% and 27.5%, respectively.

Nine Months Ended September 30, 2026 Compared To Nine Months Ended September 30, 2025

Overview

Net income for the first nine months of 2026 was $49.7 million, or $2.30 per fully diluted share, versus $54.3 million, or $2.42 per fully diluted share, in the first nine months of 2025. The period-to-period comparison was primarily impacted by higher compensation costs, higher income tax expense, lower net gain from investments, and higher distribution costs partially offset by higher revenues..

Revenues

Investment advisory and incentive fees for the first nine months of 2026 were $189.0 million, 12.1% higher than the 2025 comparative figure of $168.6 million. Open-end Fund revenues increased 15.8% to $76.1 million in the first nine months of 2026 from $65.7 million in the first nine months of 2025. Closed-end Fund revenues increased 10.9% to $62.2 million in the first nine months of 2026 from $56.1 million in the first nine months of 2025. Institutional and PWM account revenues, which are generally based on beginning of quarter AUM, increased by 8.3% to $50.7 million in the first nine months of 2026 from $46.8 million in the first nine months of 2025.

Distribution fees and other income were $12.2 million for the first nine months of 2026, an increase of $1.2 million, or 10.9%, from $11.0 million in the first nine months of 2025, primarily due to higher average AUM in equity mutual Funds that generate distribution fees.

Expenses

Compensation costs, which are largely variable, were $96.8 million in the first nine months of 2026, or 14.7% higher than prior year comparative compensation costs of $84.4 million. The period over period increase was comprised of a decrease in the CEO's waiver of his portfolio and relationship compensation of $8.2 million in the first nine months of 2025, a $1.7 million increase in variable compensation, and a $2.5 million increase in fixed compensation.

Management fee expense, which is wholly variable and based on pretax income, was $7.5 million in the first nine months of 2026, an increase of $0.2 million, or 2.7%, from $7.3 million in the first nine months of 2025.

Distribution costs were $19.9 million in the first nine months of 2026, an increase of $3.5 million, or 21.3%, from $16.4 million in the first nine months of 2025.

Other operating expenses were $17.7 million in the first nine months of 2026, an increase of $0.6 million, or 3.5%, from $17.1 million in the first nine months of 2025.

Operating income for the first nine months of 2026 was $59.5 million, an increase of $5.1 million, or 9.4%, from the $54.4 million in the first nine months of 2025. Operating income, as a percentage of revenues, was 29.5% in the first nine months of 2026 as compared to 30.3% in the first nine months of 2025.

Non-operating income/ (loss)

Total non-operating income was $7.6 million for the first nine months of 2026 versus income of $11.4 million in the first nine months of 2025. Net investment gains were $2.9 million in the first nine months of 2026 versus net gains of $7.3 million in the first nine months of 2025. Interest and dividend income was $5.7 million and $5.1 million in the first nine months of 2026 and 2025, respectively. Interest expense was $1.0 million in the first nine months of 2026 and 2025.

The ETR for the nine months ended September 30, 2026 and 2025 were 26.0% and 17.5%, respectively. The ETR for the first nine months of 2025 consisted of the statutory Federal tax rate of 21% offset by a net state income credit rate of 3.5%, relating to the release of an uncertain tax position accrual as a result of a settlement with New York State whereby the Company paid a fee and gave up the right to a refund in exchange for the closing of the audit years 2007-2014.

Reconciliation of GAAP financial measures to non-GAAP (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenues, U.S. GAAP basis	$ 68,477	$ 63,217	$ 201,240	$ 179,569
Operating income, U.S. GAAP basis	19,469	16,622	59,464	54,385
Add back: management fee expense	2,040	2,338	7,456	7,325
Operating income before management fee	$ 21,509	$ 18,960	$ 66,920	$ 61,710
Operating margin	28.4%	26.3%	29.5%	30.3%
Operating margin before management fee	31.4%	30.0%	33.3%	34.4%

LIQUIDITY AND CAPITAL RESOURCES

Our principal assets are highly liquid in nature and consist of cash and cash equivalents, U.S. Treasury Bills, short-term investments, and securities held for investment purposes. Cash and cash equivalents are comprised primarily of a 100% U.S. Treasury money market fund managed by Gabelli (The Gabelli U.S. Treasury Money Market Fund).

Summary cash flow data for the first nine months of 2026 and 2025 was as follows (in thousands):

	Nine months ended September 30,	
	2026	2025
Cash flows provided by/(used in) activities:		
Operating activities	$ 77,743	$ 34,773
Investing activities	7,595	45,471
Financing activities	(21,458)	(25,428)
Net increase in cash and cash equivalents from activities	63,880	54,816
Effect of exchange rates on cash and cash equivalents	(23)	111
Net increase in cash and cash equivalents	63,857	54,927
Cash and cash equivalents, beginning of period	16,457	17,254
Cash and cash equivalents, end of period	$ 80,314	$ 72,181
Short-term investments in U.S. Treasury Bills	$ 49,925	$ 49,911
Investments in fixed maturity securities	6,101	6,625
Cash, cash equivalents, short-term investments in U.S Treasury Bills, and investments in fixed maturity securities	$ 136,340	$ 128,717

Cash and liquidity requirements have historically been met through cash generated by operating income and our borrowing capacity.

On February 5, 2025, the Company announced that its Chairman and Co-CEO, Mr. Gabelli, elected to waive all of his portfolio and relationship compensation that he would otherwise have been entitled to for the period from March 1, 2025 to May 31, 2025. As a result of this waiver, there was $8.2 million of compensation waived by the Co-CEO for the nine months ended September 30, 2025, respectively. There were no waivers for the three and nine months ended September 30, 2026.

As of September 30, 2026, we had cash, cash equivalents, short-term investments in U.S. Treasury Bills, and investments in fixed maturity securities of $136.3 million, an increase of $62.3 million from December 31, 2025, primarily due to the Company's operating and investing activities, partially offset by the Company's financing activities, described below. There was no debt outstanding at September 30, 2026 or December 31, 2025.

Net cash provided by operating activities was $77.7 million for the nine months ended September 30, 2026, as compared to $34.8 million provided by operating activities in the prior year's comparative period. Cash flows from operating activities primarily consisted of net income adjusted for certain non-cash items and changes in assets and liabilities.

Net cash provided by investing activities in the first nine months of 2026 was $7.6 million, relating to proceeds from sales and maturities of securities of $62.3 million partially offset by purchase of securities held for investments of $54.7 million, as compared to $45.5 million provided by investing activities in the prior year's comparative period, relating to proceeds from sales and maturities of securities of $107.5 million partially offset by purchase of securities held for investments of $57.3 million and acquisition of intangible assets of $4.7 million. As of September 30, 2026, we had total investments in securities at fair value of $120.3 million, a decrease of $1.2 million from the prior year-end balance of $121.5 million.

Net cash used in financing activities in the first nine months of 2026 was $21.5 million, including $14.5 million paid for the purchase of treasury stock, $6.5 million paid in dividends, and $0.5 million paid on the principal portion of lease liabilities, as compared to $25.4 million used in the prior year's comparative period, including $19.6 million paid for the purchase of treasury stock, $5.4 million paid in dividends, and $0.4 million paid on the principal portion of lease liabilities.

The Company's principal contractual commitments include payments of lease obligations and earnout payments to Teton and Wilen Investment Management Corp. ("Wilen"). Under the terms of the lease of our Rye, New York office, we are obligated to make minimum total payments of $2.6 million through December 2028. We are obligated to make future payments under various contracts such as finance and operating lease agreements of $2.5 million. Gabelli's contingent consideration earnouts are estimated to total approximately $3.9 million ($3.1 million present value) to Teton with annual payments through May 1, 2030 and $2.4 million ($1.6 million present value) to Wilen with quarterly payments through August 4, 2034.

We also had a net liability for unrecognized tax benefits related to uncertain tax positions of $10.9 million, including penalties and interest related to tax uncertainties in income taxes of approximately $4.8 million, some or all of which could result in future cash payments to various taxing authorities. At this time, we are unable to estimate the timing and amount of any future cash outflows related to these uncertain tax positions. As such amounts above, both individually and in the aggregate, can be satisfied with cash on hand and investments, we do not believe they represent a material liquidity risk to the company. We do not invest in any other off-balance sheet vehicles that provide financing, liquidity, market, or credit risk support or engage in any leasing activities that expose us to any liability that is not reflected on the interim condensed consolidated financial statements.

We have one broker-dealer subsidiary, G.distributors, which is subject to certain net capital requirements. G.distributors computes its net capital under the alternative method permitted under SEC Rule 15c3-1 under the Securities Exchange Act of 1934, as amended, which requires minimum net capital of the greater of $250,000 or 2% of the aggregate debit items. The minimum net capital requirement was $250,000 for the broker-dealer at September 30, 2026 and December 31, 2025. On February 25, 2025 and December 29, 2025, GAMCO Asset made a contribution to G.distributors of $2.5 million. At September 30, 2026 and December 31, 2025, G.distributors had net capital, as defined, of approximately $2.7 and $2.5 million, respectively, exceeding the regulatory requirement by approximately $2.4 million and $2.2 million, respectively.

Significant Accounting Policies and Estimates

The preparation of the interim condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the dates of the interim condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods presented. Actual results could differ significantly from those estimates. See Note 1 in Part D, *Management Structure and Financial Information*, in Gabelli ’s Annual Report for the year ended December 31, 2025, for details on Significant Accounting Policies.

ITEM 5. LEGAL PROCEEDINGS

The information required with respect to this item can be found in Note 10, *Commitments and Contingencies* of the notes to the Company’s unaudited interim condensed consolidated financial statements contained in this Quarterly Report, and such information is incorporated by reference into this Item 5.

ITEM 6. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 7. OTHER INFORMATION

Not applicable.

ITEM 8. EXHIBITS

No exhibits.

Purchases of equity securities by the issuer and affiliated purchasers were included in Item 2 of this Quarterly Report.

ITEM 9. CERTIFICATIONS

Certification by the co-principal executive officers

We, Christopher J. Marangi and Douglas R. Jamieson, certify that:

1. We have reviewed this Quarterly Report of GAMCO Investors, Inc.;

2. Based on our knowledge, this Quarterly 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 Quarterly Report; and

3. Based on our knowledge, the financial statements, and other financial information included or incorporated by reference in this Quarterly Report, fairly present in all material respects the financial condition, results of operations, and cash flows of the issuer as of, and for, the periods presented in this Quarterly Report.

Date: November 5, 2026

/s/ Christopher J. Marangi
Name: Christopher J. Marangi
Title: President (Co-Principal Executive Officer)

/s/ Douglas R. Jamieson
Name: Douglas R. Jamieson
Title: Co-Chief Executive Officer (Co-Principal Executive Officer)

Certification by the principal financial officer

I, Kieran Caterina, certify that:

1. I have reviewed this Quarterly Report of GAMCO Investors, Inc.;

2. Based on my knowledge, this Quarterly 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 Quarterly Report; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this Quarterly Report, fairly present in all material respects the financial condition, results of operations, and cash flows of the issuer as of, and for, the periods presented in this Quarterly Report.

Date: November 5, 2026

/s/ Kieran Caterina
Name: Kieran Caterina
Title: Chief Accounting Officer (Principal Financial Officer)