



May 8, 2025

Fiscal Third Quarter
Ended March 31, 2025
NASDAQ: GEG



GEG Highlights

- In February 2025, the Company launched Monomoy Construction Services, LLC ("MCS"), an integrated, full-service construction business through the acquisition of Greenfield CRE, LLC ("Greenfield") and Monomoy BTS Construction Management, LLC
- In May 2025, Great Elm Capital Corp. ("GECC") launched a \$100 million At-the-Market equity program, providing additional capital flexibility
- Great Elm grew fee-paying assets under management ("FPAUM") by 15% year-over-year as of March 31, 2025
- Total revenue for the third quarter grew 15% to \$3.2 million, compared to \$2.8 million for the prior-year period
 - Growth in revenue was driven by increased revenue from real estate project management fees and rental income
 - GECC base management fees grew over 40% year-over-year due to FPAUM growth
- Monomoy BTS closed on acquisition of third property in March 2025 after completing construction on its second property last quarter
- Great Elm continues to repurchase shares via its share repurchase program. Through May 6, 2025, ~4.8 million shares have been repurchased for ~\$8.7 million, at an average cost of \$1.84 per share
 - Book value per share was \$2.14 as of March 31, 2025¹
- Great Elm ended the quarter with ~\$32 million¹ of cash to deploy across its growing alternative asset management platform



¹ Amount excludes Consolidated Funds.

About GEG

Great Elm Group, Inc. (GEG) is a publicly-traded, alternative asset manager focused on:

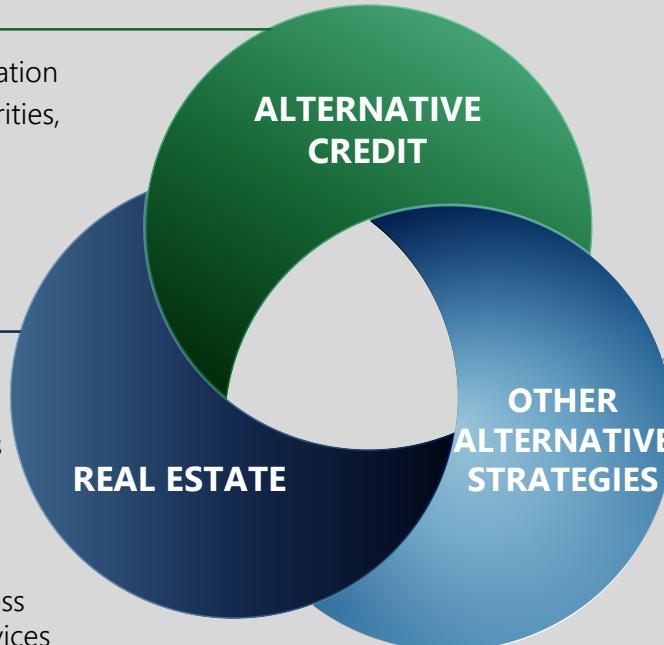
- Growing a scalable and diversified portfolio of long-duration and permanent capital vehicles
- Investing in credit, real estate, specialty finance and other alternative strategies

Alternative Credit

- Focus on income generation and capital preservation
- Investment in debt and income-generating securities, direct lending, CLOs, and special situations
- Active investment in specialty finance businesses including Factoring, Asset Based Lending and Healthcare

Real Estate

- Full service, tenant-focused holder of industrial real estate across the United States
- Focus on single-tenant light industrial properties with building footprints on significant acreage
- Build-to-Suit “BTS” entity provides differentiated design-build solutions
- Integrated Construction entity serves needs across business verticals and third-party consulting services
- Actively seeking growth via other products



Other Alternative Strategies

- Active pursuit of new strategic businesses
- Focus on long duration “sticky” capital
- Alignment through GEG investment in funds
- Durable fee structure
- Operational leverage supported by existing GEG infrastructure

Our Goals

Improve Profitability



- Recent debt and equity capital raises at GECC are already driving growth of recurring fee revenue streams with high contribution margins
- GECC delivered another quarter of solid performance, with base management fee growth of over 40% YoY and continued capital deployment from market raises, boosting fee revenue

Expand Platform



- In February 2025, GEG acquired the assets of Greenfield, a leading construction management company and longstanding partner, forming MCS
- In March 2025, Monomoy BTS closed on the purchase of its third build-to-suit property in Florida and made meaningful progress on its fourth project during the quarter
- Great Elm Credit Income Fund delivered ~13.9% net returns, inception to date through March 31, 2025, and is favorably situated for future growth¹

Grow AUM



- In calendar 2024, GECC raised \$147 million of capital, comprised of \$49 million of equity at NAV, ~\$56 million of 8.50% notes due 2029 and ~\$42 million of 8.125% notes due 2029
- In May 2025, GECC launched a \$100 million At-the-Market equity program, providing additional capital flexibility
- Grew FPAUM and AUM by approximately 15% and 12%, respectively, from March 31, 2024
- Positioned to expand the platform to create future AUM growth

¹ Assumes invested at inception on November 1, 2023, and remained invested throughout the succeeding 17 months ended March 31, 2025, with distributions reinvested, net of founder's class fees and expenses. Performance results should not be regarded as final until audited financial statements are issued covering the period shown. Past performance is no guarantee of future results.

GEG Managed Vehicles



ALTERNATIVE CREDIT

GECC

- Public BDC with ~\$350 million AUM
- ~12% of common stock held by GEG
- Base management fee of 1.5% on gross assets
- Income incentive fee of 20% after 7% hurdle on net assets

Private Funds

- Great Elm Credit Income Fund focuses on direct lending, syndicated credit and special situations
- Great Elm participates in unique investment opportunities presented to the Great Elm investment team

REAL ESTATE

Monomoy REIT

- Private Industrial REIT with \$400+ million AUM
- ~7% direct investment held by GEG
- Base management fee of 1% on net assets
- Property management fee of 4% on rents
- 20% performance fee charged upon liquidity event after 8% hurdle

Monomoy BTS

- Build-to-Suit entity develops properties to from "ground up" to meet specific needs of existing Monomoy tenant base
- Partners with tenants to deliver custom solutions utilizing services of in-house design and construction team

Summary Financial Position¹

GEG March 31, 2025, condensed balance sheet, excluding Consolidated Funds



\$ Million		3/31/2025	
Cash	\$ 31.5	Current Liabilities	\$ 7.1
Investments	54.3	Long-Term Debt	26.3
Other Current and Long-Term Assets	42.9	Convertible Notes	35.9
		Other Liabilities	2.2
		Total Liabilities	\$ 71.5
		Total Equity	\$ 57.2
Total Assets	\$ 128.7	Total Liabilities & Equity	\$ 128.7
		Book Value per Share	~ \$2.14

¹ Condensed balance sheet excludes the impact of consolidation of Consolidated Funds. Amounts related to Consolidated Funds include Cash of \$3.2mm, Investments of \$11.3mm, Other Assets of \$0.2mm, Current Liabilities of \$0.5mm, and Equity related to Non-Controlling Interests of \$8.1mm, resulting in GEG's Investment and related Current Assets of \$6.1mm.

GECC & Monomoy Highlights



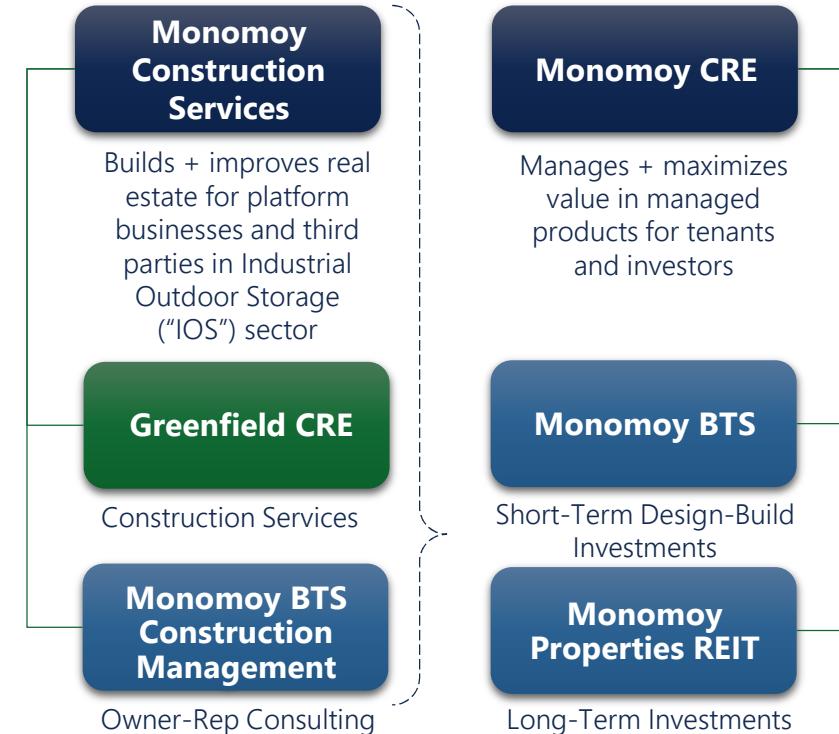
- GECC generated record TII of \$12.5 million in the quarter ended March 31, 2025, with NII that exceeded its quarterly distribution
- GECC increased its quarterly distribution by 5.7% for the first quarter of 2025, to \$0.37 per share from \$0.35 per share, which was paid on March 31, 2025
- GECC expanded its CLO presence, partnering with top-rated CLO managers to deploy equity capital to support a diversified portfolio of broadly syndicated loans
- GECC launched a \$100 million At-the-Market equity program in May 2025, providing additional capital flexibility
- Paid management fees of \$1.3 million and cash incentive fees to GEG of ~\$0.2 million for the quarter ended March 31, 2025
- 14.0% annualized dividend yield on closing market price of \$10.58, as of May 6, 2025

- In February 2025, Great Elm acquired the assets of Greenfield, a leading construction management company and longstanding partner of MCRE
 - In connection with the acquisition, Great Elm formed MCS and combined the assets of Greenfield with the assets of Monomoy BTS Construction Management to launch an integrated, full-service construction business
- Monomoy BTS closed on a land purchase for its third development property, made meaningful progress on its fourth project, and maintains a deep project pipeline
- Monomoy REIT maintained strong activity throughout Fiscal 3Q25:
 - Acquired a property for ~\$3.0 million
 - Closed quarter with strong pipeline of transaction opportunities and open requirements from tenants

GEG Launches Monomoy Construction Services (MCS)



- In February 2025, Great Elm acquired Greenfield CRE, LLC ("Greenfield"), a leading construction management company and longstanding partner of Monomoy CRE, LLC ("MCRE"), our real estate investment manager
- In connection with the transaction, Great Elm launched Monomoy Construction Services, LLC ("MCS") and combined Greenfield with Monomoy BTS Construction Management to launch a full-service, fully-integrated construction business
- MCS will be dedicated to serving Great Elm's various real estate verticals, as well as expanding its existing third-party consulting business
- MCS combines the construction talent from Greenfield with in-house civil engineering and land planning talent at Monomoy BTS Construction Management to operate adjacent to its Asset Management business serving the industrial real estate market
- With MCS, Monomoy will offer a full-service, in-house suite of project management, procurement, construction management, asset management, market analysis and feasibility services for its industrial real estate tenants



Fiscal 2025 Third Quarter Highlights



Fiscal 3Q25 Financial Highlights



Revenue

- Fiscal 3Q25 revenue grew 15% to \$3.2 million, compared to \$2.8 million in the prior-year period
- Growth primarily driven by increased revenue from real estate project management fees and rental income as well as increased management fees from GECC attributable to FPAUM growth

Net Income

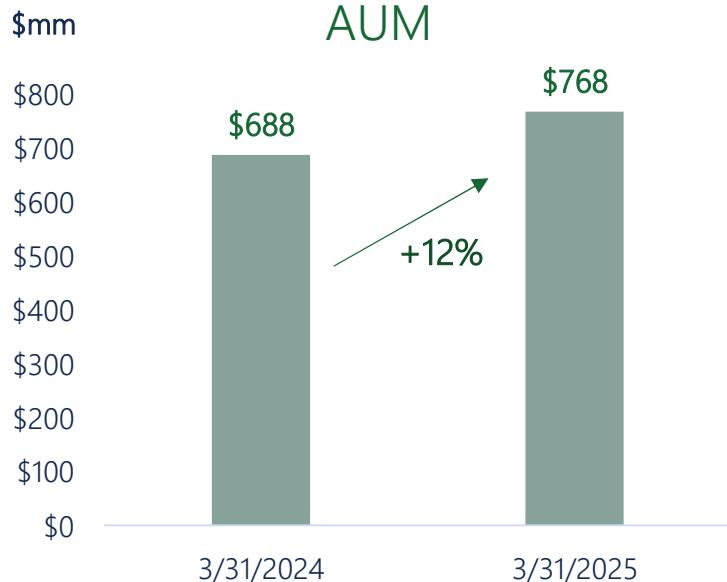
- Net loss from continuing operations of (\$4.5) million for Fiscal 3Q25, compared to net loss from continuing operations of (\$2.9) million in the prior-year period
- Net loss primarily driven by unrealized losses related to certain investment positions marked down at quarter-end, which the Company expects to reverse over time assuming market conditions stabilize

Adjusted EBITDA¹

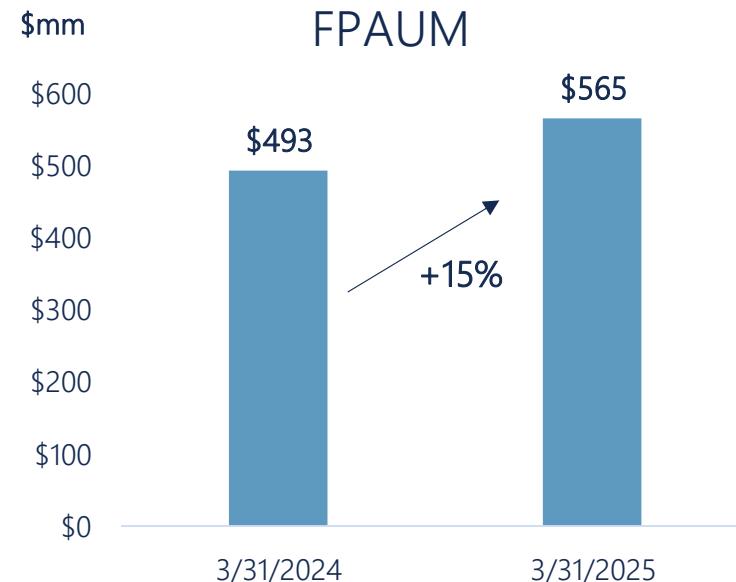
- Fiscal 3Q25 Adjusted EBITDA of \$0.5 million, compared to \$1.2 million in Fiscal 3Q24

¹ Please refer to the disclaimers on slide 17 and the Adjusted EBITDA reconciliation table on slide 14.

Assets Under Management



\$768 million of Assets Under Management ("AUM") as of March 31, 2025, up 12% from March 31, 2024



\$565 million of Fee-Paying AUM ("FPAUM") as of March 31, 2025, up 15% from March 31, 2024

Financial Review: Fiscal 3Q25 Balance Sheet



(in thousands)

	March 31, 2025	June 30, 2024
ASSETS		
Cash and cash equivalents	\$ 31,528	\$ 48,147
Restricted cash	-	1,571
Receivables from managed funds	8,244	2,259
Investments in marketable securities	-	9,929
Investments at fair value	47,955	44,585
Prepaid and other current assets	3,048	1,215
Identifiable intangible assets, net	12,245	11,037
Goodwill	470	-
Real estate assets, net	7,981	5,769
Related party loan receivable	7,500	-
Other assets	3,417	1,839
Assets of consolidated funds	14,802	14,095
Total assets	\$ 137,190	\$ 140,446
LIABILITIES		
Accounts payable and accrued expenses	6,493	7,326
Related party payables	254	634
Long-term debt	26,302	26,090
Convertible notes	35,864	34,900
Other liabilities	2,587	1,039
Payable for securities purchased	-	-
Liabilities of consolidated funds	375	262
Total liabilities	\$ 71,875	\$ 70,251
Stockholders' equity and non-controlling interest	\$ 65,315	\$ 70,195
Total liabilities, non-controlling interest and stockholders' equity	\$ 137,190	\$ 140,446

Financial Review:

Fiscal 3Q25 Income Statement



(In thousands)	Three months ended March 31,		Nine months ended March 31,	
	2025	2024	2025	2024
Revenues	\$ 3,209	\$ 2,787	\$ 10,708	\$ 8,916
Cost of Revenues	(11)	-	1,082	-
Operating costs and expenses:				
Investment management expenses	4,033	2,733	10,522	8,334
Depreciation and amortization	361	271	918	837
Selling, general and administrative	1,362	1,630	4,674	5,738
Expenses of Consolidated Funds	19	22	40	22
Total operating costs and expenses	\$ 5,775	\$ 4,656	\$ 16,154	\$ 14,931
Operating loss	(2,555)	(1,869)	(6,528)	(6,015)
Dividends and interest income	1,481	2,359	4,606	6,417
Net realized and unrealized gain (loss)	(2,439)	(2,753)	3,767	1,735
Net realized and unrealized gain (loss) on investments of Consolidated Funds	(338)	131	(89)	245
Interest and other income of Consolidated Funds	389	323	1,168	451
Interest expense	(1,039)	(1,074)	(3,097)	(3,197)
(Loss) income before income taxes from continuing operations	\$ (4,501)	\$ (2,883)	\$ (173)	\$ (364)
Income tax benefit (expense)	-	-	-	-
Net (loss) income from continuing operations	\$ (4,501)	\$ (2,883)	\$ (173)	\$ (364)
Net income from discontinued operations	-	-	-	16
Net (loss) income	\$ (4,501)	\$ (2,883)	\$ (173)	\$ (348)

Results By Quarter



(in thousands)	Three Months Ended					June 30, 2024	March 31, 2024
	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024		
<u>NON-GAAP RECONCILIATION</u>							
Net income (loss) from continuing operations - GAAP	\$ (4,501)	\$ 1,354	\$ 2,974	\$ (578)	\$ (2,883)		
Interest expense	1,039	1,030	1,028	1,137	1,074		
Income tax expense (benefit)	-	-	-	101	-		
Depreciation and amortization	361	284	273	271	271		
Non-cash compensation	796	755	1,117	688	698		
(Gain) loss on investments	2,777	(2,399)	(4,056)	(465)	2,622		
Change in contingent consideration	-	-	(6)	20	(554)		
Adj. EBITDA	\$ 472	\$ 1,024	\$ 1,330	\$ 1,174	\$ 1,228		
<u>CASH FLOW</u>							
Adj. EBITDA	\$ 472	\$ 1,024	\$ 1,330	\$ 1,174	\$ 1,228		
Capital expenditures	(84)	(138)	(148)	(3)	443		
Unleveraged free cash flow	388	886	1,182	1,171	1,671		
Interest expense paid	(489)	(494)	(488)	(489)	(483)		
Leveraged free cash flow	\$ (101)	\$ 392	\$ 694	\$ 682	\$ 1,188		

Note: Please refer to the disclaimers on slide 17.

Results Year-Over-Year



<i>(in thousands)</i>	Three months ended March 31,		Nine months ended March 31,	
	2025	2024	2025	2024
<u>NON-GAAP RECONCILIATION</u>				
Net income (loss) from continuing operations - GAAP	\$ (4,501)	\$ (2,883)	\$ (173)	\$ (364)
Interest expense	1,039	1,074	3,097	3,197
Income tax expense (benefit)	-	-	-	-
Depreciation and amortization	361	271	918	837
Non-cash compensation	796	698	2,668	2,426
(Gain) loss on investments	2,777	2,622	(3,678)	(1,980)
Change in contingent consideration	-	(554)	(6)	(518)
Adj. EBITDA	\$ 472	\$ 1,228	\$ 2,826	\$ 3,598
<u>CASH FLOW</u>				
Adj. EBITDA	\$ 472	\$ 1,228	\$ 2,826	\$ 3,598
Capital expenditures	(84)	443	(370)	(15)
Unleveraged free cash flow	\$ 388	\$ 1,671	\$ 2,456	\$ 3,583
Interest expense paid	(489)	(483)	(1,471)	(1,465)
Leveraged free cash flow	\$ (101)	\$ 1,188	\$ 985	\$ 2,118

Note: Please refer to the disclaimers on slide 17.

Contact Information

Investor Relations Contact

geginvestorrelations@greatelmcap.com



Disclaimer

Statements in this presentation that are "forward-looking" statements, including statements regarding expected growth, profitability, acquisition opportunities and outlook involve risks and uncertainties that may individually or collectively impact the matters described herein. Investors are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the date they are made and represent Great Elm's assumptions and expectations in light of currently available information. These statements involve risks, variables and uncertainties, and Great Elm's actual performance results may differ from those projected, and any such differences may be material. For information on certain factors that could cause actual events or results to differ materially from Great Elm's expectations, please see Great Elm's filings with the Securities and Exchange Commission ("SEC"), including its most recent annual report on Form 10-K and subsequent reports on Forms 10-Q and 8-K. Additional information relating to Great Elm's financial position and results of operations is also contained in Great Elm's annual and quarterly reports filed with the SEC and available for download at its website www.greatelmgroup.com or at the SEC website www.sec.gov.

Non-GAAP Financial Measures

The SEC has adopted rules to regulate the use in filings with the SEC, and in public disclosures, of financial measures that are not in accordance with US GAAP, such as adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") and free cash flow. See slides 14 & 15 for reconciliations of non-GAAP measures to their most directly comparable GAAP measures.

This presentation does not constitute an offer of any securities for sale by Great Elm or an offer to sell or a solicitation of an offer to buy interests in any investment vehicle managed by Great Elm or its subsidiaries.