MORGAN GROUP HOLDING CO.

A Delaware Corporation

401 Theodore Fremd Avenue, Rye, NY 10580

Telephone: (914) 921-5150
Website: https://www.morgangroupholdingco.com
Email: vamabile@gabelli.com

Federal EIN: 13-4196940
SIC code: 6211

Issuer's Annual Report

For the year ended December 31, 2023

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 September 30, 2023	Outstanding at March 31, 2024
Common Stock, $0.01 par value (OTC Pink: MGHL)	600,090	600,090

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 ☒

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

MORGAN GROUP HOLDING CO. AND SUBSIDIARY

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PART A: GENERAL COMPANY INFORMATION

The name of the issuer is Morgan Group Holding Co.

Unless indicated otherwise, or the context otherwise requires, references in this report to “Morgan Group Holding Co.,” “MORGAN” “the Company,” “the Firm,” and “MGHL” or similar terms are to Morgan Group Holding Co, its predecessors, and its subsidiaries.

Company Description

(OTC Pink: MGHL), a company incorporated under the laws of Delaware.

It’s subsidiary, G.research generates revenues via direct fees and commissions on securities transactions executed on an agency basis on behalf of clients. Clients include institutional investors (e.g., hedge funds and asset managers) as well as affiliated mutual funds and managed accounts.

The principal executive office and principal place of business is located at 401 Theodore Fremd Avenue, Rye, NY 10580.

Telephone:	(914) 921-5150
Website:	https://www.morgangroupholdingco.com
Email:	vamabile@gabelli.com
Jurisdiction:	Delaware (active), incorporated November 2001

PART B: SHARE STRUCTURE

There are two classes of MORGAN stock: Common stock and preferred stock ("Preferred"), each class with par value of $0.01. Common Stock trades on the OTC Pink market under the symbol MGHL (CUSIP: 61735R203) and has 600,090 issued and outstanding. No preferred stock has been issued.

Transfer Agent

The name and address of the transfer agent is:	Equiniti 48 Wall Street, Floor 23 New York, New York 10005

Equniti is registered under the Securities Exchange Act of 1934 (the "Exchange Act") and regulated by the Securities and Exchange Commission ("SEC").

PART C: BUSINESS INFORMATION

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

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

Although we believe that we are basing our expectations and beliefs on reasonable assumptions within the bounds of what we currently know about our business and operations, there can be no assurance that our actual results will not differ materially from what we expect or believe. Some of the factors that could cause our actual results to differ from our expectations or beliefs include, without limitation: the adverse effect from a decline in the securities markets; a decline in the performance of our products; a general downturn in the economy; changes in government policy or regulation; changes in our ability to attract or retain key employees; and unforeseen costs and other effects related to legal proceedings or investigations of governmental and self-regulatory organizations. We also direct your attention to any more specific discussions of risk contained in our other public filings or in documents incorporated by reference here or in prior filings or reports.

We are providing these statements as permitted by the Private Litigation Reform Act of 1995. We do not undertake to update publicly any forward-looking statements if we subsequently learn that we are unlikely to achieve our expectations or if we receive any additional information relating to the subject matters of our forward-looking statements.

BUSINESS

Business

We were incorporated November 2001 in Delaware as a holding company, which seeks acquisitions as part of its strategic alternatives. Morgan Group had no operating companies prior to the October 31, 2019 merger with G.research, LLC ("G.research") (discussed below). Our wholly-owned subsidiary, G.research is a broker-dealer registered under the Securities Exchange Act of 1934, as amended and is a member of Financial Industry Regulatory Authority ("FINRA").

G.research generates revenues via direct fees and commissions on securities transactions executed on an agency basis on behalf of clients. Clients include institutional investors (e.g., hedge funds and asset managers) as well as affiliated mutual funds and managed accounts. A significant portion of G.research institutional research services are provided to GAMCO Investors Inc., ("GAMCO") and its affiliates.

Business Strategy

Our strategy is to continue to operate and expand our institutional execution and research services. In order to achieve performance and growth in revenues and profitability, we are pursuing a strategy which includes the following key elements:

Attracting and Retaining Experienced Professionals

We offer significant variable compensation that provides opportunities to our staff. Our ability to attract and retain highly experienced investment and other professionals with a long-term commitment to us and our clients has been, and will continue to be, a significant factor in our long-term growth.

Competition

The institutional brokerages services industry is intensely competitive and is expected to remain so. We face competition in all aspects of our business, both in the United States ("U.S.") and globally. We compete with other institutional research firms, insurance companies, brokerage firms, banks, and other financial institutions that offer services that have similar features and investment objectives. Many of these competitors are subsidiaries of large diversified financial companies and may have access to greater resources, including liquidity sources, not available to us. Historically, we have competed primarily on the basis of superior service. However, we have taken steps to increase our outreach to the investment community, brand name awareness, and marketing efforts. No assurance can be given that our efforts to obtain new business will be successful.

Regulation

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

Broker-Dealer and Trading and Investment Regulation

G.research is registered as broker-dealer with the SEC and is subject to regulation by FINRA and various states. In its capacity as a broker-dealer, G.research is required to maintain certain minimum net capital amounts. These requirements also provide that equity capital may not be withdrawn, advances to affiliates may not be made, or cash dividends paid if certain minimum net capital requirements are not met. G.research's net capital, as defined, met or exceeded all minimum requirements as of December 31, 2023. As a registered broker-dealer, G.research is also subject to periodic examination by FINRA, the SEC, and the state regulatory authorities.

Our trading and investment activities for client accounts are regulated under the Exchange Act, as well as the rules of various U.S. and non-U.S. securities exchanges and self-regulatory organizations, including laws governing trading on inside information, market market regulation policies in the U.S. and globally. Violation of any of these laws and regulations could result in restrictions on our activities and damage our reputation.

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

The Patriot Act

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

Employees

The Company has one executive officer and 5 employees performing day-to-day functions.

Real Estate Properties

The Company does not own any properties. The Company is currently renting office space located at 401 Theodore Fremd Avenue in

Rye, New York from GAMCO.

LEGAL PROCEEDINGS

We are currently not aware of any pending legal proceedings to which we are a party, nor are we aware of any such proceedings that are contemplated by any governmental authority. From time to time, we may be named in legal actions and proceedings. These actions may seek substantial or indeterminate compensatory as well as punitive damages or injunctive relief. We are also subject to governmental or regulatory examinations or investigations. Examinations or investigations can result in adverse judgments, settlements, fines, injunctions, restitutions or other relief. For any such matters, the Company's financial statements include the necessary provisions for losses that we believe are probable and estimable. Furthermore, we evaluate whether there exist losses which may be reasonably possible and, if material, make the necessary disclosures. There are currently no such matters pending that the Company believes could have a material adverse effect on its consolidated financial condition, results of operations, or its cash flows at December 31, 2023.

PART D: MANAGEMENT STRUCTURE AND FINANCIAL INFORMATION

The following information provides the name, business address, principal occupation, employment history positions, offices, or employments for the past five years and ages as of April 29, 2024 for our executive officers and directors. The business address of our officers and directors is 401 Theodore Fremd Avenue, Rye, NY 10580.

Executive Officers

Name	Age	Title
Vincent M. Amabile, Jr.	46	President
Joseph L. Fernandez	63	Executive Vice President–Finance

The biographical information of each of our executive officers is included below under the caption **“**Board of Directors.”

Board of Directors

Under Delaware law, the business and affairs of the Company will be managed under the direction of our Board of Directors (“Board”). Our certificate of incorporation and bylaws provide that the number of directors may be fixed by our Board from time to time. Members of the Board are elected and serve for one year terms or until their successors are elected qualify. As of March 31, 2024, our Board consists of the individuals listed below (ages as of April 29, 2024).

Name	Age
Vincent M. Amabile, Jr.	46
Joseph L. Fernandez	63
Cornelius V. McGinitiy	59

MORGAN GROUP HOLDING CO. AND SUBSIDIARY
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Independent Auditor's Report

Board of Directors
Morgan Group Holding Co. and Subsidiary

Opinion

We have audited the consolidated financial statements of Morgan Group Holding Co. and Subsidiary (the Company), which comprise the consolidated statement of financial condition as of December 31, 2023 and 2022, the related consolidated statements of operations, changes in stockholders' equity and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit for the year ended December 31, 2023 in accordance with auditing standards generally accepted in the United States of America (GAAS). We conducted our audit for the year ended December 31, 2022, in accordance with standards of the Public Company Accounting Oversight Board (United States) (PCAOB). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS or the standards of the PCAOB will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and the standards of the PCAOB, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

RSM US LLP

New York, New York
April 29, 2024

MORGAN GROUP HOLDING CO. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FINANCIAL CONDITION

	December 31, 2023	December 31, 2022
ASSETS		
Cash and cash equivalents	$ 1,588,746	$ 2,285,501
Receivables from brokers and clearing organizations	303,896	330,621
Receivables from affiliates	30,412	20,190
Deposits with clearing organizations	350,000	350,000
Income taxes receivable (including deferred tax asset of $0 and $0, respectively)	17,000	290,785
Fixed assets, net of accumulated depreciation of $70,780 and $63,100 respectively	5,050	11,772
Other assets	143,718	128,847
Total assets	$ 2,438,822	$ 3,417,716
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Compensation payable	$ 162,757	$ 227,098
Payable to affiliates	631	594
Income tax payable	14,602	62,535
Loans payable	400,000	-
Accrued expenses and other liabilities	621,607	1,040,435
Total liabilities	1,199,597	1,330,662
Commitments and contingencies (Note J)		
Stockholders' Equity		
Common stock, $0.01 par value; 10,000,000 and 100,000,000 authorized, respectively, and 600,090 issued and outstanding, respectively	6,001	6,001
Additional paid-in capital	53,886,180	53,886,180
Accumulated deficit	(52,652,956)	(51,805,127)
Total stockholders's equity	1,239,225	2,087,054
Total liabilities and stockholders' equity	$ 2,438,822	$ 3,417,716

See notes to consolidated financial statements.

MORGAN GROUP HOLDING CO. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF OPERATIONS

	Year Ended December 31,	
	2023	**2022**
Revenues		
Commissions	$ 2,020,408	$ 1,943,019
Principal transactions	(3,371)	7,780
Dividends and interest	118,059	55,198
Other revenues	6,433	5,425
Total revenues	2,141,529	2,011,422
Expenses		
Compensation and related costs	1,142,047	1,137,009
Clearing charges	837,601	786,670
General and administrative	835,853	813,356
Occupancy and equipment	169,101	214,212
Loan interest	4,756	-
Total expenses	2,989,358	2,951,247
Loss before provision for income tax	(847,829)	(939,825)
Provision for income tax	-	9,366
Net loss	$ (847,829)	$ (949,191)
Net loss per share		
Basic	$ (1.41)	$ (1.58)
Diluted	$ (1.41)	$ (1.58)
Weighted average shares outstanding:		
Basic	**600,090**	**600,090**
Diluted	**600,090**	**600,090**
Actual shares outstanding	**600,090**	**600,090**

See notes to consolidated financial statements.

MORGAN GROUP HOLDING CO. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE YEAR-TO-DATE DECEMBER 31st

	Shares	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Total
Balance at December 31, 2021	600,090	$ 6,001	$ 53,886,180	$ (50,855,936)	$ 3,036,245
Net loss		-	-	(949,191)	(949,191)
Balance at December 31, 2022	600,090	6,001	$ 53,886,180	$ (51,805,127)	$ 2,087,054
Net loss		-	-	(847,829)	(847,829)
Balance at December 31, 2023	600,090	6,001	$ 53,886,180	$ (52,652,956)	$ 1,239,225

See notes to consolidated financial statements.

MORGAN GROUP HOLDING CO. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2023	2022
Operating activities		
Net loss	$ (847,829)	$ (949,191)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	7,680	10,931
(Increase)/decrease in operating assets:		
Receivables from brokers and clearing organizations	26,725	(234,875)
Receivables from affiliates	(10,222)	(8,475)
Income taxes receivable	273,735	(15,500)
Other assets	(14,873)	550,678
Increase/(decrease) in operating liabilities:		
Payable to affiliates	37	548
Income taxes payable	(47,883)	14,185
Compensation payable	(64,342)	(247,619)
Accrued expenses and other liabilities	(418,825)	275,922
Total adjustments	(247,968)	345,795
Net cash used in operating activities	(1,095,797)	(603,396)
Cash flows from investing activities:		
Purchase of fixed assets	(958)	-
Net cash used in investing activities	(958)	-
Cash flows from financing activities:		
Loans from affiliate	$ 400,000	$ -
Net cash provided by investing activities	$ 400,000	$ -
Net increase/(decrease) in cash, cash equivalents, and restricted cash	(696,755)	(603,396)
Cash, cash equivalents, and restricted cash at beginning of year	2,635,501	3,238,897
Cash, cash equivalents, and restricted cash at end of year	$ 1,938,746	$ 2,635,501
Reconciliation to cash, cash equivalents, and restricted cash		
Cash and cash equivalents	$ 1,588,746	$ 2,285,501
Restricted cash: deposits from clearing organizations	350,000	350,000
Cash, cash equivalents, and restricted cash	$ 1,938,746	$ 2,635,501

See notes to consolidated financial statements.

A. Organization and Business Description

Morgan Group Holding Co. (the "Company," "Morgan Group," or "Morgan") was incorporated in November 2001 as a Delaware corporation to serve as a holding company which seeks acquisitions as part of its strategic alternatives. Prior to the October 31, 2019 merger with G.research, LLC ("G.research"), discussed below, Morgan Group had no operating companies.

The Company acquired G.research from Associated Capital Group, Inc. ("AC"), an affiliate of the Company, on October 31, 2019, in exchange for issuing 500,000 shares of the Company's common stock to AC (the "Merger"). Accordingly, G.research became a wholly owned subsidiary of the Company. Prior to the transaction, G.research was a wholly-owned subsidiary of Institutional Services holdings, LLC, which, in turn, is a wholly-owned subsidiary of AC. After the transaction, AC had an 83.3% ownership interest in the Company. As a result of this common ownership, the transaction was treated as a combination between entities under common control that led to a change in the reporting entity. The recognized assets and liabilities were transferred at their carrying amounts at the date of the transaction.

On March 16, 2020, AC's Board of Directors approved the spin-off of the Company to AC's shareholders. Upon execution of the spin-off on August 5, 2020, AC distributed to its shareholders on a pro rata basis the 500,000 shares of Morgan that AC owns.

On May 5, 2020, the Morgan Group board approved a reverse stock split of the issued and outstanding shares of their common stock, par value $0.01 per share, in a ratio of 1-for-100 that was effective on June 10, 2020.

G.research is a broker-dealer registered with the Securities and Exchange Commission (the "SEC") and is regulated by the Financial Industry Regulatory Authority ("FINRA").

The Company generates brokerage commission revenues from securities transactions executed on an agency basis on behalf of institutional clients and mutual funds, private wealth management clients and retail customers of affiliated companies. The Company may from time to time, generate revenue from syndicated underwriting activities. It primarily participates in the offerings of certain closed-end funds advised by Gabelli Funds, LLC ("Gabelli Funds"), a wholly-owned subsidiary of GAMCO Investors, Inc. ("GAMCO") an affiliate. The Company also earns investment income generated from its proprietary trading activities.

The Company acts as an introducing broker, and all securities transactions for the Company and its customers are cleared through and carried by three New York Stock Exchange ("NYSE") member firms on a fully disclosed basis. The Company has Proprietary Accounts of Introducing Brokers ("PAIB") agreements with these firms. Accordingly, open customer transactions are not reflected in the accompanying Consolidated Statements of Financial Condition. The Company is exposed to credit losses on these open transactions in the event of nonperformance by its customers, pursuant to conditions of its clearing agreements with its clearing brokers. This exposure is mitigated by the clearing brokers' policy of monitoring the collateral and credit of the counterparties until the transaction is completed.

The Company's principal market is in the United States.

B. Significant Accounting Policies

Consolidated Financial Statements

The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The Company consolidated the subsidiary, G.research, from the date of the Merger with retrospective application. All intercompany transactions and balances have been eliminated. The annual financial statements have been prepared in accordance with U.S. GAAP for annual financial information. In the opinion of management, all adjustments considered necessary for the fair presentation of consolidated financial statements for the years presented have been included.

Use of Estimates

The preparation of the 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.

Segment Analysis

The Company is one segment for reporting purposes.

Cash and Cash Equivalents

Cash and cash equivalents may consist of cash and highly liquid investments with original maturities of less than three months. The Company's investment in an affiliated money market mutual fund meets the criteria to qualify as a cash equivalent. Cash equivalents consist of an affiliated money market mutual fund (The Gabelli U.S. Treasury Money Market Fund), which is invested solely in U.S. Treasuries.

Securities Owned, at Fair Value

Securities owned, at fair value, including common stocks, closed-end funds, and mutual funds, are recorded at fair value with the resulting realized and unrealized gains and losses reflected in principal transactions in the consolidated statements of operations. Realized gains and losses from securities transactions are recorded on the identified cost basis. All securities transactions and transaction costs are recorded on a trade date basis. Dividends are recorded on the ex-dividend date. Interest income and interest expense are accrued as earned or incurred.

Deposits with Clearing Organizations

Deposits with clearing organizations is restricted cash held at the clearing organizations.

Fair Value of Financial Instruments

The carrying amounts of all financial instruments in the consolidated statements of financial condition approximate their fair values.

The Company's financial instruments have been categorized based upon a fair value hierarchy:

- Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 1 assets include cash equivalents.

- Level 2 inputs utilize 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 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 3 inputs are unobservable inputs for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability.

Cash equivalents are valued using the mutual fund's net asset value ("NAV") to measure fair value. Accordingly, cash equivalents are categorized in Level 1 of the fair value hierarchy.

Receivables from Affiliates/Payables to Affiliates

Receivables from affiliates consist of receivables from certain affiliates for expenses paid on their behalf. Payables to affiliates are primarily comprised of expenses paid on behalf of the Company due to GAMCO and AC. See Notes D and G.

Revenue from Contracts with Customers
See Note C.

Dividends and Interest

Dividends are recorded on the ex-dividend date. Interest income and interest expense are accrued as earned or incurred. These amounts are not related to contracts with customers.

Depreciation

Fixed assets are recorded at cost and depreciated using the straight-line method over their estimated useful lives of four to seven years.

Allocated Expenses

The Company is charged or incurs certain overhead expenses that are included in general and administrative and occupancy and equipment expenses in the consolidated statements of operations. These overhead expenses are allocated to the Company by AC and other AC affiliates or allocated by the Company to other AC affiliates as the expenses are incurred, based upon methodologies periodically reviewed by the management of the Company and the AC affiliates. In addition, Gabelli & Company Investment Advisers, Inc. ("GCIA"), a wholly – owned subsidiary of AC, and GAMCO serve as paymasters for the Company under compensation payment sharing agreements. This includes compensation expense and related payroll taxes and benefits which are allocated to the Company for professional staff performing duties related entirely to the Company and those compensation expenses and related payroll taxes and benefits which relate to professional staff who serve more than one entity and whose compensation is therefore allocated to the Company as well as to its affiliates. These compensation expenses are included in compensation and related costs in the consolidated statements of operations.

Income Taxes

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

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

The Company records uncertain tax positions on the basis of a two-step process: (1) the Company determines whether it is more likely than not that the tax positions will be sustained based on the technical merits of the position; and (2) for those tax positions that meet the more-likely-than-not recognition threshold, the Company recognizes the largest amount of tax benefit that is greater than 50 percent likely to be realized upon ultimate settlement with the related tax authority. The Company recognizes the accrual of interest on uncertain tax positions and penalties in income tax benefit on the consolidated statements of operations. Accrued interest and penalties on uncertain tax positions are included within accrued expenses and other liabilities on the Consolidated Statements of Financial Condition.

Credit Losses

The Company measures all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. Any allowance for credit losses are deducted from the amortized cost of the financial asset to present the net amount expected to be collected. The consolidated statements of operations will reflect the measurement of credit losses for newly recognized financial assets as well as the expected increases or decreases of expected credit losses that have taken place during the period.

Recent Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-09, *Improvements to Income Tax Disclosures (Topic* 740). This ASU requires greater disaggregation of income tax disclosures related to a reporting entity's effective tax rate reconciliation as well as additional information on income taxes paid. The ASU is effective on a prospective basis for annual periods beginning after December 15, 2024. Early adoption is also permitted for annual financial statements that have not yet been issued or made available for issuance. The Company is currently evaluating the impact of this guidance on the financial statements.

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280)*, which improves reportable segment disclosure requirements. The new standard will require enhanced disclosures about a public company's significant segment expenses and more timely and detailed segment information reporting throughout the fiscal period, including for companies with a single reportable segment. The standard is effective for annual periods beginning after December 15, 2023 and interim periods beginning after December 15, 2024, and early adoption is permitted. The Company is currently evaluating the impact of this guidance on the financial statements.

C. Revenue from Contracts with Customers

Revenue from contracts with customers includes commissions and fees earned from affiliated entities pursuant to research services agreements. Significant judgments that affect the amounts and timing of revenue recognition:

The Company's analysis of the timing of revenue recognition of each revenue stream is based on the provisions of each respective 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. 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 judgment at the current time.

The Company's assessment of the recognition of these revenues is as follows:

Commissions

Brokerage commissions: Acting as agent, the Company buys and sells securities on behalf of its customers. Commissions are charged on the execution of these securities transactions made on behalf of client accounts and are negotiated. The Company recognizes commission revenue when the related securities transactions are executed on trade date. The Company believes that the performance obligation is satisfied on the trade date because that is when the underlying financial instrument or purchaser is identified, the pricing is agreed upon and the risks and rewards of ownership have been transferred to/from the customer. Commissions earned are typically collected from the clearing brokers utilized by the Company on a daily or weekly basis.

Hard dollar payments: The Company provides research services to unrelated parties, for which direct payment is received. The company may, or may not, have contracts for such services. Where a contract for such services is in place, the contractual fee for the period is recognized ratably over the contract period, which is considered the period over which the Company satisfies its performance obligation. For payments where no research contract exists, revenue is not recognized until agreement is reached with the client at which time the performance obligation is considered to have been met and revenue is recognized.

Commission revenues are impacted by the perceived value of the research service provided to clients, the volume of securities transactions, and the acquisition or loss of new client relationships.

Total revenues from contracts with customers by type were as follows for the years ended December 31, 2023 and 2022:

	Years ended December 31,	
	2023	2022
Commissions	$ 1,909,464	$ 1,801,485
Hard dollar payments	110,944	141,534
	$ 2,020,408	$ 1,943,019

D. Related Party Transactions

At December 31, 2023 and 2022, the Company had an investment of $1,570,588 and $2,259,801, respectively, in The Gabelli U.S. Treasury Money Market Fund advised by Gabelli Funds, which is an affiliate of the Company. The amount was recorded in cash and cash equivalents in the consolidated statements of financial condition. Income earned from this investment in 2023 and 2022 totaled $87,645 and $33,520, respectively, and was included in dividends and interest in the consolidated statements of operations.

In 2023 and 2022, the Company earned $1,375,134 and $1,179,888, or approximately 68% and 61%, respectively, of its commission revenue from transactions executed on behalf of funds advised by Gabelli Funds and private wealth management clients advised by GAMCO Asset Management Inc., each affiliates of the Company.

The Company's rent is currently being accounted for on a month-to-month basis. GAMI allocates this expense to the Company based on the percentage of square footage occupied by the Company's employees (including pro rata allocation of common space). Pursuant to the arrangement, GAMI and its affiliates shall pay a monthly fixed lease amount for the twelve month period. For the years ended December 31, 2023 and 2022, the Company paid $70,734 and $56,562, respectively, under the rent arrangement. These amounts are included within occupancy and equipment expenses on the consolidated statements of operations.

GAMCO provides the Company with shared office space, human resources and payroll services, information technology support, the cost and expense of which are determined pursuant to an allocation schedule that is periodically reviewed.

The Company provides payment services for its parent, Morgan Group.

Morgan entered into a Loan Agreement with an affiliate, Associated Capital Group, Inc. on November 20, 2023, set to mature on December 31, 2024 ("the AC Loan"). The principal amount of the AC Loan is $400,000 at an interest rate of 14% per annum and is unsecured. All principal and interest on the AC Loan is due and payable at maturity. Morgan also entered into another Loan Agreement with a related party on April 3, 2024, set to mature on August 31, 2025 ("the Related Party Loan"). The principal amount of the Related Party Loan is $225,000 at an interest rate of 14% per annum and is unsecured. All principal and interest on the Related Party Loan is due and payable at maturity.

MGHL is dependent on the operations of the G.research for its day-to-day funding needs. MGHL's ability to continue as a going concern is dependent on its ability to satisfy its obligations under the AC Loan and the Related Party Loan (collectively, "the Loans"). Absent a further extension of the maturity dates of the Loans or a capital infusion, MGHL will rely on the operations of the G.research to provide the funds needed to repay the Loans when they mature. While G.research expects to have sufficient funds to meet operating obligations, there is uncertainty as to MGHL's ability to repay the Loans at their stated maturity dates.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the recovery of the Company's assets and the satisfaction of liabilities in the normal course of business.

E. Fair Value

The following tables present information about the Company's assets and liabilities by major category measured at fair value on a

recurring basis as of December 31, 2023 and 2022 and indicates the fair value hierarchy of the valuation techniques utilized by the Company to determine such fair value:

Assets Measured at Fair Value on a Recurring Basis as of December 31, 2023:

	December 31, 2023			
Assets	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Total**
Cash equivalents	$ 1,570,588	$ -	$ -	$ 1,570,588
Total assets at fair value	$ 1,570,588	$ -	$ -	$ 1,570,588

Assets Measured at Fair Value on a Recurring Basis as of December 31, 2022:

	December 31, 2022			
Assets	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Total**
Cash equivalents	$ 2,259,801	$ -	$ -	$ 2,259,801
Total assets at fair value	$ 2,259,801	$ -	$ -	$ 2,259,801

There were no transfers of assets between levels during the year ended December 31, 2023 and 2022.

F. Retirement Plan

The Company maintains its own incentive savings plan (the "Plan") covering substantially all employees. Company contributions to the Plan are determined annually by Company Board of Directors but may not exceed the amount permitted as a deductible expense under the Internal Revenue Code. During 2023, $290 was expensed. There were no amounts expensed in 2022.

The plan was determined to be top-heavy for 2023. A plan is deemed top-heavy when more than 60% of plan balances are attributable to key employees. Accordingly, a minimum contribution must be allocated to the non-Key employees equal to the lesser of 3% of compensation *or* the highest percentage of compensation received by any Key employee for the plan year. The minimum contribution for 2023 was $13,681.

G. Income Taxes

Income tax expense for the years ending December 31 consisted of:

	2023	2022
Federal:		
Current	$ -	$ -
Deferred	-	-
State and local:		
Current	-	9,366
Deferred	-	-
Total	$ -	$ 9,366

A reconciliation of the federal statutory rate to the effective tax rate for 2023 and 2022 is set forth below:

	2023	2022
Statutory Federal income tax rate	21.0%	21.0%
State income tax, net of Federal benefit	4.92%	4.19%
State Valuation Allowance	-4.92%	-4.98%
Federal Valuation Allowance	-19.80%	-20.04%
Other	-1.20%	-1.17%
Effective income tax rate	0.00%	-1.00%

Significant components of our net deferred tax assets and liabilities as of December 31, 2023 and 2022 were as follows:

	2023	2022
Deferred tax assets:		
Federal and State NOL Carryforward	1,244,988	1,017,435
Capital loss carryforward	6,319	5,708
Fixed assets	8,137	6,859
Other	1,391	10,308
Total Gross DTA	1,260,835	1,040,310
Less: Valuation Allowance	(1,258,068)	(1,037,374)
Total Deferred Tax Assets	2,767	2,936
Deferred tax liabilities:		
Other	6	(1)
Stock Based Compensation	(2,773)	(2,935)
	(2,767)	(2,936)
Net deferred tax assets	-	-

In accordance with IRC Section 382, corporations are generally required to limit the amount of its income in future years that can be offset by historic losses, i.e., net operating loss (NOL) carryforwards and certain built-in losses, after a corporation has undergone an ownership change. As a result of the Company's equity financings in recent years, the Company underwent changes in ownership pursuant to the provisions of the IRC Section 382, therefore, annual use of any of the Company's net operating loss carry forwards may be limited if cumulative changes in ownership of more than 50% occur during any three-year period.

At December 31, 2023 and 2022, for Federal taxes and for certain states in which the Company files separate tax returns, the Company recorded net deferred tax assets of approximately $1,258,068 and $1,037,374 respectively, relating mainly to net operating losses. The Company concluded that it is not more likely than not that the benefit from these net assets will be realized and has provided a valuation allowance for the full amount of the net deferred tax assets.

At December 31, 2022, included in taxes receivable of $290,785 the amount of $273,735 and a payable of $46,849, respectively, represent a net balance due from AC for the Company's losses utilized by AC through the date of the spin-off, August 5, 2020. These amounts were settled in 2023.

As of December 31, 2023, the Company is not aware of any potentially material uncertain tax positions that were not included in the Company's consolidated financial statements. The Company, which includes G.research and was part of AC's unitary filing group through August 5, 2020, is not under any tax examination as of December 31, 2023. The Company has filed its 2022 corporate income tax returns in states where they have determined a filing obligation exists. The Company believes there are no uncertain tax positions

("UTPs") as it relates to their federal and state filings, and as such has not recorded any tax expense related to UTPs.
As of December 31, 2023 and 2022, management has not identified any potential subsequent events that could have a significant impact on unrecognized tax benefits within the next twelve months. The Company remains subject to income tax examination by the Internal Revenue Service for years after 2019 and state examinations for years after 2018.

H. Earnings per Share

Basic earnings per share is computed by dividing net income/(loss) attributable to shareholders by the weighted average number of shares outstanding during the year. There were no dilutive shares outstanding during the years.

The computations of basic and diluted net loss per share are as follows (in thousands, except per share data):

	For the Years Ending December 31,	
	2023	**2022**
Basic:		
Net loss attributable to shareholders	$ (847,829)	$ (949,191)
Weighted average shares outstanding	600,090	600,090
Basic net loss attributable per share	$ (1.41)	$ (1.58)
Diluted:		
Net loss attributable to shareholders	$ (847,829)	$ (949,191)
Weighted average share outstanding	600,090	600,090
Diluted net loss per share	$ (1.41)	$ (1.58)

I. Equity

On June 10, 2020, the Company completed a 1-for-100 reverse stock split of the Company's outstanding common stock (the "Reverse Stock Split"). As a result of the Reverse Stock Split, the Company's issued and outstanding common stock decreased from 60,009,005 shares to 600,090. The par value of the common stock was not adjusted as a result of the Reverse Stock Split. Accordingly, unless otherwise noted, all historical share and per share information as well as common stock and additional paid in capital balances contained in the consolidated financial statements and related footnotes have been restated to retroactively show the effect of the Reverse Stock Split.

J. Guarantees, Contingencies, and Commitments

The Company has agreed to indemnify its clearing brokers for losses they may sustain from the customer accounts that trade on margin introduced by the Company. At December 31, 2023 and 2022, the total amount of customer balances subject to indemnification (i.e., unsecured margin debits) was immaterial. The Company also has entered into arrangements with various other third parties, many of which provide for indemnification of the third parties against losses, costs, claims and liabilities arising from the performance of the Company's obligations under the agreements. The Company has had no claims or payments pursuant to these or prior agreements, and management believes the likelihood of a claim being made is remote, and therefore, an accrual has not been made in the consolidated financial statements.

From time to time, the Company is named in legal actions and proceedings. 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. The examinations or investigations could result in adverse judgments, settlements, fines, injunctions, restitutions, or other relief. The Company cannot predict the ultimate outcome of such matters. The consolidated financial statements include the necessary provisions for losses that the Company believes are probable and estimable. Furthermore, the Company evaluates whether losses exist which may be reasonably possible and, if material, makes the necessary disclosures. Such amounts, both those that are probable and those that are reasonably possible, are not considered material to the Company's consolidated financial condition, operations, or cash flows.

K. Net Capital Requirements

As a registered broker-dealer, G.research is subject to the SEC Uniform Net Capital Rule 15c3-1 (the "Rule"), which specifies, among other requirements, minimum net capital requirements for registered broker-dealers. G.research computes its net capital under the alternative method as permitted by the Rule, which requires that minimum net capital be the greater of $250,000 or 2% of the aggregate debit items in the reserve formula for those broker-dealers subject to Rule 15c3-3. G.research is exempt from Rule 15c3-3 pursuant to paragraph (k)(2)(ii) of that rule which exempts all customer transactions cleared through another broker-dealer on a fully disclosed basis. In addition, our assets at the clearing broker-dealer are treated as allowable assets for net capital purposes as we have in place PAIB agreements pursuant to Rule 15c3-3. These requirements also provide that equity capital may not be withdrawn, advances to affiliates may not be made or cash dividends paid if certain minimum net capital requirements are not met. At December 31, 2023 and 2022, G.research had net capital, as defined, of $1,228,714 and $1,670,152, respectively, exceeding the required amount of $250,000 by $978,714 and $1,420,152, respectively.

L. Subsequent Events

The Company has evaluated subsequent events for adjustment to or disclosure through April 29, 2024, the date of this report and the Company has not identified any subsequent events not otherwise reported in these financial statements or the notes thereto, that required recognition or additional disclosures in the financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the consolidated financial statements and the notes thereto included in "Financial Statements and Supplementary Data." This discussion contains forward-looking statements and involves numerous risks and uncertainties, including, but not limited to those described in Part C of this Annual Report "Risk Factors." Our actual results could differ materially from those anticipated by such forward-looking statements due to factors discussed under "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements" appearing elsewhere in this Annual Report.

Overview

Through G.research, we provide institutional research services. Institutional research services revenues consist of brokerage commissions derived from securities transactions executed on an agency basis or direct payments from institutional clients as well as underwriting profits, selling concessions, and management fees associated with underwriting activities. Commission revenues vary directly with the perceived value of the research provided, as well as account activity and new account generation.

Operating Results for the Year Ended December 31, 2023 as Compared to the Year Ended December 31, 2022

Revenues

Institutional research service revenues were $2,020.4thousand for the year ended December 31, 2023, $77.4thousand, or 4.0%, higher than total revenues of $1,943.0 thousand for the year ended December 31, 2022. Institutional research services revenues by revenue component, excluding principal transactions, were as follows (dollars in thousands):

	Year Ended December 31,		Increase (Decrease)	
	2023	2022	$	%
Commissions	$ 1,910	$ 1,802	$ 108	6.0%
Hard dollar payments	111	142	(31)	-21.6%
	$ 2,020	$ 1,943	$ 77	4.0%

Commissions and hard dollar payments in 2023 were $2,020.4 thousand a $77.4thousand, or 4.0%, increase from $1,943.0 million in 2022. The increase was primarily due to higher brokerage commissions from securities transactions executed on an agency basis. For each of the years ended December 31, 2023 and 2022, G.research earned $1,375.1 thousand and $1,179.9 thousand , respectively or approximately 68% and 61%, respectively, of its commission revenue from transactions executed on behalf of funds advised by Gabelli Funds, LLC and clients advised by GAMCO Asset Management Inc.

Principal Transactions

During 2023, net loss from principal transactions were $3.4 thousand, versus net gains from principal transactions of $7.8 thousand in 2022.

Interest and dividend income increased to $0.118.1 thousand in 2023 from $ 55.2 thousand in 2022, primarily due to a sharp increase in short-term rates.

Expenses

Total expenses were $2,989.4 thousand and $2,951.2 thousand for the years ended December 31, 2023 and December 31, 2022, respectively. Clearing costs increased commensurate with the increase revenue offset by a decrease occupancy and equipment expenses. Compensation costs remained level year over year.

Compensation costs, which includes salaries, bonuses, and benefits, were $1, 142.0 thousand and $1,137.0 thousand for the year ended December 31, 2023 and December 31, 2022, respectively. Salaries increases were offset by a decrease in commission expense.

Income Tax Expense

For the years ended December 31, 2023 and 2022, we recorded income tax expense of $0 and $9.4 thousand, respectively, for an effective tax rate of -0.0% and -1.0%, respectively.

Net Loss

Net loss for the year ended December 31, 2023 was $847.8 versus $949.2 thousand for the year ended December 31, 2022.

Liquidity and Capital Resources

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

	Year Ended December 31,	
	2023	**2022**
Cash flows used in:		
Operating activities	$ (697)	$ (603)
Net decrease in cash and cash equivalents	(697)	(603)
Cash, cash equivalents, and restricted cash at beginning of year	2,636	3,239
Cash, cash equivalents, and restricted cash at end of year	1,939	2,636

Net cash used by operating activities was $696.8 thousand for the year ended December 31, 2023, resulting from a net loss of $847.8 thousand and a decrease in operating liabilities of $131.0 thousand offset by a net decrease in operating assets of $972.2 thousand. Net cash used by operating activities was $603.4 thousand for the year ended December 31, 2022, resulting from a net loss of $949.2 thousand offset by net decrease in operating assets of $291.8 thousand.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements.

Critical Accounting Policies

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

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

Revenue Recognition

The Company provides institutional research services and earns brokerage commissions and sales manager fees from securities transactions executed on an agency basis on behalf of institutional clients and mutual funds, private wealth management clients, and retail customers of affiliated companies. Commission revenue and related clearing charges are recorded on a trade-date basis and are included in institutional research services and other operating expenses, respectively, on the consolidated statements of operations.

The Company has also been involved in syndicated underwriting activities that included public equity and debt offerings managed by major investment banks. Underwriting fees include gains, losses, selling concessions and fees, net of syndicate expenses, arising from securities offerings in which the Company acts as underwriter or agent and are accrued as earned.

See Note C, Revenue from Contracts with Customers, in the consolidated financial statements.

Securities Owned, at Fair Value

Securities owned, at fair value, including common stocks, closed-end funds, and mutual funds, are recorded at fair value with the resulting realized and unrealized gains and losses reflected in principal transactions in the consolidated statements of operations. Realized gains and losses from securities transactions are recorded on the identified cost basis. All securities transactions and transaction costs are recorded on a trade date basis. Dividends are recorded on the ex-dividend date. Interest income and interest expense are accrued as earned or incurred.

Allocated Expenses

The Company is charged or incurs certain overhead expenses that are included in general and administrative and occupancy and equipment expenses in the consolidated statements of operations. These overhead expenses are allocated to the Company by AC and other AC affiliates or allocated by the Company to other AC affiliates as the expenses are incurred, based upon methodologies periodically reviewed by the management of the Company and the AC affiliates. In addition, Gabelli & Company Investment Advisers, Inc., a wholly – owned subsidiary of AC, and GAMCO Investors, Inc. serve as paymasters for the Company under compensation payment sharing agreements. This includes compensation expense and related payroll taxes and benefits which are allocated to the Company for professional staff performing duties related entirely to the Company and those compensation expenses and related payroll taxes and benefits which relate to professional staff who serve more than one entity and whose compensation is therefore allocated to the Company as well as to its affiliates. These compensation expenses are included in compensation and related costs in the consolidated statements of operations.

Income Taxes

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

See Note B, Significant Accounting Policies – Income Taxes and G. Income Taxes, in the consolidated financial statements.

Credit Losses

The Company measures all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. Any allowance for credit losses are deducted from the amortized cost of the financial asset to present the net amount expected to be collected. The consolidated statements of operations will reflect the measurement of credit losses for newly recognized financial assets as well as the expected increases or decreases of expected credit losses that have taken place during the period.

Seasonality and Inflation

We do not believe that our operations are subject to significant seasonal fluctuations. We do not believe inflation will significantly affect our compensation costs, as they are substantially variable in nature. The rate of inflation may affect certain other expenses, however, such as information technology and occupancy costs.

OUTSIDE PROVIDERS

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

1. Investment Banker: None

2. Promoter: None

3. Securities Counsel: Olshan Frome Wolosky LLP
   1325 Avenue of the Americas
   New York, NY 10019
   Tel: +1 (212) 451-2300
   Fax: +1 (212) 451-2222
   Email: info@olshanlaw.com
   www.olshanlaw.com

4. Auditor: RSM US LLP ("RSM")
   151West 42nd Street, 19th Floor
   New York, NY 10036
   www.rsmus.com

   Preparation of MGHL's consolidated financial statements is the responsibility of management. RSM is responsible for expressing an opinion on the consolidated financial statements as of December 31, 2023 and 2022 and for each of the three years in the period ended December 31, 2023 based on their audits. During 2023 and 2022, we incurred audit fees from RSM of $0.2 million and $0.1 million, respectively, related to the audits of the financial statements of MGHL. During 2023 and 2022, we did not incur any other audit-related or other fees from RSM.

   RSM is registered with the PCAOB (ID: 49).

5. Public Relations Consultant: None

6. Investor Relations Consultant: None

7. Any Other Advisor: None

PART E: ISSUANCE HISTORY

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

There were no Class A Stock issued during the fiscal years 2023 and 2022.

PART F: EXHIBITS

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

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

See index on page 30.

(2) List of exhibits:

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

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

Exhibit Number	Description of Exhibit
3.1	Certificate of Incorporation of the Company. (Incorporated by reference to Exhibit 3.1 to the Company's Form 10-K dated February, 29, 2019 filed with the Securities and Exchange Commission on February 26, 2019).
3.2	Bylaws of the Company. (Incorporated by reference to Exhibit 3.1 to the Company's Form 10-K dated February, 26, 2019 filed with the Securities and Exchange Commission on February 26, 2019).
10.1	Agreement and Plan of Merger, dated as of October 31, 2019, by and among Morgan Group Holding Co., G.R. acquisition, LLC, G.research, LLC, Institutional Services Holdings, LLC and Associated Capital Group, Inc. (Incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K of Morgan Group Holding Co. filed with the Securities and Exchange Commission on November 6, 2019).
10.2	Securities Purchase Agreement, dated as of October 31, 2019, by and among Morgan Group Holding Co. and the investors signatory thereto (Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K of Morgan Group Holding Co. filed with the Securities and Exchange Commission on November 6, 2019).
10.3	Amended and Restated Expense Sharing Agreement, dated as of November 23, 2016, between G.research, LLC and GAMCO Investors, Inc. (Incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K of Morgan Group Holding Co. filed with the Securities and Exchange Commission on November 6, 2019).
10.4	Amended and Restated Expense Sharing Agreement, dated as of November 23, 2016, between G.research, LLC and Gabelli & Company Investment Advisers, Inc. (Incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K of Morgan Group Holding Co. filed with the Securities and Exchange Commission on November 6, 2019).
10.5	Expense Sharing Agreement, dated as of November 23, 2016, between G.research, LLC and Associated Capital Group, Inc. (Incorporated by reference to Exhibit 10.4 to the Current Report on

	Form 8-K of Morgan Group Holding Co. filed with the Securities and Exchange Commission on November 6, 2019).
10.6	License Agreement, dated as of October 31, 2019, between G.research, LLC and GAMCO Investors, Inc. (Incorporated by reference to Exhibit 10.5 to the Current Report on Form 8-K of Morgan Group Holding Co. filed with the Securities and Exchange Commission on November 6, 2019).

Exhibit 21.1

Subsidiaries of Morgan Group Holding Co

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

Name	Jurisdiction of Incorporation or Organization
G.research, LLC	Delaware
(100%-owned by Morgan Group Holding Co)	

CERTIFICATIONS

<u>Certification by the principal executive officer</u>

I, Vincent Amabile, Jr.certify that:

1. I have reviewed this annual disclosure statement of Morgan Group Holding Co.;

2. Based on our knowledge, this disclosure statement 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 disclosure statement; and

3. Based on our knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, 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 disclosure statement.

Date: April 29, 2024

<u>/s/ Vincent Amabile, Jr.</u>
Name: Vincent Amabile, Jr.
Title: Chief Executive Officer (Principal Executive Officer)

<u>Certification by the principal financial officer</u>

I, Joseph L Fernandez, certify that:

1. I have reviewed this annual disclosure statement of organ Group Holding Co;

2. Based on my knowledge, this disclosure statement 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 disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, 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 disclosure statement.

Date: April 29, 2024

<u>/s/ Joseph L Fernandez</u>
Name: Joseph L Fernandez
Title: Executive Vice President – Finance (Principal Financial Officer)